

Socio-economic impacts of YMCA LandAid House

Full report and detailed methodology

May 2025

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Executive Summary

YLCAN and LandAid House

YMCA London City and North (YLCAN) is a long-established charity supporting young people across some of London's most deprived boroughs, with a focus on housing, youth services, and community programmes.

LandAid House opened in 2021 and has supported 375 residents to date.

The facility includes 146 en-suite bedrooms, communal kitchens, social spaces, wellbeing facilities, and a Youth Hub.

Residents are provided with integrated support services, including mental health support, counselling, training, and job-search assistance.

To date, 45% of residents who have moved on from LandAid House have done so successfully, transitioning to more independent living arrangements.



The need for housing

England is experiencing a long-term housing crisis, with demand far outstripping supply. The shortfall is especially severe for affordable homes, leaving many households priced out of secure, stable housing.

National housing crisis



The previous government aimed to deliver 300,000 new homes per year, but supply has consistently fallen short (26% below target).

The new Government has set a goal to build 1.5 million new homes by the end of the current parliament. The 2024 Budget allocated £5 billion for housing supply, including affordable and social housing, and a new Planning and Infrastructure Bill (published in March 2025) aims to speed up planning decisions and remove barriers to delivering key developments.

Need for social housing



England needs 145,000 new affordable homes each year to 2031. Over the past decade, average annual affordable housing delivery was 54,000, meeting only 37% of the identified need.



As of 2024, 1.33 million households were on local authority housing waiting lists across England — the highest level since 2014. London accounts for 25% of all households on waiting lists nationally, up from 19% in 2014.



There are currently 126,040 households living in temporary accommodation, with 56% (70,450) located in London. In terms of a fiscal cost, the Government is budgeting £1.4bn between April 2024 and March 2025, on homelessness (including temporary accommodation) across local authorities in England.

Homelessness crisis

Homelessness in England has reached critical levels, driven by a shortage of affordable housing and rising living costs. The crisis is placing increasing pressure on local authorities and support services, particularly for young people.

354,000 As of December 2024, approximately 354,000 individuals were recorded as homeless in England — equal to 1 in every 160 people and a 14% year-on-year increase.

53% The problem is particularly acute in London, which accounts for 53% of all homelessness in England — 1 in every 47 residents.



Youth homelessness is rising, with over 101,000 young people aged 16–24 approaching councils for help between April 2023 and March 2024 — a 12% increase on the previous year.



Young refugees often face significant barriers to support and are frequently not prioritised by local authorities, increasing the risk of rough sleeping.

Benefit Cost ratio of LandAid House

A conservative assessment finds that for every **£1** spent on delivering LandAid House, over **£2.70** of annual benefits are generated.

Annualised benefits

Cost savings to local authorities for housing individuals experiencing homelessness

£1.3m

- Housing costs for homeless individuals vary depending on the type of accommodation and individual needs.
- Refugee placements are typically more expensive due to reliance on high-cost temporary options like hotels.

Mental and physical health

£4.9m

- Secure housing reduces stress and isolation, boosting emotional wellbeing and resilience.
- Residents gain better access to healthcare and more stable management of health conditions.

Economic

£1.2m

- LandAid House improves employment and education outcomes for young people. It also increases volunteering, benefiting both residents and the wider community.

Cost saving of the criminal justice system

£0.3m

- Stable housing, structured support, and improved mental health outcomes are known to reduce the likelihood of criminal activity among vulnerable groups.

Total annual benefit

£7.8m

An illustrative scenario that reflects the life-changing impact of providing housing at a critical moment, enabling a fundamental shift onto a more positive life trajectory, would increase the estimated benefit to **£5.45** for every **£1** spent.

The annualised benefit only captures the benefits to individuals and the costs of providing housing during their time at LandAid House. In reality, providing stable, high-quality housing at a critical point in a young person's life can have long-term, life-changing impacts. A high-level scenario that factors in these longer-term benefits increases the total estimated annual benefit to £16m, resulting in an illustrative gross benefit-cost ratio (BCR) of £5.45.

LandAid facilities and programmes

LandAid facilities

LandAid House includes 146 ensuite bedrooms, including 12 fully accessible rooms. There are a variety of living arrangements designed to promote independence and community:

- 20 five- or six-bedroom flats around a shared kitchen with individual lockable fridges and cupboards
- 12 two-bedroom flats around a shared living room-kitchen
- 4 one-bedroom move on flats
- Residents lounge – The communal lounge area offers a space for socialising. A range of workshops are also held in the lounge that contribute to the learning and development of the residents who participate.;
- Launderette;
- Fitness and Wellbeing Space; and
- Youth Hub.



LandAid facilitated programmes



Mental Health Support

- LandAid House provides free, regular mental health support in partnership with the Brandon Centre.
- 37 residents per year access twice-weekly counselling, including CBT and art therapy.
- Sessions help residents manage stress and anxiety, improving confidence and emotional resilience.
- Mental health support contributes to better engagement with work, education, and independent living.



Employment Support

- LandAid House partners with Rinova to deliver weekly employability workshops.
- Sessions cover CV writing, interview skills, and job searching.
- Residents are also connected with paid internships and mentoring opportunities. 35 young people have taken part in the last eight months, boosting their chances of long-term employment.



Community Support

- LandAid House partners with VYBZ Youth Hub to deliver youth-led events and creative workshops.
- Activities include music sessions, community forums, and volunteering, building confidence and social connection.
- In 2024/25, 67 young people have taken part, developing teamwork, communication, and leadership skills.
- The programme supports personal growth and improves future employment prospects.



Independence Support

- Weekly sessions teach residents to grow and cook healthy meals, building life skills for independent living.
- All 146 residents have access to the Seed-to-Spoon app for recipes, meal planning, and budgeting tips.
- The programme improves residents' nutritional knowledge and helps them make healthier, cost-effective food choices.

2. Introduction

- 2.1 Volterra Partners LLP ('Volterra') has been commissioned by YMCA London City and North (YLCAN) to provide an independent assessment of LandAid House, one of their key supported housing facilities supporting individuals who have experienced homelessness. The aim of this report is to present the social return on investment (SROI) of the facility, including the programmes and services it delivers. This demonstrates the social and economic benefits that LandAid House generates for its residents and the wider local community, reinforcing the long-term value of the support it provides.
- 2.2 YLCAN is an independent charity affiliated with the YMCA movement, which serves over 65 million people in 120 countries.¹ Formed from the merger of City YMCA London and YMCA North London, the organisation provides vital support to vulnerable young people through accommodation, fitness facilities, and community programmes. It continues to play a key role in improving the wellbeing and life chances of young people across London.
- 2.3 The main body of this report is split into the following sections:
- **Overview of YMCA LandAid House:** This section describes the objectives of YMCA LandAid House, the facilities and the current profile of the organisation.
 - **Need for specialised housing for those experiencing homelessness:** This section outlines the scale of the housing crisis in the UK, with a particular focus on the chronic undersupply of affordable and supported housing. It highlights the growing levels of homelessness, especially among young people, and sets out the urgent need for services like LandAid House that provide targeted, stable accommodation and support.
 - **Socio-economic impact of LandAid House:** This section outlines the impact LandAid House has and the social value it contributes to. Not all impacts of LandAid can be monetised, and so consideration is given to such benefits.
 - **Benefit Cost Ratio:** The benefit-cost ratio (BCR) compares the total estimated social and economic benefits of LandAid House to the funding required to deliver the service. It provides a clear measure of value for money based solely on those benefits which are readily quantifiable and monetisable.
 - **Beyond the BCR: Illustrating potential lifetime impacts:** This section explores the longer-term social and economic value that LandAid House may generate beyond what is captured in the formal BCR. By presenting a high-level illustrative scenario, it highlights the potential lifetime benefits for young people who successfully transition out of homelessness, offering a fuller picture of the impact and value of sustained, stable housing and support.

¹ YMCA London City and North, 2025

3. Overview of YLCAN and LandAid House

- 3.1 YLCAN is an independent charity affiliated with the YMCA movement.² It operates across some of London's most deprived boroughs, including Islington, Haringey, Tower Hamlets, Newham, Barnet, and Hackney, as well as the City of London. Over 600,000 young people live in these areas, and YLCAN plays a key role in supporting them through housing, youth services, and community programmes.
- 3.2 YLCAN is focused on empowering young people who are experiencing homelessness to build a future of their own choosing. Its work centres on helping young people make informed choices by providing access to safe and secure accommodation, youth services, and community engagement and support. The organisation's aim is to give young people the stability and confidence they need to develop life skills, engage in education and employment, and ultimately transition to independent living.
- 3.3 Over the past 150 years, YLCAN has supported tens of thousands of young people. At any one time, it houses nearly 400 young people experiencing homelessness, providing both accommodation and tailored support to help them improve their long-term prospects. YLCAN's work is guided by its core values of collaboration, respect, empowerment, accessibility, transformation, and excellence, helping young people to build a stable and positive future.
- 3.4 This report specifically focuses on the impact of LandAid House, one of YLCAN's key supported housing facilities. LandAid House provides secure accommodation for young people experiencing homelessness, along with tailored support to help them transition into independent living. The facility offers not only a place to stay but also practical support with employment, education, mental health, and life skills.

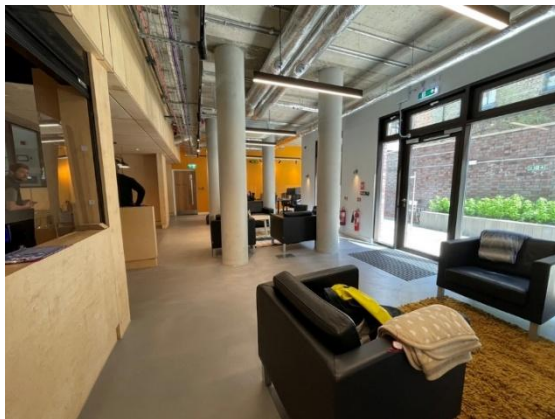
Figure 3.1 Location of LandAid House



² YMCA London City and North, 2025

LandAid House profile

- 3.5 LandAid House opened in 2021 and has supported 375 residents over the past four years, with an average stay of 670 days. It provides long-term stability and support for vulnerable young people aged 16 to 30 who are homeless or in housing need, helping them transition toward independence. There is significant demand for places, with 225 people currently on the waiting list, reflecting the ongoing need for this type of facility.
- 3.6 LandAid House offers more than just accommodation. Residents have access to affordable housing, food, and a range of integrated support services, including: training and personal development, guidance and counselling, and job-search facilities.
- 3.7 LandAid House includes 146 ensuite bedrooms, including 12 fully accessible rooms. Each resident has a private bedroom and bathroom, promoting independence and responsibility. They're encouraged to manage their own mail and either have a private kitchen or share one with others. Shared kitchens provide opportunities to learn cooking skills and build a community. There are a variety of living arrangements designed to promote independence and community:
- 20 five- or six-bedroom flats around a shared kitchen with individual lockable fridges and cupboards
 - 12 two-bedroom flats around a shared living room-kitchen
 - 4 one-bedroom move on flats
 - Additional facilities include:
 - Residents lounge (The communal lounge area offers a space for socialising, with a pool table, computers and a television. A range of workshops are also held in the lounge that contribute to the learning and development of the residents who participate.);
 - Launderette;
 - Reception and meeting spaces;
 - Fitness and Wellbeing Space; and
 - Youth Hub.



- 3.8 The average age of residents is 25, showing that LandAid House primarily serves young adults navigating key life transitions. The main causes of homelessness among residents include being asked to leave by family or friends, refugee status, and relationship breakdowns. Other contributing factors include financial pressures, shared housing issues, discrimination, domestic violence, and overcrowding.
- 3.9 Residents come from diverse cultural backgrounds, with many new to the UK. Each resident has a private bedroom and bathroom, encouraging independence and responsibility. Shared kitchens provide opportunities to develop cooking skills and foster a sense of community. The communal lounge serves as a social hub and hosts a range of workshops that support learning and personal development.
- 3.10 LandAid House plays a crucial role in helping residents transition to independent living. To date, 104 residents have successfully moved on from the facility, indicating a successful-move-on rate of 45% (104 out of 229 residents who have already left LandAid House). Many former residents have returned to share their experiences and reflect on how LandAid House helped them rebuild their lives.

Four brothers who call LandAid House their home

Each brother has built their own social circle within the community and benefits from LandAid House's support in various ways. The eldest brother recently shared his journey. Mikhail explained that like many other young people, he never imagined he would find himself homeless. He came to the UK in 2017 with hopes of building a better future but ended up without a place to live due to family issues. Although things with his family had calmed down, the situation was overwhelming, and he was unsure how to move forward.

Mikhail connected with New Horizon, which introduced him to the YMCA. They welcomed him and provided the support and stability he needed to rebuild his life. His first sheltered accommodation through the YMCA was in a Hounslow hotel, where he stayed for about five weeks. Having a secure place to stay was a relief and helped him begin to regain his footing. He then moved to LandAid House, which became more than just a place to live, it became a community where Mikhail feels safe, valued, and supported. Thanks to their partnership with LandAid, the YMCA provided Mikhail with resources, guidance, and a sense of belonging that helped him regain his confidence.

Since moving to LandAid House, Mikhail has focused on learning new skills, including multiple programming languages and cybersecurity through the Prince's Trust, earning a Cisco certification in cybersecurity. He was also nominated for the Youth Music Award, which motivated him to keep pushing forward. He is currently learning to program artificial intelligence using Python, a skill he is excited to develop further. Looking ahead, Mikhail hopes to make an impact in the tech world and eventually own his own property, applying the independent living skills he developed at LandAid House.

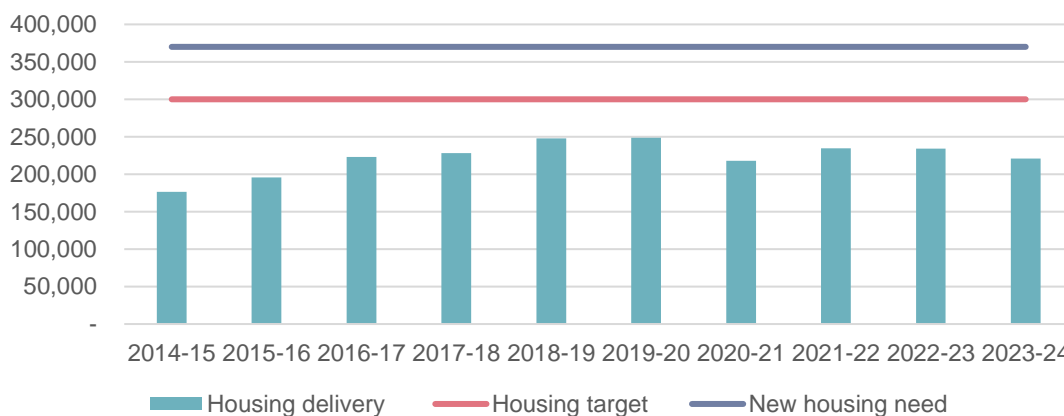
Note: Whilst this story is true, we have changed the name of these young people to safeguard him.

4. Need for specialised housing for those experiencing homelessness

- 4.1 The UK continues to experience a severe housing crisis, driven by rising house prices, increasing mortgage rates and a fundamental lack of housing supply.³ The increasing need for housing nationally contributes to higher levels of homelessness, young people living with their parents for longer periods, more overcrowding, health implications and impaired labour mobility.
- 4.2 The Government has set a goal of constructing 1.5m new homes by the end of the current Parliament.⁴ This is equivalent to an annual need of 370,000 homes to meet the goal. The 2024 Budget has allocated over £5 billion in total towards investment in housing supply, to deliver new homes including affordable and social housing and a new planning and infrastructure bill is expected to arrive in March 2025, which aims to speed up planning decisions to boost housebuilding and remove “unnecessary blockers and challenges” to the delivery of “vital” developments such as roads, railway lines and wind farms.⁵
- 4.3 In the last decade, annual total housing delivery has averaged approximately 223,000 net additional homes per annum (hpa), which is 26% below previous Governments target delivery of 300,000 net additional hpa (Figure 4.1).⁶

Figure 4.1 Annual targets for new homes have consistently been unmet

Net additional homes delivered in England (2014/15 – 2023/24)



Source: DLUHC, 2024. Table 122 Net additional dwellings by local authority district, England 2001-02 to 2023-24

³ Centre for Cities, 2023. The housebuilding crisis: The UK's 4 million missing homes

⁴ Retrieved from <https://questions-statements.parliament.uk>. Accessed November 2024

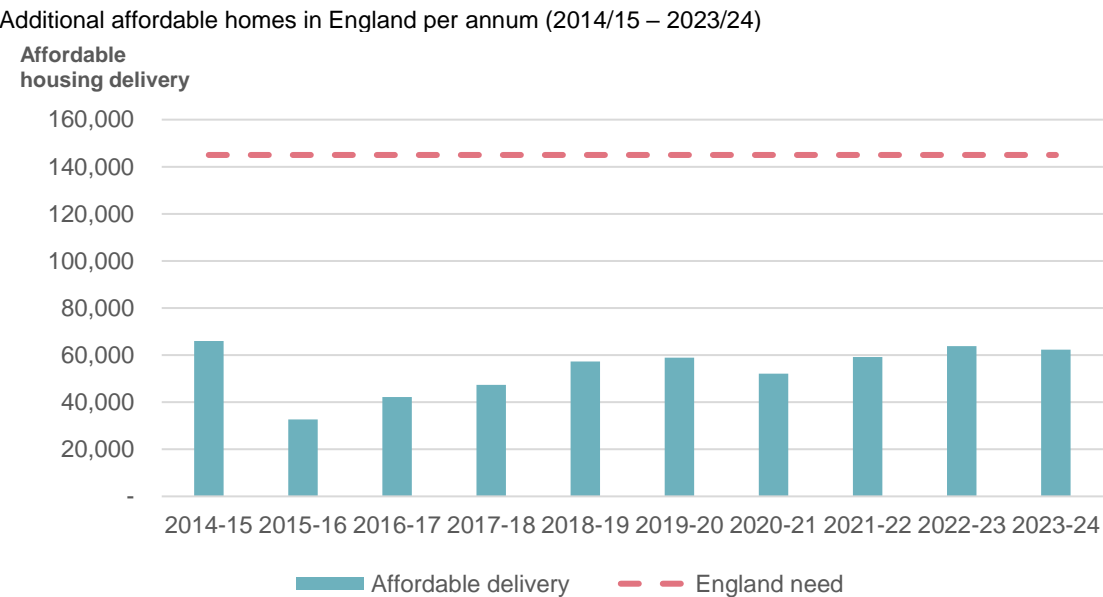
⁵ Retrieved from <https://www.gov.uk/government/news/>. Accessed November 2024; Retrieved from: www.insidehousing.co.uk/news/planning-and-infrastructure-bill-compulsory-purchase-reform-and-national-delegation. Accessed March 2025

⁶ DLUHC, 2024. Table 122 Net additional dwellings by local authority district, England 2001-02 to 2023-24

Need for social housing

4.4 Research commissioned by the National Housing Federation and the Charity Crisis, produced by Heriot-Watt University, identified a need for 145,000 new affordable homes each year in England to 2031.⁷ In 2023/24, 63,000 affordable homes were delivered. While delivery has increased substantially from a low of 33,000 in 2015/16, it is still well below the required level. As illustrated in **Figure 4.2**, the delivery of affordable housing across England has consistently fallen significantly short of this need over the last decade. Average annual affordable housing delivery was 54,000, only making up 37% of the annual identified need during this period.⁸

Figure 4.2 Affordable housing delivery in England consistently falls short of what has been deemed an appropriate 'need' per annum



Source: DLUHC, 2024. Table 1000: Additional affordable homes provided by tenure, England; Barton et al, 2023. Tackling the under-supply of housing in England

4.5 As of 2024, the total number of households on local authority waiting lists across England is 1,330,611 (nearly 5% of total households in England). This is the highest level since 2014, with London in particular seeing a notable rise in recent years.⁹ Over the period from 2014 to 2024 London, as a proportion of all those on waiting lists across the regions nationally, grew by six percentage points to account for 25% in 2024.

4.6 The scale of the housing crisis is further demonstrated through the number of households currently in temporary accommodation (who are also included in the overall waiting lists), which stood at 126,040 in March 2024.¹⁰ London accounts for 70,450 households, equivalent to 56% of all households in temporary

⁷ Barton et al, 2023. Tackling the under-supply of housing in England
⁸ DLUHC, 2024. Table 1000: Additional affordable homes provided by tenure, England
⁹ ONS, 2023. Live Table 600: Local Authority Waiting Lists.
¹⁰ DLUHC, 2024. Statutory homelessness in England: April to June 2024.

accommodation. In terms of a fiscal cost, the Government is budgeting £1.4bn between April 2024 and March 2025, on homelessness (including temporary accommodation) across local authorities in England.¹¹

Need for Supported Housing

- 4.7 The shortage of social housing in England has contributed to a significant rise in homelessness. As of December 2024, approximately 354,000 individuals were recorded as homeless in England, equivalent to one in every 160 people, and a 14% increase on the previous year.¹² This figure includes those living in temporary accommodation, rough sleepers, and individuals in other precarious housing situations.
- 4.8 The challenge is particularly acute in London. The number of homeless individuals in the capital rose by 12% over the past year, reaching approximately 187,000 people, accounting for 53% of all homeless individuals in England.¹³ This equates to one in every 47 London residents experiencing homelessness, significantly higher than the national rate. In January alone, 1,087 refugees approached homelessness services in London for support following Home Office evictions, a 78% increase between September and January.¹⁴ This sharp rise highlights the growing pressure on services and the impact of recent policy changes.
- 4.9 Youth homelessness is also a growing concern. Between April 2023 and March 2024, more than 101,000 young people aged 16–24 approached their local authorities as homeless or at risk of homelessness, a 12% rise compared to the previous year.¹⁵ In London alone, around 15,000 young people sought support, representing a 10% year-on-year increase. The main causes of youth homelessness include family or friends no longer being willing or able to accommodate (50%), domestic abuse (10%), and the end of assured shorthold tenancies (8%).¹⁶ While these figures include refugees, it is important to note that young refugees often face significant barriers when seeking support. Despite approaching local authorities, many are not classified as a priority and receive little meaningful help, often resulting in rough sleeping. These figures highlight the complex and often urgent challenges young people face in securing safe, stable housing.
- 4.10 LandAid House provides a targeted response to this need by offering supported accommodation specifically for young people experiencing homelessness. By combining stable housing with wraparound support services, LandAid House not only meets immediate needs but also helps residents build the foundations for long-term independence. Initiatives like LandAid House play a vital role in addressing this gap, demonstrating a strong social return on investment through focused, high-impact support for vulnerable young people. The following section sets out how this social value has been monetised.

¹¹ DLUHC, 2024. Local authority revenue expenditure and financing England: 2024 to 2025 budget

¹² Shelter, 2024. At least 354,000 people homeless in England today

¹³ Shelter, 2024. At least 354,000 people homeless in England today

¹⁴ London Council, 2024. Hundreds of refugees sleeping rough in London amid 'dramatic spike' in homelessness

¹⁵ Centrepont, 2024. Stats and facts

¹⁶ Centrepont, 2024. Stats and facts

5. Social return of LandAid House

- 5.1 This section considers the ways in which LandAid House delivers benefits. The impacts are split into the following categories:
- Cost savings to the Local Authority;
 - Health;
 - Economic; and
 - Cost saving to the criminal justice system.
- 5.2 Where possible this report presents the impact in monetary terms based on 2023/24 data.¹⁷ All monetary values drawn upon and reported in this report are uplifted to 2024 prices (using ONS consumer price index data) and are rounded to two significant figures.¹⁸ However, there are benefits that cannot be monetised due to limitations in research. Such benefits are stated within each category.
- 5.3 The benefits outlined below assume that all outcomes delivered by LandAid House are fully additional, with no adjustments made for deadweight or displacement. These factors are considered in more detail in **Section 6**, where alternative scenarios are explored.

Benefits

Cost savings to the local authority

It is estimated that the socio-economic value of the cost savings to the local authority as a result of LandAid House was £1.3m. This value includes the cost savings to the local authority through LandAid House housing residents who have experienced homelessness.

- 5.4 Local authorities, including the London Borough of Islington (LBI), have a statutory duty under the Homelessness Reduction Act 2017 to help secure accommodation for individuals at risk of homelessness.¹⁹ This includes people with refugee status and others with no viable housing options, who are entitled to at least six months of support under the 'relief duty'.²⁰ The cost of housing homeless individuals for the local authority can vary significantly depending on the type of accommodation used and the individual's specific circumstances.
- 5.5 Meeting this duty places significant financial pressure on councils. London boroughs collectively spend approximately £4 million per day on temporary accommodation for homeless individuals around £20 per person per day on average.²¹ However, this is likely an underestimate, as it reflects only the cost of accommodation itself and excludes associated costs such as support services, staffing, and casework.

¹⁷ Note: Some figures may not sum due to rounding

¹⁸ ONS, 2024. Consumer price inflation time series (MM23)

¹⁹ Legislation.gov.uk, 2017. Homelessness Reduction Act 2017

²⁰ Shelter England, 2022. Local authority duties to prevent and relieve homelessness

²¹ London Councils, 2024. London's homelessness emergency

- 5.6 The cost of housing refugees however is particularly high, with the Institute for Public Policy Research (IPPR) estimating an average of £145 per night in England.²² This is due to a reliance on more expensive forms of temporary accommodation, such as hotels and serviced apartments, when more appropriate options are unavailable. Refugees may also require more intensive support to navigate the housing and welfare system, further increasing overall costs.
- 5.7 LandAid House charges LBI approximately £60 per night to house residents. This fee includes not only the accommodation itself but also access to on-site facilities and tailored support services.

Cost savings to the local authority through housing refugees

- 5.8 As part of its service, LandAid House accommodates refugees. As mentioned, the IPPR reports that the average cost of housing refugees in England is approximately £145 per night, compared to the £60 per night charged by LandAid House, a saving of £85 per person per night.²³ Therefore, LandAid House is generating a direct cost saving for the local authority.
- 5.9 The following methodology has been applied to estimate the cost saving to the local authority through housing refugees:
- Since opening in 2021, LandAid House has provided accommodation to 109 refugees out of a total of 375 residents, representing approximately 29% of all placements.
 - This 29% has been applied to the total annual capacity of 146 residents, suggesting that approximately 42 residents per year would come from a refugee background.
 - The saving per person per night (£85) reflects the difference between the average cost of housing a refugee in England (£145) and the cost charged by LandAid House (£60). This results in a total annual benefit of approximately £30,300 per person (when adjusted to current prices).
 - The annual benefit per person is then multiplied by the estimated number of refugee residents per year to calculate the total annual benefit.
- 5.10 Therefore, the total estimated cost-saving benefit from housing refugees at LandAid House was £1.3 million.

The Journey of Okot

Okot, a young refugee from Sudan, arrived in the UK seeking safety, independence, and the chance to build a better future. Referred to YLCAN by his advisor, Okot began a new chapter, one that would change the course of his life.

Upon arrival, Okot was paired with a dedicated Key Worker who quickly recognised his intelligence, potential, and quiet determination. While Okot aspired to work in customer service and security, he faced two major barriers: limited English and a lack of documentation required for an SIA licence.

²² IPPR, 2024. Decentralise asylum accommodation to tackle soaring costs and substandard quality, says IPPR

²³ IPPR, 2024. Decentralise asylum accommodation to tackle soaring costs and substandard quality, says IPPR

Together, Okot and his Key Worker created a personalised support plan, starting with English language workshops to boost his communication skills and confidence. Progress was steady, and soon Okot was more engaged, independent, and optimistic.

The journey to secure an SIA badge proved more difficult. After an unsuccessful first attempt due to missing legal documents, Okot faced months of delay and disappointment. But with his Key Worker's persistence and support, they eventually found a solicitor to provide the required Sworn Oath.

Armed with improved language skills and the right documentation, Okot began applying for jobs. With thorough preparation and encouragement, he landed a role at Pret a Manger in Victoria, London, in June 2022—his first step into full-time employment in the UK.

Today, Okot is thriving. He's financially independent, building his confidence daily, and continues to work toward a stable and successful future.

Note: Whilst this story is true, we have changed the name of this young person to safeguard them

Cost savings to the local authority through housing individuals who have experienced homelessness

- 5.11 LandAid House also provides accommodation for British nationals who have experienced homelessness. As noted earlier, the average cost of housing a homeless person in London is estimated at around £20 per person per day. In comparison, LandAid House charges £60 per day, a higher rate that reflects the inclusion of on-site facilities and tailored support services.²⁴
- 5.12 From a financial perspective, the cost of housing residents at LandAid House does not represent a direct saving to the local authority, as they would likely have had to pay a similar amount to house these individuals elsewhere. In other words, the cost of providing accommodation through LandAid House is broadly equivalent to the cost of alternative temporary accommodation that the local authority would have funded in any case.
- 5.13 While the financial impact of housing costs may not represent a direct saving, LandAid House delivers significant qualitative benefits that are not typically provided in other forms of temporary accommodation funded by local authorities.
- **Higher-quality accommodation** – LandAid House offers secure, modern, and well-maintained accommodation that provides a stable environment for young people. In contrast, temporary accommodation funded by local authorities often includes budget hotels, B&Bs, or overcrowded shared housing, which can lack stability and adequate facilities.
 - **Support services and individual development** – Unlike standard temporary accommodation, LandAid House provides structured support tailored to the specific needs of young people. This includes:

²⁴ London Councils, 2024. London's homelessness emergency

- Mental health and wellbeing support
- Help with securing employment or training
- Financial and budgeting advice
- Support with independent living skills
- Counselling and emotional support
- **Community and social networks** – LandAid House encourages a sense of community and belonging, which can help reduce social isolation and improve mental wellbeing. This is rarely available in other temporary accommodation settings, where individuals are often housed in isolation with limited access to peer support or structured social engagement.
- **Improved outcomes** – Research shows that individuals housed in supportive environments like LandAid House are more likely to transition successfully into independent living. Better mental health, improved employment outcomes, and higher levels of personal resilience are among the long-term benefits.
- **Reducing the risk of repeat homelessness** – The support and skills provided at LandAid House help reduce the likelihood of young people falling back into homelessness, thereby reducing future demand on local authority services and creating longer-term social and economic benefits.

Terrance, Key Worker

“Okot’s story, along with others such as Tony who had to leave his home due to violence are powerful examples of why supported housing at LandAid House is so crucial for young people. It’s not just about providing a bed, it’s about creating a stable, secure environment where young people can pause, breathe, and rebuild.

At LandAid House, young people have the space and support to shift from crisis to clarity. With access to dedicated Key Workers, tailored action plans, and practical life tools, residents like Okot are empowered to overcome personal barriers, whether it’s language skills, documentation issues, or emotional setbacks. The structured yet supportive setting helps build routine, resilience, and self-belief, factors essential for transitioning into education, employment, and independence.

In both of their cases, LandAid House gave him the foundation to focus on his future, the encouragement to keep going despite setbacks, and the dignity of being treated not as a problem, but as a person full of potential. Without this crucial step in their journey, they might still be stuck in survival mode. Instead, Tony is in full time employment and Okot is in part time employment and education, and they are thriving. LandAid House doesn’t just change circumstances—it changes lives.”

Health

It is estimated that the socio-economic value of the health benefits as a result of LandAid House was £4.8m. These benefits reflect not only reduced pressure on health services but also improved

personal health outcomes, which contribute to better long-term independence and wellbeing for residents.

- 5.14 Homelessness is closely linked to significantly worse health outcomes compared to the general population. Individuals experiencing homelessness are more likely to suffer from chronic physical conditions, mental health issues, and substance misuse. An audit by the Local Government Association revealed that 41% of homeless individuals reported long-term physical health problems, and 45% had diagnosed mental health issues, compared to 28% and 25% respectively in the general population.²⁵ Additionally, the average age of death for a homeless person is 47 years, substantially lower than the 77 years observed in the general population. These factors contribute to increased use of emergency services, higher rates of A&E attendance, and prolonged hospital admissions.
- 5.15 LandAid House delivers significant health benefits to its residents by providing stable accommodation alongside tailored support. This combination improves both mental and physical health, reduces reliance on crisis health services, and enhances overall wellbeing. In the longer term, this approach results in measurable savings to the health system by shifting care away from emergency intervention toward preventative support.

Wellbeing of moving from temporary accommodation to secure housing

- 5.16 Providing secure and stable accommodation for individuals experiencing homelessness has a well-documented positive impact on mental health and overall wellbeing. Moving from temporary or insecure accommodation into a safe and supportive environment can reduce stress, anxiety, and feelings of isolation. LandAid House offers residents this stability, alongside structured support, which contributes to improved emotional wellbeing and greater personal resilience. A PWC report “Assessing the costs and benefits of Crisis’s plan to end homelessness” estimates the expected costs and benefits of achieving Crisis’s plan to end homeless through different combinations of interventions (solutions) which Crisis has identified are necessary to address and prevent homelessness.²⁶ According to the PWC report, the financial benefit of an individual moving from rough sleeping to secure housing is £21,401.²⁷
- 5.17 The following methodology has been applied to estimate the wellbeing benefits of residents moving to LandAid House:
- All residents at LandAid House are expected to experience some wellbeing benefits from being provided with stable accommodation.
 - The financial value of this improvement is reported by PwC as £21,041 per person per year. When adjusting for current prices, this benefit equates to £27,429.
- 5.18 By multiplying the number of residents by the estimated final benefit, the total benefit amounts to approximately £4.0m per year.

²⁵ Local Government Association, N/A. The impact of homelessness on health

²⁶ PWC, 2018. Crisis Assessing the costs and benefits of Crisis’ plan to end homelessness

²⁷ PWC, 2018. Crisis Assessing the costs and benefits of Crisis’ plan to end homelessness

Brandon Centre

Access to mental health support is a key part of the service offered at LandAid House. In partnership with the Brandon Centre, 37 residents per year attend the free, confidential counselling sessions twice a week. The sessions offer a range of therapeutic approaches, including CBT and art therapy, to help residents manage stress, anxiety, and emotional challenges. This is beneficial for the residents as it offers a safe space to explore their feelings and develop coping strategies. The support has helped residents feel more stable and confident, improving their ability to engage with work, education, and independent living.



The availability of regular, accessible mental health support ensures that young people have the tools they need to build emotional resilience and improve their overall wellbeing.

Physical health benefit

- 5.19 In addition, it is expected that there would be general physical health benefits expected as a result of individuals experiencing homeless being housed by LandAid House. Residents at LandAid House are likely to experience improved physical health due to better access to healthcare, more stable management of chronic conditions, and reduced reliance on emergency services. Stable accommodation also supports better nutrition, increased physical activity, and reduced exposure to environmental risks, contributing to overall improved health and lower healthcare costs.
- 5.20 According to DLUHC, the typical per-person cost of health impacts linked to homelessness ranges from £2,000 to £19,000 per year, with an average of around £7,500.²⁸ Once housed, financial savings to the healthcare system arise from reduced use of emergency services, fewer hospital admissions, and decreased reliance on primary care. DLUHC considered two approaches to estimate the net savings once a resident is housed:
- Adjustment for general population costs – The average healthcare cost for the general population is approximately £1,000 per person per year. Subtracting this from the average cost of healthcare use linked to homelessness (approximately £7,500) gives a net saving of approximately £6,500 per person per year.
 - Adjustment based on Larimer et al. (2009) – Research suggests that only 27% of healthcare costs are avoided after housing, which would give a net saving of approximately £2,200 per person per year.
- 5.21 To avoid over or underestimating the savings, the average of these two approaches was used, resulting in a net health-related saving of approximately £5,900 per person per year when accounting for current prices.
- 5.22 For LandAid House, this benefit applies to all 146 residents per year, giving a total annual benefit of approximately £860,000. This reflects the improved health outcomes resulting from stable accommodation, including better access to regular healthcare, improved personal hygiene, reduced substance misuse, and lower stress levels, all of which contribute to reduced healthcare costs and improved overall wellbeing.

²⁸ DLUHC, 2016. Appraisal Guide data book

Total Health Benefit

- 5.23 Combining the mental and physical health improvements results in a total health-related benefit of approximately £4.8m per year. These benefits reflect not only reduced pressure on health services but also improved personal health outcomes, which contribute to better long-term independence and wellbeing for residents.

Economic

It is estimated that the socio-economic value of the economic benefits as a result of LandAid House was £1.3m through improved employment outcomes and educational opportunities.

- 5.24 Homelessness can be a major barrier to employment, education, and skills development.²⁹ Without a stable address, secure environment, or access to basic facilities, individuals often struggle to find and sustain work, participate in training, or attend interviews. The instability and stress of homelessness can also negatively affect confidence, mental health, and routine, all of which are essential for re-entering the labour market.
- 5.25 In addition to these personal challenges, misconceptions among employers present further obstacles. Research shows that 40% of employers mistakenly believe it is illegal to hire someone who is homeless, while 42% say they would consider terminating an employee's contract if they became homeless.³⁰
- 5.26 LandAid House delivers significant economic benefits to its residents and the wider public sector by improving employment outcomes, increasing access to educational opportunities, and expanding participation in volunteering.

Universal credit savings

- 5.27 A key economic benefit arises from reduced dependency on Job Seekers Allowance (JSA) and increased employment among residents. According to estimates, the average cost to the Department for Work and Pensions (DWP) for a JSA claimant is £3,700 per person per year.
- 5.28 At LandAid House, it is estimated that 24% of residents will move into employment and no longer require JSA. This figure is based on internal statistics from LandAid House. Based on the total annual capacity of 146 residents, this equates to approximately 35 individuals transitioning off JSA each year.
- 5.29 By multiplying the number of residents expected to no longer require JSA by the benefit per person per year (£3,700), the total annual benefit is estimated at approximately £130,000. This reflects reduced public spending on welfare payments as more residents become employed and financially independent.

Education outcomes

- 5.30 Improved access to education and training is another significant economic benefit. Enhancing educational attainment among homeless individuals increases their likelihood of securing stable employment and long-term financial independence.

²⁹ Crisis, N/A. Benefits and employment

³⁰ Hays, 2024. Would you hire a homeless person?

- 5.31 The following methodology has been applied to estimate the economic benefit of improved education outcomes at LandAid House for individuals experiencing homelessness:
- The average annual income for someone with A-Level or equivalent training is £23,400 (adjusted to current prices).³¹
 - At LandAid House, approximately 35 residents per year actively engage in employment training opportunities that improve their employment prospects.
 - Therefore, multiplying the number of residents engaging in training by the average annual income provides an estimate of the total benefit.

- 5.32 By multiplying the estimated number of residents benefiting from improved employment prospects by the average wage increase (£23,400), the total annual benefit amounts to approximately £820,000.

Valerie, Key Worker

“LandAid House is not just a place of shelter, it’s a stepping stone to a brighter future. Central to its success are its comprehensive education and support programmes, designed specifically to empower young people facing homelessness to regain control of their lives and work towards long-term independence.

Each resident is offered one-to-one pastoral support, providing a safe space to talk openly about personal challenges, mental health, or life goals. This tailored approach allows young people to be seen, heard, and supported as individuals, helping them to rebuild trust and confidence in a stable environment.

LandAid House also delivers a robust employability support programme, equipping residents with essential skills to access and sustain employment. This includes CV writing workshops, interview preparation, job search guidance, and workplace behaviour coaching. Residents are also supported in identifying career pathways that align with their strengths and aspirations.

Recognising the specific needs of many residents, LandAid House offers a signposting and referral service for qualifications and training. This includes support in accessing SIA licence training for those pursuing security work, and ESOL (English for Speakers of Other Languages) courses for residents facing language barriers.

In addition, the programme promotes key life skills such as budgeting, digital literacy, communication, and time management, skills that are often overlooked but critical for living independently and thriving in the workplace.

³¹ SMC, 2023. Income returns to education

The wraparound support at LandAid House ensures that every young person receives the tools, guidance, and encouragement they need to turn their potential into progress. It's not just about surviving—it's about preparing them to succeed in the world beyond supported housing."

Volunteering opportunities

- 5.33 Participation in volunteering also generates economic value by improving social capital, increasing work readiness, and helping residents develop transferable skills. Engaging in volunteering expands professional networks and increases the likelihood of securing employment or training opportunities.
- 5.34 A report by Pro Bono Economics estimates the impact of volunteering on wages and productivity. It values the economic benefit of participating in volunteering at £4,551 per person per year (adjusted to current prices).³² This benefit reflects the improved work readiness, higher employability, and increased social capital gained through volunteering experience.
- 5.35 At LandAid House, it is estimated that 40% of residents will engage with volunteering opportunities each year, equating to approximately 67 residents based on the total annual capacity of 146 residents.
- 5.36 Applying this to the estimated value of volunteering results in a total annual benefit of approximately £300,000.

Total Economic Benefit

- 5.37 It is estimated that the economic return as a result of LandAid House was £1.3m.

Other

It is estimated that the cost saving to the criminal justice system as a result of LandAid House was £340,000.

Cost saving to the criminal justice system

- 5.38 LandAid House also generates benefits to the criminal justice system by reducing residents' involvement in anti-social behaviour and contact with the police and judicial services. Stable housing, structured support, and improved mental health outcomes are known to reduce the likelihood of criminal activity among vulnerable groups.³³ Providing secure housing and tailored support significantly reduces the likelihood of contact with the criminal justice system. Evidence from the PWC report on Housing First programmes shows that there is a 32% reduction in involvement in anti-social behaviour among service users after one year of secure housing.
- 5.39 The following methodology has been applied to estimate the cost savings to the criminal justice system of LandAid House for individuals experiencing homelessness:

³² Pro Bono Economics, 2024. A pro bono bonus: The impact of volunteering on wages and productivity

³³ AGS Support, 2023. Reducing Crime with Supported Housing

- It is estimated that 46% of homeless individuals have had contact with the criminal justice system, based on a survey of six UK cities. LandAid House has a total annual capacity of 146 residents. Applying the 46% rate gives an estimated 67 individuals benefiting from reduced criminal justice involvement each year.
- The financial value of this improvement is reported by PwC as £12,198 per person per year. However, when adjusted to reflect the 32% reduction in involvement in anti-social behaviour among service users after one year of secure housing, the estimated final benefit is £5,003 per person per year (adjusted to today's prices).

5.40 By multiplying the number of residents by the estimated final benefit, the total benefit amounts to approximately £340,000 per year.

5.41 This benefit reflects the reduced demand on police, courts, and prison services due to lower levels of anti-social behaviour and criminal activity among LandAid House residents. The improvement in personal stability and mental health outcomes further reinforces these long-term benefits.

Other non-quantifiable benefits

5.42 In addition to quantifiable benefits, LandAid House delivers a range of other measurable outcomes that improve residents' long-term prospects and overall wellbeing. These benefits reflect the value of structured support and community engagement in helping young people build confidence, develop skills, and become more independent.

5.43 LandAid House partners with VYBZ Youth Hub to deliver a programme of youth-led events and creative workshops designed to build a sense of community and social connection. The programme includes music workshops, community forums, and volunteer opportunities, providing a safe and supportive environment for young people to express themselves and connect with others. In 2024/25, 67 young people have participated in the VYBZ programme, benefiting from creative and social development opportunities. These experiences help residents develop teamwork, communication, and leadership skills, which are valuable for both personal growth and future employment prospects.

5.44 Another key programme is the Cooking and Nutritional Literacy initiative, delivered in partnership with Seed-to-Spoon. Weekly sessions teach residents how to grow and cook healthy meals, improving both nutritional knowledge and cooking skills. All 146 residents have access to Seed-to-Spoon's app, which provides recipes and meal planning guidance, helping them manage food budgets and maintain a balanced diet. By improving their ability to cook and make informed food choices, residents are better equipped to manage independent living.

5.45 Structured engagement through these programmes also encourages wider social and emotional benefits. The VYBZ and Seed-to-Spoon programmes provide opportunities for residents to build positive relationships, improve self-confidence, and develop problem-solving skills. Residents who actively participate in these programmes often report feeling more motivated and better prepared to handle the challenges of independent living.

5.46 These wider benefits, while not always directly reflected in financial terms, contribute to greater social cohesion, increased personal resilience, and stronger long-term outcomes for residents. By equipping young people with both practical and emotional skills, LandAid House supports a more stable transition to independent living and long-term self-sufficiency.

6. Benefit cost ratio

Methodology

Deadweight and Displacement

- 6.1 When calculating monetary benefits, it is standard practice to adjust for deadweight and displacement to assess the additional benefit of a programme or facility (i.e., LandAid House) beyond what would have occurred without the organisation and its facilities. The definitions of deadweight and displacement are outlined below:
- **Deadweight** – deadweight is sometimes referred to as the reference case, or the ‘do nothing’ scenario and it reflects the proportion of benefits that are expected would have occurred without the facilities through other means. A 100% deadweight indicates that all benefits would have occurred in the absence of LandAid House and their facilities, whilst a 0% deadweight would mean the entire benefit is due to the presence of LandAid House and their facilities.
 - **Displacement** – displacement is the proportion of outputs accounted for by reduced outputs elsewhere in the target area, reflecting the potential benefit taken away from other facilities. A 100% displacement would mean that all of the benefits that have occurred due to the presence of LandAid House and their facilities have been at the expense of other local facilities. A 0% displacement would mean that no knock-on effect has occurred to any activities at other facilities.
- 6.2 **Figure 6.1** shows how additional benefit is calculated in this report. In practice these considerations vary by effect and are discussed throughout this report.

Figure 6.1 Calculating additional benefit

$$\text{Additional benefit} = \text{Gross benefit} \times (1 - \text{Deadweight}) \times (1 - \text{Displacement})$$

- 6.3 For the purposes of this report, two scenarios are presented to reflect the potential benefits of LandAid House, ensuring a balanced assessment that accounts for both the best-case outcome and a more conservative estimate.

Scenario 1 – All benefits are treated as additional

- 6.4 In the first scenario, it is assumed that all benefits delivered by LandAid House are fully additional, with no adjustment for deadweight or displacement. There is a very strong rationale for applying zero deadweight and displacement in this context given the nature of the provision and the exceptional level of need. This reflects the unique nature of the scheme as a specialised supported housing facility targeted at young people experiencing homelessness. Demand for such provision is exceptionally high, as evidenced by the number of young people currently waiting for supported accommodation at LandAid House (225). This sits within the broader context of a significant national shortage of affordable and social housing, with over 1.3m households on local authority waiting lists across England (see **paragraph 4.5**).
- 6.5 Guidance specifically states that “a housing project will reduce displacement if the type of accommodation provided is designed to meet demand that it not being met by the private or public sector” which is clearly relevant here.

- 6.6 Given the limited availability of equivalent services and the specific needs of the target population, it is reasonable to assume that the benefits provided by LandAid House would not have been achieved without this intervention. This scenario reflects a situation where LandAid House directly creates new value and positive outcomes that would not have otherwise occurred.

Scenario 2 – Adjusting for deadweight and displacement

- 6.7 In the second scenario, adjustments for deadweight and displacement are included to provide a more conservative estimate of the net benefits generated. However, given the high levels of demand for supported housing and the limited availability of alternative options for young people in London, deadweight and displacement are likely to be small. LandAid House is specifically targeted at young people who are at high risk of homelessness and unlikely to secure stable housing or equivalent support elsewhere. Therefore, while the second scenario reflects a more conservative assessment, the overall impact is still expected to be substantial.
- 6.8 By presenting both scenarios, this report provides a balanced view of the value generated by LandAid House, accounting for both the direct and additional impact while allowing for the possibility of some displacement and deadweight.
- 6.9 **Table 6.1** outlines the deadweight and displacement assumptions applied to each benefit, along with a brief justification for each.

Table 6.1 Deadweight and displacement justifications

Benefit	Deadweight	Displacement
Cost savings to the local authority Health	10% - Reflects the fact that some of the benefits provided by LandAid House, such as housing stability or support with employment, could have been achieved through other interventions or accommodation options funded by the local authority. However, given the limited availability of high-quality supported accommodation for young people and the targeted nature of LandAid House, the likelihood that similar outcomes would have occurred without this intervention is low. Therefore, a low deadweight adjustment is appropriate.	10% - Reflects fact that there are few supported housing facilities that offer the same combination of secure accommodation and tailored support provided by LandAid House. While alternative housing options exist, they typically do not provide the same level of structured personal development and wellbeing support. Therefore, it is unlikely that the activity generated by LandAid House is significantly reducing the availability of housing or support in other parts of the borough.
Economic Cost saving to the criminal justice system	25% – Reflects the fact that some residents may have found employment, accessed education, engaged with volunteering opportunities or reduced in criminal activity even without the support provided by LandAid House.	10% – Accounts for the possibility that the benefits gained by LandAid House residents may have come at the expense of others who could have accessed similar opportunities elsewhere.

Assessment periods

6.10 The social return of LandAid House is assessed from two perspectives to provide a clear understanding of its value and impact:

- An annual benefit-cost ratio (BCR) – this compares the value generated each year against the annual operational costs.
- A total BCR over a 60-year appraisal period – reflecting the scheme's ability to deliver long-term value despite the initial upfront costs this includes the upfront capital cost as well as the ongoing operational costs and provides a longer term assessment of the value for money of the overall investment.

6.11 The total BCR reflects the cumulative benefits over the appraisal period, including economic, social, and environmental outcomes, reinforcing the scheme's contribution to the local economy and community wellbeing. Crucially however, it only claims the benefits related to the individuals during the time they are accommodated at LandAid House. In reality, the intervention delivered by LandAid House may result in benefits over a longer timeframe as a result of the people housed here positively changing their lives for the long term. This is considered in an illustrative scenario in **Section 7**.

Annual costs and benefits

6.12 LandAid House costs £3.0m to run in a given year. The costs come through various channels (see **Table 6.2**).

Table 6.2 LandAid House annual cost structure

Cost analysis	Funding
Direct Costs	£0.5m
Property & Facilities	£0.1m
Facilities	£1.1m
Administration	£0.7m
Governance	£100
Resident Costs	£1,800
Catering	£20,000
Apportioned Overheads	£0.4m
Total	£3.0m

6.13 The total monetised benefits reported in **Section 5** is summarised in **Table 6.3**. The total benefit of LandAid House adds up to £7.8m before deadweight and displacement and £6.1m after accounting for these.

Table 6.3 LandAid House annual benefit breakdown

Benefit analysis	Benefit before deadweight and displacement	Benefit after deadweight and displacement
Cost savings to the Local Authority	£1.3m	£1.1m
Health	£4.9m	£3.9m

Benefit analysis	Benefit before deadweight and displacement	Benefit after deadweight and displacement
Economic	£1.3m	£0.8m
Cost saving to the criminal justice system	£0.3m	£0.2m
Total	£7.8m	£6.1m

Note: May not sum due to rounding

- 6.14 This means that **for every £1 of annual operating cost, LandAid provides £2.70 of benefit without including deadweight and displacement, and £2.10 when accounting for these.**³⁴
- 6.15 This is judged to be a conservative estimation, given the wider non-monetised benefits that aren't included in this value.

Net Present Value assessment

- 6.16 As well as the annual costs of operating LandAid Housing, there was also an initial capital investment to build it. It is standard practise to include this within a full assessment. The assessment period matters though, as the benefits of LandAid House continue for many years once it has been built. It is standard practise to assess the benefits and costs of capital investment in infrastructure such as housing over a 60-year appraisal period.
- 6.17 A 60-year assessment period demonstrates that despite the schemes upfront costs (£28.9m when accounting for current prices) to build LandAid House, the scheme delivers significant value for money.

Methodology

- 6.18 The 60 year net present value (NPV) has been estimated by applying the appropriate discount rates recommended in the Green Book to reflect the present value of future benefits. The Green Book sets out specific discount rates for different types of benefits to account for the decreasing value of future cash flows over time:
- The cost savings to the local authority, economic benefits (e.g., from reduced welfare payments and increased employment), and criminal justice benefits have been discounted using the standard social discount rate of 3.5% per year for the first 30 years, followed by a reduced rate of 3.0% for years 31 to 60. This reflects the long-term nature of public spending impacts and is consistent with how broader economic and social benefits are typically valued under the Green Book.
 - Health benefits have been discounted using the health-specific discount rate of 1.5% per year.³⁵
- 6.19 The total annual benefits identified earlier (gross and net) for each benefit type — local authority savings, economic benefits (employment, education, volunteering), criminal justice savings, and health improvements, have been projected over the 60-year period. The future cash flows have been discounted using the appropriate rates and summed to estimate the present value of total benefits over the full appraisal period.

³⁴ Note: May not sum due to rounding

³⁵ The Green Book applies a lower discount rate to health benefits to reflect the high social value placed on health outcomes and the long-term nature of improvements in physical and mental health.

Total benefits

- 6.20 The total gross benefit over the appraisal period is estimated at £290m, with a net benefit of £225m after adjusting for deadweight and displacement. This results in a gross BCR of £2.65 and a net BCR of £2.10, confirming that the benefits delivered by LandAid House significantly exceed the costs over the long term.
- 6.21 The analysis demonstrates that LandAid House will generate significant long-term benefits over the 60-year appraisal period. The discounted values reflect the sustained impact of stable housing and support on reducing local authority costs, improving economic outcomes, reducing involvement in the criminal justice system, and enhancing health and wellbeing.

Assessing the BCR

- 6.22 The BCR is a measure used in economic appraisal to assess the value for money of an intervention. A BCR of one means that for every £1 spent, the scheme generates £1 of benefit. Anything above one implies a net positive return, with higher values representing increasingly favourable returns.
- 6.23 In the UK, the HM Treasury Green Book and the Department for Levelling Up, Housing and Communities (DLUHC) provide guidance on interpreting BCRs in value-for-money terms. While thresholds can vary slightly by department or funder, the following bands are widely used:³⁶

Table 6.4 Value for money bands

BCR Range	Interpretation
< 1.0	Poor value for money – total costs exceed total quantified benefits.
1.0 – 1.5	Low to marginal value – the case may still be made on distributional or strategic grounds.
1.5 – 2.0	Moderate value for money – more convincing economic justification.
2.0 – 4.0	Good value for money – benefits comfortably outweigh the costs.
> 4.0	Excellent value for money – very high returns from public investment.

- 6.24 Importantly, BCRs consider only monetised benefits, which typically exclude qualitative outcomes (e.g. social cohesion). Therefore, projects with high social returns often underestimate their full value. In this context, a BCR of £2.70 (excluding deadweight and displacement) and £2.10 (including adjustments) places LandAid House clearly within the 'good value for money' category.
- 6.25 **Table 6.5** summarises reported BCRs from a range of comparable interventions to put LandAid House into context.

Table 6.5 BCRs from similar homelessness interventions

Organisation / Study	Intervention Type	Reported BCR	Source
Highway House	Social Return on Investment of a homeless shelter in Haringey	£5 over a five year appraisal period	UEL, 2015. Assessing the Social Return on Investment of Highway House, a Homeless Shelter in Haringey, London

³⁶ HM Treasury, 2022. Green Book supplementary guidance: Value for Money

Organisation / Study	Intervention Type	Reported BCR	Source
Crisis	Strategic plan to end homelessness – national level housing and support modelling	£2.80 for the intervention	PWC, 2018. Assessing the costs and benefits of Crisis' plan to end homelessness

- 6.26 As mentioned, LandAid House has a BCR of £2.70 before adjustments, and £2.10 after accounting for deadweight and displacement. While both figures are lower than the BCR reported for Highway House (£5.00), which also includes adjustments for deadweight and displacement, the unadjusted BCR of £2.70 is broadly comparable to the Crisis estimate of £2.80, which likewise does not account for these factors.
- 6.27 However, there are important differences to consider when comparing LandAid's BCR to those reported for Crisis and Highway House. These differences primarily relate to two key factors. First, scale and scope: LandAid House is a single-site intervention focused on young people in London, whereas the other studies often assess broader programmes, for example, Crisis's modelling of a UK-wide housing strategy. Second, timeframe: the BCR for LandAid House is based on annualised costs and benefits, while the £5.00 figure for Highway House reflects outcomes over a five-year appraisal period.
- 6.28 The LandAid BCR also focuses only on monetisable outcomes supported by robust evidence. Wider social benefits, such as lifetime impacts are acknowledged but excluded from the core BCR. The illustrative BCR which considers the lifetime impacts increases to £5.45 (see **Section 7**), indicating that the true value of the intervention is likely to be substantially higher than the core estimate.
- 6.29 The following section also presents a Net Present Value (NPV) assessment of LandAid House over a 60-year appraisal period, further reinforcing the long-term value of the intervention. Overall, studies in this space often adopt different methodologies, timeframes, and assumptions, making direct like-for-like comparison challenging. Nonetheless, the BCR for LandAid House is well-evidenced, methodologically robust, and clearly falls within the 'good value for money' category.

7. Beyond the BCR: Illustrating potential lifetime impacts

- 7.1 The BCR estimated in this report reflects a strong social return on investment. Even when accounting for deadweight and displacement, the total annual socio-economic value generated by LandAid House is estimated at approximately £6.1m, resulting in a BCR of £2.10. This is a compelling result and demonstrates the significant public value being delivered by LandAid House through cost savings to local authorities, improved health outcomes, better employment and education prospects, and reduced involvement in the criminal justice system.
- 7.2 However, this analysis remains inherently conservative. While it captures a range of measurable benefits, it does not fully reflect the potential lifetime impact of housing and support services for young people who have experienced homelessness or housing instability.
- 7.3 The assessment by its nature only factors in the cost and benefits for any given individual for the period they live at LandAid House – that is to say it captures the cost of them being housed there, and for that period of time, the health outcomes, improved education and so on that those individuals benefit from whilst living there. In reality, providing young people with a safe and secure place to live as a crucial point in their life when they need it most, coupled with support to enable them to upskill or gain skills is likely to provide them with lifetime benefits. For example, evidence from LandAid House's residents shows that the initial intervention of living here can set them on a different path in life, giving them the skills and confidence to secure employment, hold down renting a property, and reduce the likelihood of crime later in their lifetime.

Muhammad, Resident

“I was down and under. I didn’t know the language well, I didn’t know anyone from the country, no job, no housing, no food, emotionally unstable. I came to LandAid House and met the team. Simply turned my life around from that day. I was enrolled on to English lessons, one to one support to build my confidence, signposted to services to discuss my business venture and provided me with basics such as breakfast. Emotionally and generally in life, this place and the staff changed my life. I cannot thank them anymore, seriously.”

Note: Whilst this story is true, we have changed the name of this young person to safeguard them

- 7.4 There is however currently no robust quantitative methodology available to accurately estimate the long-term benefits to an individual who, because of LandAid House, avoids a cycle of repeat homelessness, secures employment, or develops the stability to build a fulfilling life. These benefits, while difficult to quantify, are real and likely to be substantial.
- 7.5 To explore the scale of this impact, we have developed a high-level illustrative scenario. This is not included in the formal BCR calculation but is intended to give a sense of the longer-term public value created by helping a resident onto a more positive trajectory.

Illustrative Scenario

- 7.6 Without intervention, a young person may face a high risk of becoming long-term NEET (Not in Education, Employment or Training), reliant on welfare, and experiencing recurring homelessness and associated poor health. With the support of LandAid House, including stable housing, mental health services, and access to education and employment programmes, that individual is more likely to stabilise, gain independence, and transition into secure housing and sustained employment.
- 7.7 A 10-year period has been used in this illustrative scenario to provide a conservative estimate of the sustained benefits that may follow a young person's transition out of homelessness and into stable, independent living. While many of the positive impacts, such as improved health, stronger employment outcomes, and reduced reliance on public services, could continue beyond 10 years, this timeframe helps avoid overstating long-term benefits and is consistent with standard appraisal practice, which seeks to balance realism with caution.
- 7.8 The same methodologies outlined in **Section 6** have been used to monetise the lifetime benefits over a ten year period. However, this analysis includes an additional level of complexity by accounting for the average length of stay at LandAid House, which is 670 days. This duration implies an annual turnover rate of approximately 54%, meaning just over half of the residents leave each year. The 45% "successful-move-on" rate, defined in **paragraph 3.10** is applied to the annual outflow of residents. As a result, around 24% of all residents each year ($54\% \times 45\%$) are expected to achieve lifetime benefits, including sustained employment, improved health, and reduced involvement with the justice system. Lifetime benefits are calculated for this successful share only. To remain conservative, this estimate excludes any additional cost savings to the local authority from housing refugees. Instead, it focuses solely on the benefits associated with improved health, economic participation, and reductions in crime. The following table sets out the estimated annual lifetime benefits of LandAid House based on these assumptions.

Table 7.1 Illustrative lifetime benefits

Benefit	Type	Benefit before deadweight and displacement	Benefit after deadweight and displacement
Health	Health benefit	£2.1m	£1.7m
	Wellbeing moving from temporary accommodation to secure housing	£9.8m	£8.0m
Economic	Universal Credit	£0.3m	£0.2m
	Education outcomes	£2.0m	£1.4m
	Voluntary opportunities	£0.7m	£0.5m
Cost saving to the criminal justice system	Cost saving to the criminal justice system	£0.8m	£0.6m
Total		£15.8m	£12.3m

- 7.9 If this lifetime impact were included within the core BCR calculation, it would represent a significant increase to the overall annual benefit, £15.8m before accounting for deadweight and displacement, and £12.3m after applying the same adjustment factors used in this report. This results in an illustrative annual gross BCR of £5.45 and a net annual BCR of £4.25. While this estimate is presented separately from the formal BCR, it highlights the longer-term value generated by LandAid House. Beyond short-term cost savings, the service enables lasting change for young people who would otherwise be at high risk of recurring homelessness and long-term social exclusion.



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