

THE SPENDING REVIEW 2010



Submission from Homeless Link

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1. Introduction

Homeless Link is the national umbrella organisation for frontline homelessness charities in England. Currently we have more than 470 member organisations. Our members include hostels, day centres, outreach and resettlement agencies, housing advice centres, youth projects, health projects, welfare rights groups, regional homelessness networks, refuges, drug and alcohol services and faith run voluntary services. As the collaborative hub for information and debate on homelessness, we seek to improve services for homeless people and to advocate policy change. Through this work, we aim to end homelessness in England.

The fundamental approach set out in the Spending Review Framework¹ is to 'ensure that expenditure is focused on protecting the quality of the key frontline services that are important to the public and that provide support to the worst off in society.' It 'will make supporting those most in need a priority.'

Our case is that homelessness and housing-related support services deliver cost savings to public service budgets and better outcomes for vulnerable people. They improve health and reduce inequalities and social costs. They represent good value for money.

Supporting People² and Places of Change³ are national programmes that most encapsulate the Government's goal of civil society working to local priorities and delivering tangible positive outcomes to the most excluded and worst off in society.

The homelessness sector represents the 'Big Society' in action where not for profit and charities work alongside national and local government and in partnership with others to provide services and support for the most vulnerable members of our communities. Our approach is focused on empowering service users to play a vital part in shaping the future of services.

This sector has a strong track record of working in partnership with local government to deliver cost-effective and evidenced outcomes, shaped and commissioned to meet local needs.

A recent independent evaluation⁴ estimated that investing £1.6 billion annually in housing-related support generates net savings of £3.4 billion to public spending, by avoiding more costly acute services.

Our over-arching ask is that investment in homelessness support and services must be sustained at the current level to ensure these savings continue to be generated. Forecasts of increased unemployment and restrictions in some benefits mean that these services will become more necessary than ever as demand grows. One indicator shows a six per cent increase in the numbers seen sleeping rough in London over the last 12 months.⁵

¹ http://www.hm-treasury.gov.uk/d/spending_review_framework_080610.pdf

² Introduced in 2003, the Supporting People programme covers the cost of supporting vulnerable adults in accommodation and has been particularly important in funding the support of people whose level of need falls below the threshold that entitles them to social services and other statutory assistance.

³ The Places of Change approach incorporates an £80 million 3 year capital investment programme from 2008-2011 by the Homes and Communities Agency. It builds on the success of the Hostels Capital Improvement Programme, which provided £90 million capital funding over 2005-08.

⁴ Capgemini for Communities and Local Government (2009) Research into the financial benefits of the Supporting People programme 2009

⁵ Broadway CHAIN, Street to Home Annual Report, 1st April 2009 to 31st March 2010

2. Asks of government

1. Maintain investment in Supporting People at current levels
2. Continue to use an element of the National Affordable Housing Programme to develop new supported housing stock and remodel existing stock
3. Continue capital and revenue investment to change services into Places for Change to enable services for homeless and vulnerable people to deliver improved outcomes and better value for money, as evidenced by the earlier programme
4. Maintain the level of the Homeless Grant to ensure continuing capacity to prevent and tackle homelessness in the face of intense upward pressures
5. Continue to drive towards the goal of ending rough sleeping by the end of 2012 and to retain and develop services to ensure the goal is achieved
6. Recognise adults facing multiple needs and exclusions as a key issue. Make a clear statement on the importance of cooperation between local services in achieving coordinated, cost effective delivery for this group and support this, where appropriate, with cross-departmental coordination and cross-government funds
7. Flag individuals receiving housing-related support as vulnerable and requiring attention and support within welfare reform and the Work Programme so that they do not risk losing their accommodation as a result of changes and ill considered application of conditionality. No further measures to reduce the amount of Housing Benefit available to vulnerable people should be put in place until full consideration has been given to any potential unintended consequences on vulnerable people and their access to housing
8. Take steps to protect providers of supported accommodation from loss of income if they accommodate vulnerable and chaotic residents who are most at risk of benefit reductions or suspension
9. Ensure housing, health and social care work together more effectively to maximise the value of public investment, meeting the needs of older and vulnerable people, and jointly investing in prevention/early intervention and support.
10. Maintain public health funding in real terms during the period 2011-2015 and take into account the local vulnerable and homeless population in supported accommodation in the allocation for public health.

3. Context and background

The homelessness sector

There are a wide range of services from small, entirely voluntary, organisations in rural areas providing for basic needs to outreach services, day centres, emergency access hostels, mid-stay hostels, longer stay supported accommodation schemes, specialist small scale accommodation for those with the most intense needs, and floating support.

Services to tackle non statutory homelessness

Homeless UK⁶ (HUK) data from January 2010 shows that there are a total of 1,648 services for homeless people, broken down as follows:

- 187 day centres
- 268 hostels and
- 1,193 second stage accommodation projects.

In January 2010, a total of 43,655 bed spaces were recorded on HUK, broken down as follows:

- 33,884 bed spaces in 2nd stage accommodation projects
- 9,771 bed spaces in hostels

Geographical distribution of services

HUK data from July 2010 shows the distribution of homelessness services across England . This data is presented in Appendix 1.

Homeless Link's annual Survey of Needs and Provision (SNAP) 2010⁷ surveyed 500 services for single homeless people and couples without dependent children. The findings include:

- **Demand and availability of spaces:** SNAP found 79% of accommodation-based projects have no empty beds and the majority of the 21% that do only have one empty bed available. Thus there is extremely limited capacity to cope with an increase in those who find themselves newly homeless or sleeping on the streets
- **Funding:** Supporting People is the primary funding stream for 77% of direct access hostels and 2nd stage accommodation projects. 38% of day centres reported fundraising as their primary funding source. 48% of organisations gave funding as their key concern. See Appendix 2 for a more detailed table.
- **Staffing:** The 500 projects employ 4,246 full-time staff, 1,412 part-time staff and 2,933 volunteers. 53% of projects actively recruit current or ex-service users as staff and one third of projects currently employ current or ex-service users as volunteers or paid staff.
- **Range of services provided by homelessness projects:** Since 2008 there has been a dramatic increase in the range of available services at projects. These include education, training and employment through to positive activity, health and resettlement. Since 2008 there has been:

⁶ Homeless UK is a database of services for homeless people and those at risk of homelessness, www.homelessuk.org. The figures here include only day centres, direct access hostels and second stage accommodation, they do not incorporate specialist services, outreach teams or floating support services. So this only represents a proportion of all homelessness services

⁷ Homeless Link (2010) Survey of Needs and Provision, <http://www.homeless.org.uk/snap-2010>

- A 32% increase in the availability of help around education, training and employment (from 66% to 98%)
- A 26% increase in the provision of physical health services (from 71% to 97%)
- A 33% increase in the availability of activities such as gardening, sport and art (from 61% to 94%)

This is mainly accounted for by investment in Places of Change – both buildings and culture change. The emphasis has become “a bed and a reason to get out of it” and heroic work to strive to deliver a holistic set of services (many dependent on getting buy in from statutory services) focused around each individual. These multiple outcome services currently receive only a small proportion of their income from employment, skills and criminal justice public sources. See section on Places of Change for more information. The table in Appendix 3 gives a broad breakdown of the range of services provided by homelessness projects.

- **Needs of service users:** SNAP found that homelessness services are working with a wide range of people, many with complex and high support needs. Most projects are providing services for considerable numbers of young people, people with mental health problems, people with learning disabilities, rough sleepers, prison leavers, care leavers, victims of domestic violence, drug and alcohol problems, debt and benefit problems, refugees and migrants. See Appendix 4 for a more detailed table.

Impact of the economic downturn

A Homeless Link survey in November 2009 found that:

- 51% of homelessness organisations had been affected significantly or very significantly by the recession
- 64% reported an increase in demand for their service
- 71% reported that their income from savings and investments was affected
- 52% reported personal donations affected, 41% charitable grants and 35% statutory funding
- 30% reported staff costs as an issue, 22% reported rent as an issue.

The impacts of the recession are also being evidenced across a range of services used by people at risk of homelessness. Nearly 40% of adult social care departments have seen a rise in levels of homelessness and use of temporary accommodation.⁸ CABx are seeing increases in demands for debt, budgeting and financial advice along with increased rent arrears and an increase in claims for Housing Benefit.

Repossessions and evictions⁹

Mortgage re-possession have been rising sharply since 2004 and, by 2009, were seven times the level of 2004. At 54,000 in 2009 in the United Kingdom, they are now back to the levels of 1993. <http://www.poverty.org.uk/84/index.shtml>

There is likely to be an impact on the level of evictions from private tenancies as a result of the reductions in Local Housing Allowance levels. There is insufficient data to assess whether other welfare changes will have an impact on eviction rates from social housing.

Street homelessness

The most detailed and accurate figure for the level of street homelessness exists in London in the CHAIN database run by Broadway. The July 2010 Street to Home Annual Report shows a 6% rise in people seen sleeping rough in London over the last 12 months.¹⁰

⁸ ADASS survey of directors September 2009, www.adass.org.uk/index.php?option=com_content&view=article&id=513:rising-demand-for-social-services&catid=121:press-releases-2009&Itemid=361

⁹ The Poverty Site published by JRF

¹⁰ Broadway, op.cit.

A very worrying trend has been the increasing proportion of non-UK nationals among the total – and the 6% rise is accounted for by people from Central and Eastern European countries (CEE). 26% of those sleeping rough in London over the last year were from CEE countries. This increase is largely due to lack of entitlement to relevant benefits to access homelessness services, leaving individuals destitute. This problem is at risk of growing rapidly and visibly unless resources are identified to provide a route off the streets under these circumstances. The loss of casual and low paid employment in service industries is a particular feeder of this new face of homelessness.

Non statutory homelessness

While some homeless people enter services through street outreach teams or day centres, others have applied first to their local authority as homeless. About 4,200 (20%) households a quarter are found to be homeless, but not in priority need, and a further 1,600 (8%) households each quarter are found to be homeless, but intentionally so, generally because they have rent arrears. These categories total more than 23,200 homeless households each year.

4. Supporting People

To sustain vital services for vulnerable people without compromising quality, and to avoid increasing costs to the public purse in other service areas we are asking the investment in Supporting People to be maintained at current levels for the next Spending Review period.

Is the activity essential to meet government priorities?

Supporting People services help around 1 million people at any one time from a variety of vulnerable groups. For example, working with homeless individuals with multiple needs to make a successful transition to a stable home and employment or specialist accommodation and support to help people with mental health needs stabilise their lives, recover, maintain a tenancy and live more independently. Continued public investment in homelessness and housing-related support¹¹ services is critical to protecting the most vulnerable and supporting them into independent living.

Why should government continue to fund this activity?

Between 2003 and 2009, the Supporting People programme provided a single funding stream for housing-related support services. As a result, the provision of housing-related support has improved dramatically. Through the Supporting People outcomes framework and the Quality Assessment Framework (QAF) providers and commissioners can evidence the impressive outcomes of their work. For clients who left short-term services during 2008 and 2009, for instance:

- 64,826 (85%) people established contact with external services
- 43,100 (80%) people better managed their physical health
- 59,556 (72%) people maintained their accommodation and avoided eviction
- 30,330 (61%) people accessed their desired training or education needs.¹²

The findings of the Audit Commission's final evaluation of Supporting People 2005-9 underline the effectiveness and efficiency of housing-related support. It concluded that:

¹¹ Housing-related support covers a range of activities undertaken to either prevent a vulnerable person losing their home and independence in the first place, or to enable a vulnerable person to move into the community and sustain their independence.

¹² St. Andrews University, *Supporting People Outcomes Annual Report 2009/10*
www.spclientrecord.org.uk/publications/AnnualReports/SP_Annual_Report_2009_10.pdf

- Planning, delivery and quality of housing-related support services have improved over the past five years.
- Value for money has improved. The overall value of the grant has fallen since the start of the programme. In 2003/04, the total grant was £1.814 billion and in 2008/09, the total grant was £1.686 billion, but the numbers of service users supported nationally slightly increased alongside this improvement in quality.
- Demonstrable local improvements include efficiency savings reinvested in additional places or in new high priority services; remodelling services to better fit local need at no overall cost and higher quality services with lower unit costs.¹³

There is evidence of an increased demand on homelessness services as a result of the economic downturn:

- 64% of homelessness services report an increase in demand for their services.¹⁴
- Nearly 40% of adult social care departments have seen a rise in the levels of homelessness and use of temporary accommodation.¹⁵
- There has been a 6% increase in the numbers sleeping rough in London over the last 12 months.

Forecasts of increased unemployment and restrictions in some benefits mean that these services will become more necessary than ever as demand grows.

Does the activity provide substantial economic value?

The CapGemini cost-benefit evaluation¹⁶ found that investing £1.6 billion annually in housing-related support generates net savings of £3.4 billion to public spending, by avoiding more costly acute services. It also found that the investment in Supporting People saved costs to other budgets, including residential care budgets, and saving £315.2 million of health costs, £413.6m of crime and criminal justice costs and £95m of costs of homelessness. It also acknowledged that, because of the way Supporting People services worked to improve independent living, it also brought with it broader, as yet uncoded social values. These include:

- reduced risk, in the long term, of social exclusion
- improved educational outcomes, in the long term, for children
- improved health and quality of life for individuals
- increased participation in the community
- reduced burden for carers
- greater access to appropriate services
- reduced fear of crime and / or
- reduced anti-social behaviour.

This research concluded that the removal of Supporting People services could lead to:

- increased costs in the areas of homelessness, tenancy failure, crime, health and residential care packages and
- corresponding reductions in cost in the areas of Supporting People services, housing costs, social services care, benefits and related services and other services.

Services that support vulnerable and homeless people offer significant economic benefits. Failure to meet the needs of the most vulnerable will result in significant costs for society and

¹³ Audit Commission, *Supporting People 2005-2009*, 2009

¹⁴ Homeless Link, *The Impact of the 'Credit Crunch'*, November 2009

¹⁵ ADASS survey, 2009, op.cit.

¹⁶ Capgemini for Communities and Local Government (2009) *Research into the financial benefits of the Supporting People programme 2009*

the public purse. See the Places of Change section for more evidence on cost benefits of homelessness support services.

Who should provide support for vulnerable people?

The charity and community sector have a long history of working holistically with the most vulnerable. By working in partnership with a range of agencies, including the local authority, health and drug agencies, the homelessness sector has delivered on a range of multiple outcomes. These outcomes include reducing homelessness, offending and anti-social behaviour, use of crisis health services and improved engagement, skills, employment and health.

The Places of Change section provides more details on the ethos and culture of the homelessness sector, including the progress made in involving service users in the design and delivery of services, as well as offering volunteering and employment opportunities. In addition, there has been much progress in the homelessness sector in the development of a personalisation approach, giving service users more choice, control and independence.

Can non-state providers be paid to carry out the activity according to the results they achieve?

Homelessness projects support some of the most vulnerable people in society. We are not convinced that a more rigid system of payments by results would deliver additional value for money or achieve better outcomes. Successful outcomes with vulnerable groups with multiple and complex needs can take a long time to deliver. Homelessness services support and work with people for as long as they need it.

Can the delivery of the support be made more effective?

Since the launch of Supporting People, providers have delivered year on year efficiency savings and cost-reductions. An Audit Commission report in 2005 found that many local authorities were not making efficiency savings in a strategic way by allocating funding according to need. It also found that there was little scope for further efficiency gains.¹⁷

Services have faced year-on-year pressure on contract pricing and real terms reductions. While costs for service providers have risen, there has tended to be little or no inflationary uplift offered by administering authorities. This has happened as costs for providers have risen. RPI inflation was 4.3% in 2007, 3.2% in 2008 and 0.3% in the year to November 2009.¹⁸ Staff costs are the most significant cost for providers of Supporting People services. Average wage increases in the public sector rose by 3% in 2007, 3.7% in 2008 and 4.8% in 2009.¹⁹ This means real terms intense pressures as contracts regularly fail to keep up with cost increases, often met by calling on fundraising or reserves to support the work.

Over the period of the Supporting People Programme, providers have been committed to driving efficiency savings and have re-modelled, reconfigured and re-organised services to deliver efficiencies that will minimise the impact on the services people experience. For example, Southampton initially had four hostels, supporting 162 individuals at any one time. Following the Value Improvement Programme (VIP),²⁰ this reduced to one emergency, short-stay service. The complete hostel package at the outset of VIP was £872,000 for 55 support places. The price of the emergency hostel following rationalisation and tendering was £660,000 for 55 support places. Efficiency savings for 2006/07 were £206,000, a 24 per cent reduction. The remodelled service brought other efficiencies in:

- Use of external resources (e.g. health, mental health and housing services)
- Staff time within the service and the second stage services

¹⁷ *Supporting People: refreshing the national vision*, Audit Commission national report October 2005

¹⁸ Office for National Statistics, Headline RPI figures

¹⁹ Office for National Statistics, Annual Survey of Hours and Earnings

²⁰ The national Value Improvement Programme (VIP) aimed to secure substantial efficiencies through procurement, contracting and contract management of Supporting People services and improve outcomes for service users

- Allowing better use of the city's Street Homelessness Prevention Team.

We are concerned that one of the disturbing trends has been the drop in funding for 'Single Homeless People with Support Needs.' This has fallen more than any other SP client group. There was a drop of £30,278,000 (12%) in cash terms or £55,364,000 (22%) in real terms in spending across all areas between 2005/2006 and 2008/2009²¹ (see Appendix 5 for graph).

Pressures on cutting costs can damage the balance of services at the expense of accommodation-based or specialist services. Large-scale generic floating support contracts have grown faster than any other type of provision. There is some evidence that generic floating support is being preferred by commissioners without consultation or due regard to the impact of the change on the people receiving the service.

A number of providers report concern that they were nearing a point beyond which services would deteriorate in quality or cease to be financially viable at the contract price available.²² We know from feedback from service users that the quality of the relationship with their support worker is the most important element of the delivery of their service.²³ We consider that the impact and outcomes of the work depend on sustaining the sector's ability to recruit, retain and motivate staff with the right skills and approach at what are already often low salaries.

We believe that further efficiencies could be made in the following areas:

- Contracts for a minimum of three years and, ideally, longer are vital to service quality and sustainability
- Reducing the bureaucratic burden and using alternatives to competitive commissioning. Competitive tendering brings with it massive administration and process costs for both local authority and providers. The CLG Select Committee highlighted major problems with this process and stated that, "*constant cycles of competitive tendering are burdensome and expensive and this has a disproportionate impact on Third Sector and smaller providers.*"²⁴ The Committee recommended that "*unambiguous guidance is needed to assist local authorities in developing approaches to commissioning and procurement which are legal, proportionate to the size of contracts being let and focused on both cost and quality outcomes.*"²⁵ The certainty of funding with a contract for 5 to 7 years with market testing in between would help providers and local authorities cut unnecessary costs and the reduced bureaucracy could help release more funds for front-line services.

Focusing on multiple needs

People suffering from homelessness, mental health problems, and substance misuse can experience social exclusion and can have complex or multiple needs that make it harder to access basic services like housing, health, work or education. Despite representing just 0.1% of the population (around 60,000 individuals)²⁶ they impose disproportionate costs on the Treasury. Co-commissioning holistic services that deliver multiple outcomes would substantially reduce public costs and harms. See section 8 on Multiple Needs and Exclusions for more detail.

Transparency, Monitoring and Accountability

In April 2009 the ring fence around the Supporting People grant was removed and the

²¹ Homeless Link analysis of SP figures by region

²² National Housing Federation, Supporting People Funding and contracting survey, 2009

²³ Groundswell, *Being Supported: Homeless People's views on the Supporting People Programme*, (2006)

²⁴ House of Commons, Communities and Local Government Committee, *The Supporting People Programme*, Thirteenth Report of Session 2008-2009, Vol. 1, 3 November 2009, The Stationary Office, p.24.

²⁵ *Ibid*, p. 78.

²⁶ It is estimated that there are around 56,000 with multiple needs and exclusions at any one time, found mainly in the prison and homelessness populations. Source: *Making Every Adult Matter A four point manifesto for tackling multiple needs and exclusions*, (2009), p.8

programme has been delivered through the Area Based Grant. Fewer ring fenced grants and restrictions over funding has the potential to give local authorities the freedom and flexibility to meet local needs.

However, formal tracking of the results of these local freedoms for particular groups across the country is not in place. Recent analysis shows that single homeless people are the group where there has been the biggest drop in spending (see Appendix 5). It is vital that a regular overview is maintained of local decisions in the interests of democratic accountability. In addition, homeless and/or vulnerable people in supported accommodation are less likely than the average citizen to be able to lobby locally on decisions that may be crucial to their well being. As top down controls are removed, it is imperative that data analysis and publication enables anyone with a concern for the most vulnerable to identify change in local areas.

Local authorities should be supported and encouraged to continue to collect and provide information on outcomes of and investment in housing-related support, for example through Local Spending Reports. This will enable public bodies and the wider audience of voluntary organisations, social enterprises and community groups to scrutinise expenditure, understand what works and use this information to improve services and performance.

Within this localised approach, CLG should retain an important national role and strategic overview:

- Championing the contribution of housing-related support across government, ensuring a strong linkage and shared strategic agenda with health, employment, skills, welfare, justice and the Civil Society
- Strengthening, co-ordinating and publishing information on the vulnerable groups and the outcomes of and spending on housing-related support
- Acting as a hub of examples of local good practice and expertise for authorities to call on and share learning with.

Our offer

- Homelessness services that are efficient and provide value for money
- Substantial involvement of the voluntary sector, linked to local communities, businesses and volunteers, as well as public bodies
- The delivery of even more personalised services to vulnerable adults
- A track record in joining up services to deliver more effective interventions
- An ongoing commitment to empower services users and involve them in driving and shaping their own services.

5. Supported Housing and Housing-related Support

We ask that an element of the National Affordable Housing Programme continues to be used to support the development of new supported housing stock and the remodelling of the existing stock necessary to ensure the supply of the range of high quality housing and support options to meet the needs of vulnerable people.

Settled homes and support are vital in helping vulnerable adults to stabilise, maximise their life chances and opportunities to live independently. It is essential for improved health, wellbeing and independence as well as a way of increasing the success of support and sustained engagement with other services. Capital investment from central government in

supported housing is vital to meet the government's ambition for fairness and support for the most vulnerable in this Spending Review period.

For people with some specific needs or higher level or multiple needs, the most effective and efficient way of supporting them will often be through specialist accommodation: specifically designed housing that can bring together care services and access to housing-related support and other services in one place. Supported and specialist housing projects meet a number of different needs. These include housing and support to address mental ill health, drug and alcohol issues, pioneering models that combine housing, support and care to meet the needs of our ageing population, as well as housing solutions for teenage parents and young people leaving care.

Without investment in accommodation to meet these specific needs, vulnerable people will struggle to sustain themselves in the community and to stay engaged with the other services they need. This will increase the demands on the public purse, as vulnerable people are forced to make repeated use of emergency or acute services as their needs escalate or because of a lack of appropriate accommodation remain in temporary accommodation or residential care when they are ready to move on:

- Having stable accommodation reduces the risk of re-offending by a fifth; being in employment reduces the risk of re-offending by between a third and a half.²⁷
- The average annual cost to services for people with chaotic lives and multiple needs is approximately £23,000 per individual.²⁸

There are substantial unmet needs, particularly for housing support for socially excluded household groups. These are projected to carry on rising, particularly in the rapidly growing ageing population. These are often individuals with multiple or complex needs. Failing to meet these needs will be costly for society and the public purse.

See the joint Spending Review submission from Homeless Link, the National Housing Federation and Sitra for more information and evidence on Supporting People and Supported Housing.

6. Places of Change: Transforming Lives

We ask for continued capital and revenue investment to change services into Places of Change to enable services for homeless and vulnerable people to deliver improved outcomes and better value for money as evidenced by the earlier programme.

Is this activity essential to meet government priorities?

Places of Change is an example of the Big Society in action. It began as a movement and culture change within voluntary sector services for homeless people – “a bed and a reason to get out of it”. It also became an HCA capital investment programme, building on the clear successes of the earlier Hostel Capital Improvement Programme (HCIP). The focus is on local partnership building, community involvement, and overall on high expectations of residents and staff. Places of Change is a model for delivery by the voluntary sector of services for the most vulnerable that change lives, and as such, is a key contributor to the

²⁷ Social Exclusion Unit *Reducing re-offending by ex-prisoners* (Cabinet Office, 2002)

²⁸ Social Exclusion Unit, *Reaching out: an action plan on social exclusion* (Cabinet Office, 2006)

Government's commitment to protect the most vulnerable. Because of the focus on holistic services, the programme shows multiple outcomes and contributes to:

- Developing skills and employment
- Addressing health inequalities
- Tackling mental health and substance misuse
- Reducing re-offending and improving community safety
- Extending sports and cultural opportunities
- Financial inclusion
- Community cohesion and development

The Places of Change £80 million 3 year capital investment builds on the HCIP £90 million capital investment which has delivered a significant increase in clients moving on successfully into training, education, employment, or independent living.²⁹ The capital funding has acted as a catalyst for change and brought in other resources and partnerships. The key elements of Places of Change are: high quality buildings, empowering services, motivated staff and the involvement of services users. See Appendix 6 for Places of Change case studies.

Why should government continue to fund this activity?

Places of Change has led to cultural change across the sector and the programme has been successful in helping many homeless people make a sustained transition from the street to a settled home, delivering more people moving on and out of hostels and homelessness services, and more people moving into education and employment.

Education, training and employment: In addition to providing a wide range of 'meaningful activities' like gardening, arts, music, etc, many services now provide volunteering, training, pre-employment support and employment opportunities. See Appendix 7 for details of the range of activities provided by the homelessness sector and the increase in this provision since 2008. Appendix 4 highlights the wide range of individual needs that homelessness projects are supporting.

In the sector as a whole there has been a 44% increase in the accessibility of training on accredited courses such as NVQs.³⁰ There is the growing development of homelessness services providing successful work programmes and employment schemes and of hostel residents moving into employment. 98% of homelessness projects offer help around education training and employment, a growth of 32% in two years.³¹ For more information see case studies in Appendix 8. Appendix 9 highlights outcomes achieved by Places of Change projects.

Move-on: There has been an increase in the number of people moving on in a positive way into settled housing and training or employment. In addition, there has been a reduction in the number of evictions and abandonments from projects. For example, the Cyrenians project, Virginia House in Newcastle, has increased their positive move-on rate from 36% to 82% and reduced their evictions and abandonments to 1 in 28.

²⁹ <http://webarchive.nationalarchives.gov.uk/+http://www.communities.gov.uk/news/corporate/838295>

³⁰ Survey of Needs and Provision (SNAP) Homeless Link 2010

³¹ Ibid

Places of Change projects have shown a 60% increase in the number of people moving on positively.³² This includes:

- 500 now in work
- 600 entering further education
- 1,000 in pre-employment training
- 400 in volunteering

Community hub: As a consequence of Places of Change many homelessness projects have successfully developed as a community resource. In particular, those in disadvantaged areas have had a strong emphasis on opening up facilities, such as training and computer access, to the local community and therefore increasing the interaction with local residents and positively impacting on community cohesion. See Virginia House case study at Appendix 6 and Appendix 10.

Supporting offenders and ex-offenders: 20% of those released from prison have nowhere to go and, if they remain homeless, they are twice as likely to re-offend as those in stable accommodation. Homelessness projects support these individuals. Three quarters of homelessness projects have prison leavers using their service and 10% state that more than half their clients are prison leavers.³³ However, only 3% of homelessness projects cite criminal justice as a source of funding.³⁴ We welcome the Government's commitment to prison reform and the greater focus on rehabilitation. Re-offending by former short sentenced prisoners costs £7-£10 billion per annum.³⁵ The sector has a long history of supporting offenders, including those leaving prison, and as such offers value for money and savings to criminal justice budgets. It is well-placed to be a key partner in reducing re-offending and providing rehabilitative support.

Other outcomes include

- Increased diversity of service users. The new style provision with single rooms allowing for privacy has enabled more women and people from BME communities to use provision
- Inspiring model for other providers and housing projects, for example, Framework Housing Association in Nottingham now designs all new services in line with the Places of Change model
- The Engage to Change Leadership programme has had positive impact with 94% of those taking part saying they had used their learning to change the way they work. There is now also a programme for boards of homelessness charities to enable those at a governance level to embrace the Places of Change approach.

Does the activity provide substantial economic value?

There is growing evidence identifying that interventions by homelessness services save costs, in particular, health, criminal justice and social care costs. A study by the Cyrenians³⁶ shows that providing a package of support including drug treatment, support for health and other needs and training support leads to sustained employment for vulnerable people and the annual average cost to the public purse is reduced by 89%. The areas where savings are made are in the Criminal Justice System, the NHS and Department of Work and Pensions.

The Transitional Spaces Project supports single homeless people into sustainable employment and into their own home in the private rented sector. It has been calculated that this project has saved the Government £2,840 per individual – over the four years of the

³² www.homesandcommunities.co.uk/places_of_change_programme

³³ SNAP, op.cit.

³⁴ Ibid

³⁵ Managing Offenders on Short Custodial Sentences, National Audit Office, March 2010.

³⁶ Clare Wigmore (2009) Virginia House Self Build Economic Cost Benefit Analysis, Tyneside Cyrenians

project it has been calculated that it saved the Government £1,584,788 in total. This includes Housing and DWP benefit savings and savings from SP budgets.³⁷

The individual case study at Appendix 11 highlights not only the positive outcomes achieved by homelessness projects, but also the savings that happen as a result, particularly to crime and health costs. For example, 'T' has a history of drug use, homelessness and imprisonment. On release from prison he contacted a support service and he is now receiving help for his drug, mental health and housing issues. In the past T has incurred at least £54,000 of government expenditure. In comparison, helping T address his multiple needs in the five months since his release from prison has cost £6,5000. That is £3,500 less than the cost of the same time period in custody.³⁸

Who should provide support for vulnerable people?

The charity and community sectors are delivering Places of Change services and achieving multiple outcomes for the most vulnerable. At a local level Places of Change services are working in partnership with a range of agencies, including the local authority, health and drug services and others. 90% of projects state they provide availability to a whole range of services and have good referral links to external partners where not provided in-house.³⁹

The sector has made great progress in the use of volunteers and, in particular, encouraging volunteering amongst service users and ex-service users. 70% of day centres use volunteers, as do one third of hostels.⁴⁰ However, it has to be recognised that a significant proportion of the homeless population suffer from complex trauma⁴¹ and it requires a well, trained, skilled and motivated workforce. One of the key contributors to the positive Places of Change outcomes is the quality and skills of the staff dealing with high levels of need and motivating people to make positive change in their lives. Achieving positive outcomes for the most vulnerable cannot be achieved solely by volunteers. It requires investment in well qualified and highly trained staff.

Around 170 projects have benefitted so far from the Places of Change programme, but there still remain many areas that it has not yet reached. The most detailed study of the gaps in a region covered the North East. Here 66% of services do not yet meet the Places of Change standards and ethos. It has been estimated that as part of a rolling programme over three years, between £3.2m and £4.25m a year in the North East would result in making these projects Places of Change with the improved outcomes that would result.

The personalised, holistic approach of Places of Change delivers cost effective services and meets the multiple and complex needs of the most vulnerable, resulting in positive outcomes. This model of provision should continue and be built on.

Can non-state providers be paid to carry out the activity according to the results they achieve?

Homelessness projects support some of the most vulnerable people in society. We are not convinced that a more rigid system of payments by results would deliver additional value for money or achieve better outcomes. Successful outcomes with vulnerable groups with multiple and complex needs can take a long time to deliver and homelessness services support and work with people for as long as they need it.

Can the delivery of support be made more effective?

There are a number of ways where services could be made more effective:

³⁷ Centre for Economic & Social Inclusion (March 2010) Report of the cost-benefit evaluation of the Transitional Spaces Projects, prepared for Off the Streets and into Work.

³⁸ Making Every Adult Matter, A four-point manifesto for tackling multiple needs and exclusions, September 2009.

³⁹ SNAP 2010

⁴⁰ Ibid

⁴¹ Meeting the psychological and emotional needs of people who are homeless: Non-statutory guidance on dealing with complex trauma <http://www.nmhd.org.uk/complextrauma>

- Longer term revenue funding is critical for service quality and sustainability and would secure ongoing provision of meaningful activities, training and education and support to employment offered in Places of Change projects. In order to support the Places of Change agenda, the Activating Places of Change grant programme was set up by CLG, providing £450,000 of revenue funding. This highlighted the innovation and responsiveness of the sector. For example, the Booth Centre, a drop in and activity centre for homeless people, used £4,500 to employ Streetwise Opera to run dance and opera workshops. This has now been built into the activities the centre offers. Derbyshire Housing Aid used a £20,000 grant to employ a member of staff to run “SmartSkills”, a 12-week programme on life skills from which they can progress to a 16 week course to develop more vocational skills, e.g. joinery, painting and decoration.

Further investment is required in revenue funding for Places of Change projects to enable continued provision of such valuable activities that are key part of vulnerable people’s journey to independence and work.

- One area in which efficiency savings could be made is in reducing the bureaucratic burden and massive administration and process costs associated with competitive commissioning. Competitive tendering disproportionately impacts on small, community-based providers. One local authority in the South East calculated that it cost £200,000 (including staff time) to purchase a £950,000 housing-related support service.⁴² Reducing the burden of bureaucracy on providers and commissioners can release more funds for frontline services.

With the focus on localism and greater freedom and flexibility over funding, the ethos and principles of Places of Change should be safeguarded and built on.

Our offer

- We will make sure that continued investment in Places of Change is used as a catalyst to extend major culture change to the areas and services that have not yet been transformed
- We will continue to create high quality environments, recruit motivated staff and empower and involve service users, bringing in statutory services to deliver effective interventions for vulnerable people and connect them to the community
- We commit to continuing to provide a multiple outcomes service with:
 - Personalised, holistic and tailored services to a range of vulnerable client groups, including people with complex needs, offenders, people with mental health problems and people with addictions
 - Ongoing support and programmes of activity for people to develop skills, improve health outcomes, reduce re-offending and anti-social behaviour and move towards a home and a job
 - The development of social capital and community participation, encouraging service users to make a contribution to their community and offering facilities and involvement for community members
 - We will continue to do this in an efficient way that provides value for money by working in partnership with others and as a model that inspires other housing and support projects within our communities.

⁴² House of Commons, Communities and Local Government Committee, The Supporting People Programme, Thirteenth Report of Session 2008-2009, Vol. 1, 3 November 2009, The Stationary Office, p.23

7. Homelessness prevention & ending rough sleeping

We ask that the Government maintains the level of Homeless Grant to ensure continuing capacity to prevent and tackle homelessness in the face of intense upward pressures.

Preventing homelessness and the Homelessness Grant

The homelessness grant paid to local authorities to put measures in place to prevent and tackle homelessness and repeat homelessness has been very effective in raising standards. The national target to halve the number of households in temporary accommodation has nearly been met; 130,000 households have been prevented from becoming homeless and the number of preventions recorded is twice the number of acceptances.⁴³

So far the focus has been largely on statutory homeless households. The model of extended housing options services shows that there is significant scope to prevent homelessness across single people and couples without children too. The legal duty to provide advice and assistance to this group has not always resulted in a good service.⁴⁴

In almost a quarter of local authority areas there is no emergency response available when people present as homeless.⁴⁵ This can result in people needing to move outside the area where they have family connections to find help, only to discover that they are refused for lack of local connection. The provision of an effective safety net offering accommodation options in an emergency is an important part of ending rough sleeping and the prevention agenda.

Investment in homelessness prevention can be highly cost effective and result in subsequent savings for local authorities. Effective preventative schemes offer the potential to deliver not just a better quality of life for people at risk of homelessness, but also avoids substantial wider costs, e.g. reduced use of social services; improved physical and mental health reducing health costs; reduced costs to policing, the prison service and the wider criminal justice system; domestic violence; and costs to landlords of failed tenancies.⁴⁶ For example, it has been calculated that the minimum savings per person achieved by timely prevention is £3,300 (see Appendix 12 for detailed case study with costs). The outcomes data for Supporting People indicates that 37,500 people were supported to retain their tenancies during 2008/09, avoiding the costs of homelessness and sleeping rough.

The challenges of a period of public funding cuts and continued economic downturn will make it crucial that local authorities continue to be resourced to reduce and prevent potential homelessness in their local populations.

Ending rough sleeping

We ask the government to continue to drive towards the goal of ending rough sleeping by the end of 2012 and to retain and develop services to ensure the goal is achieved.

⁴³ CLG Homelessness statistics presentation March 2010

⁴⁴ No one's priority: the treatment of single homeless people by local authority homelessness services. Crisis 2009

⁴⁵ Emergency Accommodation: a survey of areas with no direct access hostel (Homeless Link April 2009)

⁴⁶ Evaluating Homelessness Prevention <http://www.communities.gov.uk/documents/housing/pdf/573347.pdf>
Department for Communities and Local Government (2006) Homelessness Prevention: A Guide to Good Practice.

Rough sleeping remains the most visible and damaging form of homelessness and those who sleep rough tend to have the greatest and most severe needs. For example, rough sleepers experience the worst health inequalities and their rates of chronic illness are up to 2.5 times that of the general population.⁴⁷ The London Mayor and the previous Government committed to ending rough sleeping by 2012 and much progress has been made to achieve this goal. We hope that the coalition government will continue to support this objective and provide a strategic lead and overview and encourage local authorities to work in partnership with the homelessness sector to achieve this goal at a local level.

The focus on prevention and early intervention, helping people off the streets quickly and working with individuals to stay off the streets, is a cost effective approach preventing the high costs of individuals with complex and multiple needs. For example, rough sleepers tend to use acute services, which are more costly, e.g. 3-6 times as many visits to A&E as the general population.⁴⁸ The Cap-Gemini evaluation⁴⁹ found that investment in Supporting People on temporary accommodation services for single homeless people delivers the net financial benefit of £97m per annum. This includes a saving of £3,560 for each single homeless person who might otherwise sleep rough. The costs of interventions to support and tackle rough sleeping can be offset by savings made elsewhere, e.g. health budgets, criminal justice budgets, etc. See Appendix 13 for a detailed case study on the cost benefits of tackling rough sleeping.

The approach developed by the London Mayor's Delivery Board (LDB) has shown that effective action can be achieved by partnership working across central and local government, police and criminal justice services, skills and employment agencies, health services and charity/voluntary organisations. The LDB has also agreed a definition of what ending rough sleeping means:

"By the end of 2010 no one will live on the streets of London and no individual arriving on the streets will sleep out for a second night."

The LDB sub-group, the Homelessness Roundtable, is now looking at how services might be configured to make this a reality.

There have been successful approaches to entrenched long-term rough sleepers through the development of personalised and flexible support focusing on individual needs. In London there has been major success in working with the 205 most entrenched rough sleepers and three quarters of them have been helped off the streets. See Appendix 14 for a case study on personalisation for people with a history of sleeping rough.

Ending rough sleeping by 2012 is achievable, but will require concerted effort to tackle migrant street homelessness, as this is the biggest single issue standing in way of reaching the goal. The most recent figures for London⁵⁰ found a 6% rise in the numbers sleeping rough over the past year, accounted for by people from Central and Eastern Europe. This group now represents 26% of those seen sleeping rough over a year and 40% of those seen on a single night count. When this group is excluded from the figures, the number of people seen rough sleeping in London has gone down by 3%. There is a need for the government to introduce a coherent approach to people who are destitute and to enable local authorities to take appropriate steps to tackle destitution in their own local areas.

Continued funding and focus are required to keep the momentum on ending rough sleeping by 2012. Intervening to support rough sleepers provides substantial economic value and reduces costs across a range of health, criminal justice and benefit budgets and is provided

⁴⁷ M Bardsley et al, Housing and Health in London: a review by the Health of Londoners project, East London & City of Health Authority, 1998.

⁴⁸ Healthcare for Single Homeless People (March 2010) Office of the Chief Analyst, Department of Health www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/@ps/documents/digitalasset/dh_114369.pdf

⁴⁹ Capgemini for Communities and Local Government, op.cit.

⁵⁰ Broadway CHAIN, op.cit.

in partnership with statutory and charitable/voluntary sector organisations to maximise efficiencies.

Our offer

- We will identify, promote and support communities who are working most actively to end the 21st century social ill of street homelessness
- We will work across sectors to share expertise, knowledge and learning in reaching individuals who have become entrenched in street homelessness and prove that their lives can be transformed for good.
- We will learn from and share effective practice, preventative strategies and new models that divert people away from street homelessness.
- We will promote and coordinate the tracking of progress area by area.
- We will encourage partnerships across public, private and voluntary sectors, community by community until there is a true Big Society movement dedicated to ensuring that no one is left sleeping rough in our country.

8. Multiple needs and exclusions

We ask the Government to recognise adults facing multiple needs and exclusions as a key issue. Make a clear statement in the Spending Review on the importance of cooperation between local services in achieving coordinated, cost effective delivery for this group and support this where appropriate with cross-departmental coordination and cross-government funds.

Essential reform to meet government priorities and provide economic value

Individuals with multiple needs and exclusions are among the most vulnerable people in society. They face a combination of problems such as homelessness, substance misuse, mental ill health and offending. They are ineffectively supported by current local services that focus on one problem at a time. As a result they can live chaotic and expensive lives, 'recycling' between different services or relying on expensive, inappropriate emergency and criminal justice responses rather than coordinated interventions that can help change lives.

These individuals are often well known locally and could be readily defined by local areas if appropriate guidance and advice were available.

Despite representing just 0.1% of the population (around 60,000 individuals)⁵¹ this highly vulnerable group imposes disproportionate costs on the Treasury. Reforming the way that services support those facing multiple needs is therefore central to reducing the deficit, getting more for less from public expenditure and ensuring that government can limit the impact of spending cuts on the most vulnerable groups. A statement on multiple needs and exclusions should form a core part of the Spending Review 2010.

More effective service provision and better use of government funds

We welcome the government's explicit recognition that 'how it spends money is often more important than how much it spends' and that the Spending Review is committed to considering 'new and radical approaches to public service provision.'⁵²

⁵¹ It is estimated that there are around 56,000 individuals with multiple needs and exclusions at any one time, found mainly in the prison and homelessness populations. Source: Making Every Adult Matter (2009) *A four point manifesto for tackling multiple needs and exclusions*, MEAM, London, p.8

⁵² HM Treasury (2010) *The Spending Review framework*, HM Treasury, London, p.7

Better outcomes could be achieved for people facing multiple needs and exclusions, alongside efficiency savings for government, if existing expenditure were better coordinated locally, and supported nationally. No new investment would be required. However, there would be a need to retain current investment in relevant budgets and for central government to emphasise the importance of cooperation between services in local areas.

The evidence from initial attempts at coordinated local delivery shows that outcomes for individuals can be improved and efficiencies created. Total Place, the Adults Facing Chronic Exclusion (ACE) Programme at Cabinet Office, Making Every Adult Matter and recent work from Pro Bono Economics have all provided relevant information. For example, the Pro Bono Economics evaluation of the St Giles' Trust 'Through the Gates' scheme found that the service saved £10.4million based on running costs of £1.05 million, a cost benefit ratio of 10 to 1.⁵³ Total Place reported a range of efficiencies from pilot areas across the country in its latest report.⁵⁴

Supporting it to happen – a statement on local cooperation

The average individual with multiple needs and exclusions receives interventions from a number of services, both statutory and voluntary, funded by a range of government departments, for example: homelessness and housing support (CLG); welfare and benefits (DWP); physical and mental health services (DH); social care and social work interventions (DH); drug treatment programmes (DH/HO); and police, courts, prison and probation (HO/MoJ).

Local coordination of these interventions is currently constrained by government incentive structures, funding streams and an inability for cost-savings and efficiencies in one budget to result in extra resource for the budget that made the savings possible through preventative activity. Consequently it is only local areas that have made a concerted effort to improve outcomes for individuals with multiple needs that have developed statutory and voluntary services to overcome these difficulties.⁵⁵ These areas currently do so in an environment in which the savings and benefits they make to public finances may not be recognised across government⁵⁶ and in which there is limited action from the centre to sustain an environment which supports the approach, often resulting in a return to silo working.⁵⁷

The Spending Review 2010 should send a message from government that the economic waste from current, disjointed approaches to adults with multiple needs, while not visible as a problem to individual local services or government departments, is not acceptable at a time when the Treasury has prioritised savings to cut the deficit and is committed to supporting the most vulnerable.

The Spending Review should, therefore, include a clear statement on the importance of local cooperation. This should emphasise that government needs local services to cooperate fully to achieve coordinated, cost effective delivery for those facing multiple needs and exclusions if it is to meet deficit reduction targets and protect the most vulnerable. The statement should also set out government support for local areas that are rising to this challenge through their locally driven agendas.

This approach should be supported by cooperation between relevant government departments and, if desired, the identification of a proportion of existing national funding streams to be used for specific investment in holistic local responses.⁵⁸

⁵³ http://www.stgilestrust.org.uk/CaseStudies/410375/evaluation_reports_on_st_giles_trust_services.html

⁵⁴ HM Treasury and CLG (2010) Total place: a whole area approach to public services, HMT & CLG, London

⁵⁵ For example, joint funded teams to engage and support those living the most chaotic lives in local areas such as those being promoted in the MEAM pilots <http://www.meam.org.uk/service-pilots>

⁵⁶ There is, for example, no mechanism to show that a local authority has prevented one of its residents going to prison through a cheaper intervention from its housing, social care or drug treatment budget.

⁵⁷ For example, the difficulties experienced in maintaining effective ACE projects at the end of the programme

⁵⁸ Note that this is not a prerequisite for a statement on cooperation but a supporting idea

Such an emphasis in the Spending Review would protect Treasury finances without interfering in the detail of local service delivery. Senior Cabinet ministers have already shown they support such an approach. As Iain Duncan Smith has said:

“If we are to transform the lives of those with multiple needs then a truly joined-up approach is needed. Instead of funding individual departments to deliver programmes, funding should be attached to the delivery of policies which are cross-departmental. This would require buy-in from all relevant Secretaries of State via a co-ordinating body. A similarly cross-departmental approach should be adopted at a local level. All programmes to do this should be overseen and coordinated by someone at cabinet level.”⁵⁹

The Social Justice Cabinet Committee and the Public Expenditure Committee (PEX) should have key roles in creating an environment across central government that supports local co-operation and in leading coordination across government departments. We consider that a multiple needs and exclusions Green Paper, led by the Social Justice Cabinet Committee, may be a useful mechanism to take forward this work.

Measuring progress

The Spending Review should also establish processes by which local areas can measure their progress and compare themselves with other areas. Local areas, having identified a group of individuals to focus on, should be able to recognise and track the benefits of supporting them in a more co-ordinated way. A localised approach would remove many of the problems with the previous government’s tool for this purpose, PSA 16. This was a centrally driven target that did not include the most chaotic adults as the indicators were reliant on a particular relationship to specific public services.

Non-state providers in partnership with government

Non-state providers have a key role to play in the provision of services to people facing multiple needs and exclusions.

Homeless Link is working with Clinks, DrugScope and Mind as part of the Making Every Adult Matter (MEAM) coalition to support local service change for individuals. MEAM represents 1,600 frontline agencies working across the fields of criminal justice, drug treatment, homelessness and mental health and is committed to promoting coordinated interventions from voluntary organisations and their statutory partners.

MEAM believes that a statement on local cooperation as part of the Spending Review would support its member agencies in their local work. MEAM will be making its own short submission to the Treasury on the Spending Review to support the comments made in this section.

9. Welfare reform and work

Flag individuals who are homeless and receiving housing-related support as vulnerable and requiring attention and support within welfare reform and the Work Programme so that they do not risk losing their accommodation as a result of changing and ill considered application of conditionality. No further measures to reduce the amount of Housing Benefit available to vulnerable people should be put in place until full consideration has been given to any potential unintended consequences on vulnerable people and their access to housing.

⁵⁹ Iain Duncan Smith in Hampson et al (2010) *Hardest to Reach? The politics of multiple needs and exclusions*, London, p.20

Take steps to protect providers of supported accommodation from loss of income if they accommodate vulnerable and chaotic residents who are most at risk of benefit reductions or suspension.

Welfare Reform

The emergency Budget in June 2010 announced plans to cap and reduce Local Housing Allowance (LHA) and cut the Housing Benefit of those claiming Jobseeker's Allowance after 12 months by 10% from 2013. This will lead to real terms cuts of up to 50% in disposable income for a significant proportion of the nation's 4.7m Housing Benefit claimants. The cut will hit single, childless claimants hardest because they are not entitled to any other income support from the state other than their Jobseeker's Allowance (JSA). They will be forced to make up the shortfall in their Housing Benefit with a substantial proportion of their Jobseeker's Allowance, which is worth just £65.45 a week. In addition, there are to be further welfare reform proposals.

Changes to Housing Benefit and the implications of future changes to other benefits as savings are made from the DWP budget could have very significant impacts on the most vulnerable people in society. The proposals have a number of likely impacts:

- Increased risk of homelessness as income to cover housing costs shrinks: this is a particularly high risk in London which already has the highest levels of homelessness coupled with the highest housing costs in the country
- Reduced access to the private rented sector for people living in hostels, refuges and other forms of short-term supported housing. There is evidence that an increasing number of clients from hostels have been moving into the private rented sector. As a result of the proposed housing benefit changes, a likely consequence will be a reduction in the throughput from services, with people who need access to accommodation based services stuck instead on the streets or in temporary accommodation with little if any support
- Any cuts in Housing Benefit will have an immediate impact on accommodation and related support providers and any accrued rent arrears could put residents at risk of eviction and homelessness, as well as putting services at risk due to reduced income. In addition, accommodation based services will be affected by any changes DWP may shortly propose in benefit rules that cover service charges and the "exempt accommodation" rule that protects many vulnerable clients from benefit restrictions. Providers of supported accommodation will need protection from the impact of loss of income due to benefit changes or reductions
- In recent years under funding pressures, the service charges to residents have increased to cover food, heat, and common services etc. There is a statistically significant relationship between service charges at a higher level and increased levels of abandonment and eviction⁶⁰. As increasing numbers of homeless people are placed on JSA, rather than the higher level ESA or IB, and as rates may fall further, there is a significant risk that abandonments and evictions will rise and people will return to the streets
- Support workers trying to sustain tenancies will have less success if clients receive far less in benefit than their ongoing housing costs: whether through changes to LHA or benefit penalties for those out of work for more than one year
- The complex trauma in the background of many homeless people means that resettlement into independent living is a difficult journey. If they are resettled into poor quality accommodation, have to top up their rents due to the capping on LHA and their benefit is reduced further after a year of unemployment, then the most likely outcome is that they will abandon or be evicted and return to homelessness.

⁶⁰ Homeless Link internal research looking at services in London used by rough sleepers June 2010

Work

People who are homeless want to work. 77% of homeless people say they are ready to work now and 97% want to work in the future,⁶¹ but they need an appropriate staged approach, with skills development and employment support, designed in the knowledge of what works with this group of people. For homeless people there are often many interlinked barriers which have to be overcome if they are to secure and sustain a home and a job.

There are significant problems in getting skills and employment agencies to work with homeless people. We hope that the new Work Programme and skills agenda will prioritise the needs of the most vulnerable and ensure they are accessible for homeless people. Initiatives such as GROW (Giving Real Opportunities for Work) encourage and train people with experience of homelessness to apply for jobs in the homelessness sector and there has been a major drive within the sector to employ people with a history of homelessness (for example, Porchlight – see Appendix 8).

In recognition of their particular vulnerabilities and needs, homeless individuals should be flagged as requiring attention and support within the welfare benefits system and the Work Programme. By ensuring they are identified and offered appropriate support it should prevent homeless people from losing their accommodation due to the application of conditionality or sanctions within the system. The proposed cuts in Housing Benefit after a year on JSA will penalise those who need support and longer time to be work ready and could destroy the progress they have already achieved. It is vital that welfare reform builds on what works for this group and invests in it much more directly and strongly.

Our Offer

- The homelessness sector will continue to work to support the development of the employment skills of service users and develop opportunities for volunteering and employment of people with a history of homelessness
- We will engage in constructive discussion and debate on ideas for welfare reform, ensuring that the needs of the most vulnerable are taken into account in the development of any new proposals.

10. Health

We ask that the government maintains public health funding in real terms during the period 2011- 2015 and takes into account the local homelessness population in supported accommodation in the allocation for public health.

To ensure housing, health and social care work together more effectively to maximise the value of public investment, meeting the needs of vulnerable people, and jointly investing in prevention/early intervention and support.

Why should government invest in this?

The Audit Commission's final evaluation of Supporting People recognised that housing-related support was a cross-cutting service and that cross sector understanding and partnerships were needed to exploit this potential. While understanding is growing, the opportunities of housing-related support are not yet embedded in local or national service planning.⁶² There is great potential for housing and homelessness support to deliver health outcomes.

⁶¹ Off the streets and into work 2005 No Home, no Job: Moving on from transitional spaces.

⁶² Audit Commission, *Supporting People 2005-2009*, p41.

There is abundant evidence that people who are sleeping, or have slept, rough and/or are living in hostels and night shelters have significantly higher levels of premature mortality, mental and physical ill health and substance dependence than the general population (see Appendix 15). Local NHS organisations can improve their reach to the most disadvantaged people in their area and improve their public health incomes if they work with local voluntary sector organisations to audit their clients health needs⁶³ to gather accurate data about needs and to use this for effective targeted health interventions.

Housing and homelessness support should be recognised and funded as important health interventions, preventing long stays in hospital and readmission to hospital. They can delay or prevent the need for health or care services, help to broker engagements with mainstream services, improve clinical outcomes and reduce morbidity and mortality. The Marmot Review into health inequalities, *Health Society, Healthy Lives*, recognised the importance of housing in several of its policy objectives.

Are there substantial economic benefits?

Homelessness services work to improve health outcomes and help reduce health inequalities for some of the most vulnerable people. Preventative services that intervene early avoid homeless people accessing more costly services later on.

- The poorer health of homeless people results in costs to the health service 4 times that of the general population and costs the country £85m annually.
- Evidence from the United States⁶⁴ suggests improved case management of homeless people reduces hospitalisation and A&E visits by 25-30%. This could generate savings in the order of £600 per person in the UK.
- In-patient costs for homeless people are 8 times higher than for the comparison population (aged 16-64)⁶⁵. (See Appendix 16 for more details on acute costs).

On current evidence 67% of hospital trusts are unable to identify an existing policy addressing homeless patients.⁶⁶ A stay in hospital should be used as a window of opportunity to link homeless people into services and improved accommodation and prevent a return to the street.

The Audit Commission's review of joint financing across health and care found that formal joint expenditure accounts for a relatively small amount (3.4 per cent in 2007/08) of total health and social care spend.⁶⁷ However, it also identified the potential of developing agreed outcomes that underpin and directly relate to joint working. This will help health and care commissioners release resources to flexibly meet local needs in partnership.

We are encouraged that public health funding will be protected through ring fenced budgets and that allocations will be weighted towards the most disadvantaged areas through payment of a health premium. This allocation should take into account the numbers in the local homeless population to recognise the higher health costs of homeless people.

Inclusion Health⁶⁸ sets out a programme of work which includes the setting up of a National Inclusion Health Board and a Faculty of Inclusion Health, embedding inclusion health in health workers training plus establishing a support network for professionals working with the

⁶³ <http://www.homeless.org.uk/health-needs-audit>

⁶⁴ Inclusion health Evidence pack March 2010 <http://www.cabinetoffice.gov.uk/media/346574/inclusion-health-evidencepack.pdf>

⁶⁵ Healthcare for Single Homeless People (March 2010) Office of the Chief Analyst, Department of Health www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/@ps/documents/digitalasset/dh_114369.pdf

⁶⁶ Discharged to No Fixed Abode Grant Shapps 2008 <http://www.shapps.com/forum/index.php?topic=4057.0>

⁶⁷ Audit Commission, *Means to an end, Joint financing across health and social care*, October 2009

www.audit-commission.gov.uk/localgov/nationalstudies/pages/91029meanstoanend_copy.aspx

⁶⁸ Inclusion Health: improving primary care for socially excluded people (March 2010) Department of Health.

most disadvantaged. We urge the government to retain the Inclusion Health guidance and ensure its integration across the NHS and in the new public health service (see Appendix 17).

To deliver the shift in emphasis from acute services to prevention and early intervention a more joined up approach across homelessness, housing, health and social care services is required. This should cover assessments of need, commissioning and procurement and evaluation of outcomes, to achieve better health and well being outcomes and reduce health inequalities. Working better together will strengthen the economic case for early intervention as expenditure and savings extend beyond primary care.

While there is huge potential to deliver better outcomes from public investment by an improved joined up approach, cutting revenue investment in social welfare, including support services and benefits, could have a serious negative impact on public health, in particular, for the most vulnerable.

11. Appendices

Appendix 1: Geographical Distribution of Homelessness Services Projects for Homeless People in England from Homeless UK Database⁶⁹ July 2010

	Day centres	Other non-residential ⁷⁰	Total non-residential	Hostels/supported accommodation ⁷¹	Total services
EAST ENGLAND					
Bedford	1	1	2	7	9
Cambridgeshire	0	7	7	24	31
Central Bedfordshire	0	1	1	2	3
Essex	3	6	9	21	30
Hertfordshire	5	10	15	32	47
Luton	1	2	3	10	13
Norfolk	2	6	8	23	31
Peterborough	1	0	1	7	8
Southend on Sea	1	0	1	6	7
Suffolk	1	8	9	21	30
Thurrock	0	2	2	2	4
TOTAL	15	43	58	150	208
EAST MIDLANDS					
Derby City	1	4	5	10	15
Derbyshire	1	3	4	14	18
Leicester	5	8	13	25	38
Leicestershire	0	6	6	8	14
Lincolnshire	2	2	4	15	19
Northamptonshire	5	6	11	14	25
Nottingham	4	9	13	27	40
Nottinghamshire	3	9	12	20	32
Rutland	0	0	0	0	0
TOTAL	21	47	68	131	199
LONDON					
Barking & Dagenham	0	0	0	2	2
Barnet	1	2	3	2	5
Bexley	0	0	0	2	2
Brent	1	5	6	17	23
Bromley	1	2	3	2	5
Camden	6	8	14	34	48
City of London	0	1	1	3	4
Croydon	1	4	5	9	14
Ealing	1	2	3	12	15

⁶⁹ The table totals number of projects by local authority area where based. This only includes homeless services on Homeless UK and not all services for homeless people. For hostels/accommodation projects this is fairly straightforward. However, for a few of the day centres and especially some of the non-residential services, area served rather than area where based is more meaningful (the table includes for example Shelter's Freephone Helpline under Sheffield, and other national, regional and multi-local authority services).

⁷⁰ Excludes Local Authority housing advice/options services. Includes a wide range of projects that are either entirely or partly for homeless people (e.g. a young people's advice service that runs a specialist session for young homeless people). Projects include advice, furniture projects, drop-in services, rent deposit schemes, outreach, mediation, specialist health or mental health services. Coverage of these sorts of non-residential projects is generally less comprehensive than coverage of day centres

⁷¹ These include emergency and second stage projects and some specialist alcohol, drug and mental health residential projects that are specifically for/target homeless people

Enfield	1	0	1	8	9
Greenwich	0	2	2	8	10
Hackney	4	6	10	20	30
Hammersmith & Fulham	3	3	6	17	23
Haringey	0	4	4	10	14
Harrow	0	0	0	1	1
Havering	0	0	0	0	0
Hillingdon	0	5	5	9	14
Hounslow	0	1	1	4	5
Islington	3	16	19	12	31
Kensington & Chelsea	3	3	6	15	21
Kingston upon Thames	0	2	2	4	6
Lambeth	3	6	9	29	38
Lewisham	3	2	5	19	24
Merton	1	2	3	8	11
Newham	0	2	2	12	14
Redbridge	1	1	2	3	5
Richmond upon Thames	1	2	3	0	3
Southwark	1	7	8	26	34
Sutton	0	1	1	5	6
Tower Hamlets	3	8	11	20	31
Waltham Forest	0	0	0	11	11
Wandsworth	0	2	2	12	14
Westminster	10	15	25	36	61
TOTAL	48	114	162	294	456
NORTH EAST ENGLAND					
County Durham	0	4	4	10	14
Darlington	1	2	3	4	7
Gateshead	0	0	0	7	7
Hartlepool	0	1	1	3	4
Middlesbrough	0	2	2	4	6
Newcastle upon Tyne	3	6	9	24	33
North Tyneside	1	2	3	6	9
Northumberland	0	3	3	8	11
Redcar & Cleveland	0	2	2	3	5
South Tyneside	0	1	1	7	8
Stockton on Tees	0	2	2	3	5
Sunderland	1	2	3	6	9
TOTAL	6	27	33	74	107
NORTH WEST ENGLAND					
Blackburn with Darwen	1	1	2	14	16
Blackpool	2	1	3	10	13
Bolton	0	3	3	9	12
Bury	1	1	2	8	10
Cheshire East	0	0	0	5	5
Cheshire West and Chester	1	5	6	8	14
Cumbria	2	4	6	19	25
Halton	0	0	0	5	5
Knowsley	0	1	1	6	7
Lancashire	1	6	7	24	31
Liverpool	2	3	5	15	20
Manchester	5	14	19	29	48

Oldham	0	1	1	8	9
Rochdale	2	1	3	18	21
Salford	1	2	3	8	11
Sefton	1	4	5	3	8
St Helens	0	0	0	7	7
Stockport	1	1	2	5	7
Tameside	0	0	0	6	6
Trafford	0	0	0	3	3
Warrington	0	1	1	3	4
Wigan	1	1	2	1	3
Wirral	0	1	1	8	9
TOTAL	21	51	72	221	293
SOUTH EAST ENGLAND					
Bracknell Forest	0	1	1	2	3
Brighton & Hove	3	4	7	21	28
Buckinghamshire	1	4	5	6	11
East Sussex	2	7	9	11	20
Hampshire	3	4	7	27	34
Isle of Wight	0	0	0	4	4
Kent	4	6	10	33	43
Medway	1	2	3	7	10
Milton Keynes	0	1	1	8	9
Oxfordshire	5	6	11	16	27
Portsmouth	1	4	5	8	13
Reading	1	3	4	6	10
Slough	1	2	3	4	7
Southampton	5	2	7	13	20
Surrey	2	8	10	19	29
West Berkshire	1	1	2	1	3
West Sussex	3	9	12	16	28
Windsor & Maidenhead	0	0	0	2	2
Wokingham	0	0	0	1	1
TOTAL	33	64	97	205	302
SOUTH WEST ENGLAND					
Bath & North East Somerset	1	4	5	9	14
Bournemouth	1	5	6	11	17
Bristol	5	19	24	21	45
Cornwall	3	4	7	18	25
Devon	3	6	9	25	34
Dorset	1	6	7	14	21
Gloucestershire	1	8	9	24	33
North Somerset	1	1	2	6	8
Plymouth	1	2	3	9	12
Poole	0	0	0	3	3
Somerset	1	8	9	22	31
South Gloucestershire	0	2	2	9	11
Swindon	1	0	1	7	8
Torbay	1	1	2	4	6
Wiltshire	3	2	5	12	17
TOTAL	23	68	91	194	285
WEST MIDLANDS					

Birmingham	6	16	22	56	78
Coventry	2	2	4	12	16
Dudley	0	2	2	6	8
Herefordshire	0	2	2	3	5
Sandwell	0	2	2	11	13
Shropshire	0	7	7	11	18
Solihull	0	0	0	4	4
Staffordshire	0	6	6	9	15
Stoke on Trent	0	3	3	5	8
Walsall	1	2	3	7	10
Warwickshire	2	2	4	11	15
Wolverhampton	1	1	2	8	10
Worcestershire	2	1	3	8	11
Wrekin	1	2	3	5	8
TOTAL	15	48	63	155	218
YORKSHIRE & HUMBERSIDE					
Barnsley	0	2	2	3	5
Bradford	1	13	14	17	31
Calderdale	0	3	3	1	4
Doncaster	0	4	4	5	9
East Riding of Yorkshire	2	0	2	2	4
Kingston upon Hull	1	3	4	12	16
Kirklees	1	3	4	8	12
Leeds	2	10	12	20	32
North East Lincolnshire	1	4	5	7	12
North Lincolnshire	0	1	1	0	1
North Yorkshire	3	15	18	21	39
Rotherham	1	3	4	5	9
Sheffield	3	6	9	16	25
Wakefield	0	2	2	2	4
York	2	3	5	8	13
TOTAL	17	72	89	127	216
GRAND TOTAL	199	534	733	1551	2284

Appendix 2: Funding of homelessness projects – SNAP 2010

Funding stream	Day centres 2010	Hostels 2010	2 nd stage accommod ation projects 2010	Total 2010
	% (N)	% (N)	% (N)	% (N)
Supporting people	14% (8)	86% (84)	85% (292)	77% (384)
Fundraising ⁷²	38% (22)	1% (1)	1% (4)	5% (27)
Don't know/can't say	9% (5)	6% (6)	3% (11)	4% (22)
Benefit payments	0% (0)	5% (5)	5% (16)	4% (21)
Other local authority funding (local grant etc.)	19% (11)	1% (1)	1% (3)	3% (15)
Other	9% (5)	1% (1)	1% (5)	2% (11)
Rent & service charges	0% (0)	0% (0)	3% (9)	2% (9)
Social services	9% (5)	0% (0)	1% (3)	2% (8)
Health	3% (2)	0% (0)	0% (0)	0% (2)
LAA/LSP	0% (0)	0% (0)	0% (1)	0% (1)
TOTAL	58	98	344	500

Appendix 3: Range of services provided by homelessness projects, SNAP 2010

Type of Service	Service Availability
	%
Drug Services	95%
Alcohol Services	96%
Mental Health Services	96%
Physical Health Services	97%
Meaningful Activities (e.g. arts, sports, etc)	94%
Education, Training & Employment	98%
Advice	99%
Resettlement	92%

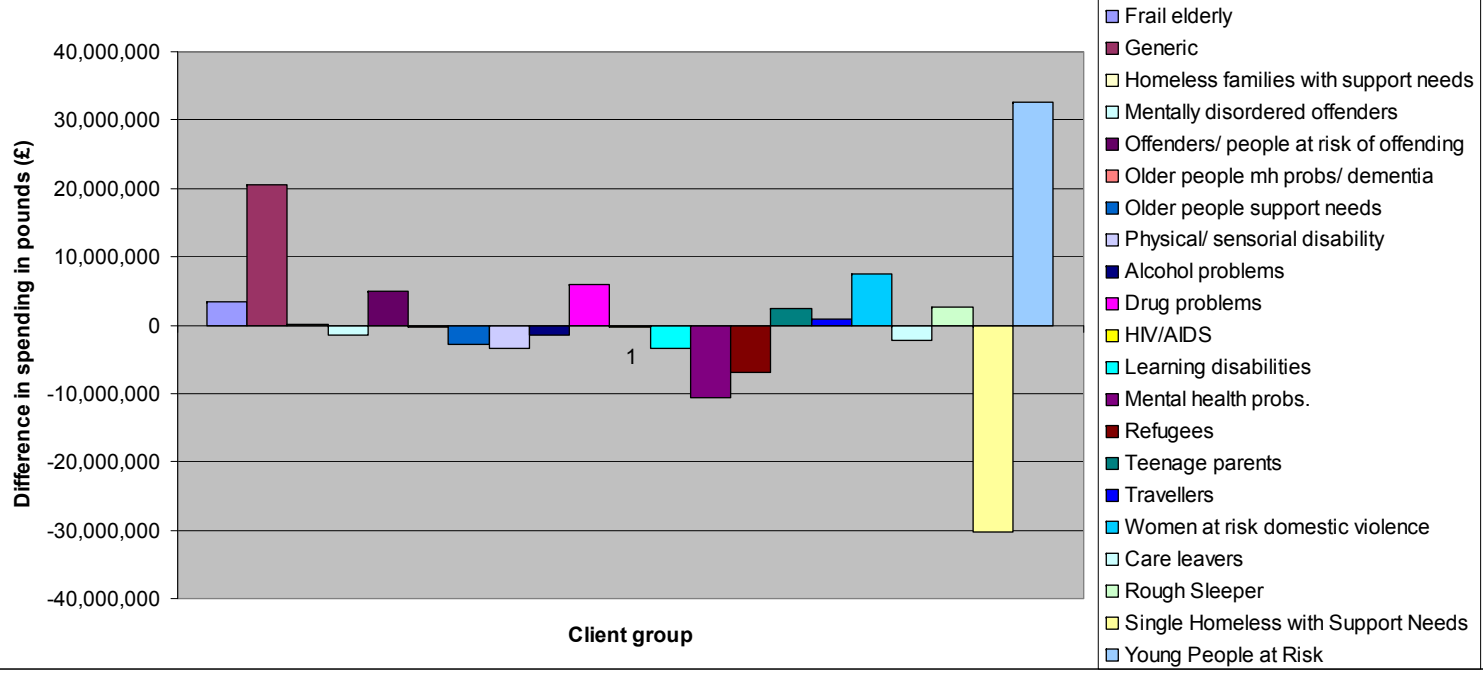
⁷² Funding from trusts, foundations and individual giving

Appendix 4: Needs of Clients using Homelessness Services – SNAP 2010

Issues affecting clients	Over 75% N (%)	50 to 75% N (%)	25 to 49% N (%)	Under 25% N (%)	Total that have some clients affected by issue	None N (%)	Don't know N (%)
Drug problems	78 (16)	110 (22)	120 (24)	151 (30)	459 (92)	32 (6)	9 (2)
Alcohol problems	61 (12)	124 (25)	129 (26)	144 (29)	458 (92)	34 (7)	8 (2)
Mental health problems	36 (7)	103 (21)	140 (28)	178 (36)	457 (91)	32 (6)	11 (2)
Physical health problems	10 (2)	37 (7)	73 (15)	282 (56)	402 (80)	89 (18)	9 (2)
Personality disorders	6 (1)	13 (3)	36 (7)	256 (51)	311 (62)	155 (31)	34 (7)
Borderline learning difficulties	13 (3)	21 (4)	66 (13)	302 (60)	402 (80)	70 (14)	28 (6)
Offending behaviour	53 (11)	82 (16)	109 (22)	185 (37)	429 (86)	59 (12)	12 (2)
Gambling problems	0 (0)	7 (1)	19 (4)	212 (42)	238 (48)	218 (44)	44 (9)
Debt problems	108 (22)	104 (21)	126 (25)	117 (23)	455 (91)	25 (5)	20 (4)
Benefits problems	122 (24)	104 (21)	94 (19)	118 (24)	438 (88)	46 (9)	16 (3)
Eviction	31 (6)	54 (11)	71 (14)	217 (43)	363 (74)	99 (20)	28 (6)
Repossession	3 (1)	7 (1)	13 (3)	154 (31)	177 (35)	288 (58)	35 (7)
Multiple needs	123 (25)	117 (23)	83 (17)	109 (22)	432 (86)	59 (12)	9 (2)

Appendix 5: Changes in Supporting People spending from 2005/06 - 2008/09

Chart showing changes in national spending from 2005/2006 to 2008/2009



Appendix 6: Places of Change case studies

Virginia House, Newcastle upon Tyne: ‘big society’ in action

Summary of the service now

Virginia House is a 17 bed supported accommodation and community facility, in a heavily deprived area of Newcastle, delivered by Cyrenians.

What it was like before Places of Change investment

- A 36 bed hostel with shared rooms, where up to 6 residents slept separated by cubicle curtains.
- There was little or no positive move on – rates of 36%
- There were high evictions and abandonments – rates of 28%
- In the sector it had a poor reputation and expectation that residents were at risk of developing a drug problem.
- The building was historic but decrepit, a crumbling estate owned by the council, but formerly home to John Dobson, who designed much of the architecture for which the city is renowned
- There was no community engagement and outright hostility, local residents stripped lead off the roof and fired air rifles at the hostel

Capital investment & match funding

A grant of £1.3million was made from CLGs Hostel’s Capital Improvement Programme, in 2006. Cyrenians added £700,000 of their own money, and the council secured the asset (worth approximately £1m) for Cyrenians on a 99 year lease.

The development project

The project lasted 3 years, and radically transformed the hostel and grounds. The main house has been brought back to its former glory. There is a gym, music room and industry standard radio station on site. An extension provides single rooms with en-suite bathrooms to a high standard. The grounds have been landscaped and turned into large growing spaces for a horticultural project.

The authority and provider took a bold step, based on a strategic investigation of needs that showed both service users and the local community lacked focussed settings for meaningful activity. A range of activities were identified to improve health, environmental and employment outcomes for both groups. See table below for details.

This partnership of voluntary and statutory providers chose to reduce the number of bedrooms by more than half, simultaneously developing bespoke activity resources. This creative use of investment, and the resulting offers to residents and community, would not have been possible under a National Affordable Housing Programme Grant, with its restrictive measure of unit cost.

The flexibility of the project also allowed 4 young men, previously long term unemployed, to work on site and train to NvQ3 in construction. 3 are in full time employment.

Facility	Homeless client need	Community need	Offer	Partners
Gym	Survey of hostels in city shows only 20% of clients engage in structured physical activity	Local sports facility (swimming pool) closes for refurbishment for 2 years in 2007	Gym with 11 weight machines, free weights and aerobic equipment – free to residents and community; training for Sports Leadership	Sports Universities North East England

Medical Room	Survey shows access to core and alternative therapies only available to 10% of homeless clients	Nearest general practice is 3miles away	and Gym Instructor awards Triage services by community nurse and GP visits, range of therapeutic interventions available daily; sexual health advice and family planning for community; weekly massage training programme	PCT, local surgery and volunteers from community with qualifications in alternative therapies
Horticultural plots	Healthy eating a recurring issue with homeless clients	Nearest allotments 2m away; no stock of fresh fruit and vegetables in local shopping centre	Allotments for local community groups and individuals; regular crop of food for hostel clients; qualifications in horticulture and gardening	Community gardening project; Eden Project
Music room and studio	Creative activities for homeless clients in city limited to performance and visual arts	Local community broadcast initiative had no home; local musicians priced out of commercial rehearsal spaces	Large rehearsal room, connected to industry standard recording and broadcast studio	NE1FM and Galaxy Radio; local volunteers with live and studio production experience

Impacts

Clients have a vastly improved standard of living and are engaged in activity and training. Two clients previously evicted from all other accommodation in the city, and homeless for 10 years each, passed through Virginia in 2009 completed training programmes and now live independently.

Staff have been better trained and are motivated to ‘go the extra mile’ with clients, often contributing unpaid services. The type of service is vastly different, with support workers delivering training programmes at NVQ2 and 3 in care and support to clients and community. This means the training for employment offer at Virginia includes:

- horticulture qualifications at level 1 and 2
- health and social care NVQ2 and 3
- other qualifications in customer service, cooking and IT
- professional training in music and radio production

The community not only value Virginia but use it on a daily basis. Homeless clients and local residents, who were previously hostile enemies, now work together to grow vegetables, take part in therapy and gym activities.

NE1FM broadcast to the community, with the full participation of the community – including its most disadvantaged members. Whilst SUNEE have a focus for local engagement with hard to reach groups, who would not attend their other sessions at university campuses.

The project also stimulated a re-profiling of all supported accommodation in Newcastle, which allowed the city to change how services are delivered. There is now a Chronic Exclusion team doing outreach in the city, run by Cyrenians and working closely with Virginia. As a result no one slept rough in Newcastle during Christmas 2009.

Outcomes (2009/10)

- A positive move on rate of 82%
- A zero rate of re-offending by clients, the majority of whom have criminal history
- 100% participation of clients in physical activity programmes
- An eviction and abandonment rate of 1-in-28

Summary

Virginia House is much more than a hostel; it is a voluntary community facility. It brings together volunteers with commissioned services to deliver quality accommodation for more than 30 people a year, simultaneously providing outstanding media and physical activity resources to a disadvantaged community. This model is only possible because of an innovative approach to capital investment taken by central government, matched by a local ethos of partnership.

Milestone House, Derbyshire

Derbyshire Housing Aid using Places of Change funding set up Milestone House. Their previous provision had been a Night Shelter, offering basic accommodation and support. While the services offered personalised support and was highly valued by street sleepers, it had 14 people sleeping in one room, and using outside toilets with no bath or shower facilities. Milestone House opened in September 2008 and has 30 rooms for 35 residents, with some provision for couples. The council's Single Point of Entry is also based at Milestone House, which enables close partnership working.

The difference has been marked, both in terms of utilisation of the project, and outcomes.

People who would not use the old Night Shelter have come to Milestone House, particularly women, and people from BME communities. Despite increasing our available places by 250%, our occupancy rate approaches 100%. People are still turned away because the project is full on average 108 times a month (April 2009- January 2010).

While in the old Night Shelter, the planned move on figures consistently averaged around 45%. This year, 2009-2010, the average is 69.7%, over the first three quarters. In one quarter it was as high as 79.4%. This is with a client group including chaotic street homeless people, with high levels of drug and alcohol and mental health issues, including people who are serially excluded from other services, and street homeless people who have not been in any service for over ten years.

Bridge House, Malton

Bridge House is a 7 bed direct access hostel that operates in a building leased from a private landlord. Prior to Places of Change funding it was very run down and as there were no staff on site residents were not supported to change their lives. Additionally the project had a poor reputation including high levels of anti-social behaviour at the project at night time.

Places of Change funding made significant physical improvements to the building making it a welcoming and a positive place to live as well as creating a space for an office. Supporting People invested in the service by providing revenue funding for an activities worker and the District Council provide staff based in the new office.

Impact of Changes

- Improved relationships with community and better partnership working with local authority
- Clients – the service now makes a positive impact on residents. An example is a 17 year old man who was known across the whole town because he spent every evening in the town square drinking, shouting and abusing passers-by. He became homeless and after living in Bridge House with support that addressed his needs he was diverted from his previous anti social behaviour without the cost of time in the courts or prison which would only have provided a short term intervention.
- Staff – the Local Authority staff would dread going down to the 'old' Bridge House as it was usually to sort out a problem or follow up on a complaint. Now they are able to interact with residents in a positive environment, focus on next steps and planning ahead. There is a 'can-do' approach which is very difficult to develop and maintain in an environment where change is not possible.

Outcomes

- 33 additional households have been assisted to access the private rented sector.
- A total of 21 Bond Guarantee Schemes/Bond Payments and Rent in Advance delivered in order to prevent homelessness.
- Between 1 April and 31 December 2009 arranged and delivered 63 positive activities through Bridge House, including weekend residential, scuba diving, go-carting, visit to BBC Radio York, climbing in Dalby Forest and decorating rooms.

Changed the focus from assessment to prevention which also reduces the following:

- Crime
- Addiction
- Domestic Abuse
- Health Issues
- Disengagement

Since January 2008, accommodated 82 residents who have had the following needs:

- 55 not in any education, training or employment
- 33 need support for drug and alcohol issues
- 14 need support for mental health issues.
- 10 have had major literacy problems
- 11 have had severe medical problems
- 3 have had moderate learning difficulties
- 6 have had severe behavioural problems

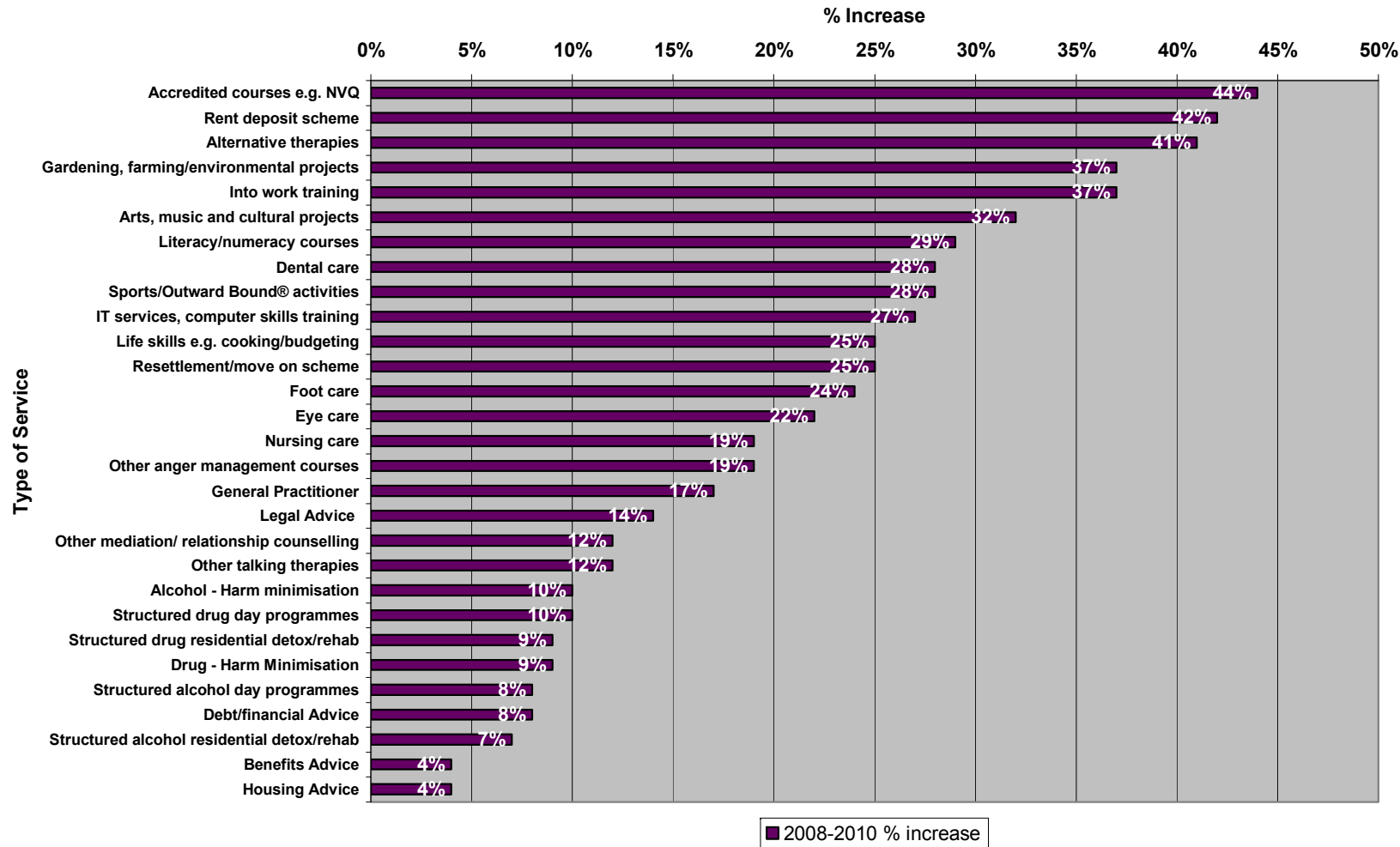
Bridge House diverts people from alternatives that are significantly more expensive

- Residential care 16/17 yrs olds £2,000 to £5,000 a week £104,000 - £260,000pa
- Custodial costs average £55,674pa
- Foster care £296 plus a week £15,392pa
- Bridge House £150 a week £7,800pa

The new facility has been at the centre of other improvements made in the district

- Homeless applications reduced by 73% in the last 5 years
- 239 Homeless preventions in 2009/10, highest in North Yorkshire excl Scarborough/Harrogate
- 50% reduction in temporary accommodation occupancy in the last 5 years
- 56% increase in the number of initial housing enquiries in the last 3 years
- Prevented 22 16/17 year olds from going through the homeless route/Section 20 services in 2009/10

Appendix 7: Places of Change – range of activities provided by homelessness services: Source SNAP 2010



Appendix 9: Places of Change – learning, skills & employment case studies

Two Saints, Southampton

Two Saints' Learning Service, The Base, engages with disadvantaged or reluctant learners. It offers support in gaining recognised accredited qualifications, employment opportunities and increased confidence and motivation. Since the project started in 2008:

- 24 learners have moved to part or full time employment
- 17 learners have completed First Aid training
- 26 learners have completed a level 2 Food Hygiene Qualification
- 31 learners have applied for jobs and created CVs
- 12 learners have enrolled on Part or Full Time College Courses
- 18 learners have completed the CITB Construction Card.

Cyrenians, Tyneside

The Cyrenians has established the Brighter Futures Constructions Skills Training Centre. People are referred to the training centre from the Cyrenians or local drug teams. The centre provides short-term 'taster' programmes including carpentry, joinery, bricklaying and plastering. After the taster sessions, people can sign up to a 12-weeks course, for 2 days a week. At the end each graduate can take the test for the CSCS registration – the 'passport' to work on any construction site. Trainees have gone on to be involved in re-furbishing and new-build accommodation at the Cyrenians headquarters. All those involved studied for NVQ Level 2. Within the first 20 weeks of the first project almost all of the "self-builders" had moved into their own homes.

The Cyrenians has set up their own property development service, TCUK Property Services and this employs on an apprenticeship basis graduates from Brighter Futures to develop move-on accommodation for people from its hostel.

"The self-build project has given me the chance to get my life back on track. I honestly thought I was going to be unemployable for the rest of my life because of my drug problem and criminal history. Now at the end of the project I have been offered a job. Stuart, graduate from Brighter Futures."

Porchlight, Kent

Porchlight has prioritised jobs, education and training for their service users, aiming to have 20% of their workforce to be ex-service users.

Employability and volunteering programme (EVP) – this is a 4 month OCN accredited course involving classroom days, written assignments and volunteering/work placements within Porchlight projects (hostels, outreach, community projects). The first programme ran from November 09 - February 2010. A total of 8 service users completed the course and of these, 7 applied for jobs and were successful. One decided to carry doing volunteering work for a bit longer.

Trainee programme – Trainee support worker posts were developed earmarked for ex-service users. The posts are 6 months, part time and are funded by the Future Jobs Fund. In March 2010, they employed their first intake of trainees – 6 started, of which 5 were from our EVP programme and one from the job centre. All trainees were people who had been on benefits for a long time and it was the first opportunity for them to gain employment in a long time.

Youth homeless education programme - One year project funded by the Future Jobs Fund and 10 local authorities in Kent. It employs 3 workers who are all ex-service users and one co-ordinator. Two of the workers were on the EVP and one came from the job centre. All had been long term unemployed. The staff go into schools in Kent to talk about homelessness and is a key part local authorities' homeless strategies around prevention.

Appendix 10: Outcomes of Places of Change

Places of Change – progress against outcomes – Q4 (March) 2009/10 Source: HCA

Volunteering placements

Base line (Apr 07 - Mar 08)	402
Per annum when project complete (projection)	1181
Projected % increase	194%

Employment – part time

Base line (Apr 07 - Mar 08)	158
Per annum when project complete (projection)	576
Projected % increase	265%

Employment – full time

Base line (Apr 07 - Mar 08)	174
Per annum when project complete (projection)	605
Projected % increase	248%

Freedom Social Projects, North Devon outcomes 2010

Outcomes	Target to be achieved by March 2011	Target % Increase against baseline data	Actual Achievement	% Increase Achieved
Increased move-on to appropriate accommodation	52	100%	160	515%
Number of people into Further Education	5	100%	44	2100%
Number of people into pre-employment training	30	150%	35	191%
Number of people into volunteering placements	30	50%	42	110%
Number of people into part-time employment	12	140%	14	180%
Number of people into full-time employment	4	100%	10	400%
Improved access health services	60	100%	157	420%

Monitoring outcomes data, Places of Change Source HCA

Figures are for the period since the Places of Change programme investment began in March 2008)

Bentnck Road (Framework), Nottingham – PCP investment £535k

- Positive Move On: 37 (baseline 11)
- Service users into further education: 63 (baseline 15)
- Pre-employment training: 65 (baseline 2)
- Volunteering: 47 (baseline 2)
- Employment: 12 (baseline 0)

St George's Centre, Wolverhampton – PCP investment £150k

- Service users into further education: 69 (baseline 29)
- Pre-employment training: 60 (baseline 0)
- Volunteering: 9 (baseline 2)
- Employment: 12 (baseline 0)

Anchor House, Newham, London – PCP investment £2.5m

- Positive move on: 101 (baseline 43)
- Services users into further education: 647 (baseline 45)
- Volunteering: 255 (baseline 70)
- Employment: 77 (baseline 29)

Appendix 10: Places of Change – Community Hub**CHC, London**

CHC delivers a range of services to homeless people as well as the wider community in its new purpose-built centre in Brent. People come for training, advice or support. It runs a range of classes and training. Homeless people engage in these alongside local residents. The project has strong links with local employers and last year supported 60 service users into employment, mainly jobs in construction, hospitality and retail. It also has a strong community mission. The Youth Engagement Services (YES) was developed in response to the local community's concern about intimidation by a group of young people engaged in anti-social activities. Its activities include a fashion show, documentary film and sports. Its youth leaders with the police to engage with other young people through sports and other activities.

Appendix 11: Individual case study – cost benefits

'W' became homeless as a teenager following bereavement and ended up sleeping rough. He developed serious multiple drug habit and his mental health deteriorated. He was arrested on a weekly basis and sent to prison for four sentences. He has also been admitted to hospital for five serious incidents and attended numerous outpatient appointments. Eventually a hostel support worked managed to connect with him and he moved into a hostel. A detox programme was arranged and this was followed by a place in a specialist housing and drugs project. W's mental health was assessed and he was prescribed anti-depressants and anti-psychotics. Though this support, his resilience and his passion for art, he has transformed his life and he has been off drugs since the detox almost a year ago. From the costings below it is clear that homelessness and drug support lead to far more in savings across government and society than they cost to deliver. (These calculations include only obvious government expenditure only. The previous costs would be much higher if the social costs of crime and rough sleeping were included).⁷³

Previous cost for W	
Costs	£
Crime costs	152,000
Hospital costs	8,500
Outreach costs	37,000
Drug treatment & detox costs	32,000
Accommodation & support costs	178,000
TOTAL	407,500
Costs for W (latest year)	
Crime costs	0
Hospital costs	150
Drug treatment	3,000
Medication	400

⁷³ Making Every Adult Matter, A four-point manifesto for tackling multiple needs and exclusions, September 2009.

Day centre (art)	1800
Accommodation & support costs	19,000
TOTAL – ONE YEAR	24,350

Appendix 12: Prevention Costs Case Study

Prevention First (private rented access scheme) low need⁷⁴

29 year old man, sofa surfing, working part-time is asked to leave by a friend following an argument.

The costs of providing comprehensive housing options advice and assistance to access the private rented sector using a bond scheme is approximately:

- £132 (at £16.50 per hour for housing options advice assuming 8 hours to assess and establish a bond within agreed scheme)
- £540 (rent in advance for one calendar month)
- £162 (assuming a 30% claim rate against a bond of one calendar month)
- £858 (for floating support at average of 2 hours per week at £16.50 per hour for six months).

TOTAL = £1,700

The alternative would be:

Following a week sleeping rough and then being referred into supported housing projects for a period of 19 months, based on the following costings:

- £132 (at £16.50 per hour for street outreach contact and assessment service)
- £1,000 (for direct access hostel for four weeks)
- £2,730 (for 52 weeks in a second stage supported house)
- £858 (for floating support for six months when moving out)

TOTAL = £4,370

(This assumes no contact with the criminal justice system or a deterioration in physical or mental health/ assault requiring use of A&E during the period sleeping rough).

Minimum saving per person achieved by timely prevention option: £3,300.

Appendix 13: Case study of savings from personalised support package for entrenched rough sleeper

Housing First – personalised support packages (high needs)⁷⁵

The client: Entrenched rough sleeper, male, aged 40. Has alcohol dependency, linked to chaotic use of A&E and contact with the criminal justice system. He does not claim benefits consistently due to involvements with criminal justice system and chaotic lifestyle and so begs, sometimes aggressively. He has been the victim of assault as well as occasionally the perpetrator of threatening behaviour and shoplifting, resulting in three arrests and one short sentence. He has been in the direct access hostel eight times over the last 12 months – stays usually for a week before confrontation leads him to being evicted. He uses A&E for his primary care and has two overnight admissions and one requiring a three-night stay. These costs will be recurring and do not reflect on wider impacts such as loss of trade or community safety.

The costs of the status quo, based on the following assumptions:

- £15,000 per annum for policing (for moving individual on when street drinking arrest

⁷⁴ Communities and Local Government and National Mental Health Development Unit, Meeting the psychological and emotional needs of people who are homeless, 2010 www.mhdu.org.uk/resources

⁷⁵ Ibid.

for aggressive begging; court proceedings and short sentence in magistrates court at £4,950 a time)

- £4,800 to issue and ASBO
- £3,000+ for use of A&E
- £2,000 (8 weeks in night shelter)
- £480 (Costs of DAAT worker seeking to engage – assuming three hours each time client uses night shelter)
- £300 (costs of additional street cleaning around sleeping site/drinking sites)

TOTAL = c. £25,500

Housing First Approach

- £2,080 cleaning (two hours twice per week at £10 per hour)
- £520 laundry (£10 per week)
- £1,000 per annum replacing furniture/carpets
- £10,4000 (support worker with alcohol specialism visiting two hours per day at £15 per hour)
- £520 (community alarm at £10 per week)

TOTAL = c £18,000

The saving achieved by a personalised care package in own property c. £7,500 per annum. These savings are likely to increase over time as the individual stabilises and the very intensive high level support can be reduced.

Appendix 14: Personalisation approaches to tackling rough sleeping

Personalisation pilot, The City, London

The people in the city being targeted by the scheme are those whose names have come up 50 times or more over the last five years on Broadway's central database of rough sleeper street counts, and who have refused all offers of accommodation by many agencies. 15 rough sleepers, who were previously the most resistant to change and had slept rough for many years, have been offered a personal budget of up to £3,000 to get off the streets. Clients are helped to draw up an action plan that includes a list of items that cannot usually be sourced from benefits or the social fund. The funding, from Communities and Local Government via the Corporation of London, is held by the worker and can be spent on anything that might act as the catalyst to get people off the street, such as furniture, television, travel costs. It can also cover rent deposits or emergency utility bills. Ten are now in accommodation but two rough sleepers have declined the offer of a personal budget.

One of the main findings from the pilot is that it is not the money that is really incentivising people. The project has provided the capacity to work intensively with this group and the benefits are as a result of having time to build relationships and giving people control over choice and outcomes.

"Rough sleepers who have lived in the streets for 10,20 or even 30 years are now choosing to live in sheltered accommodation rather than in doorways and car parks, and slowly rebuilding their lives." Rough Sleeper Manager, City of London Corporation.

Appendix 15: Health needs

The Department of Health report *Healthcare for Single Homeless People*⁷⁶ found evidence that:

⁷⁶ Healthcare for Single Homeless People (March 2010) Office of the Chief Analyst, Department of Health www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/@ps/documents/digitalasset/dh_114369.pdf

- The average age of death of people in hostels or registered as homeless is estimated at around 40-44 years.
- 50-75% rough sleepers have Axis 1 mental health disorders (anxiety disorders, depression, dementia and psychosis).
- Physical health needs are experienced at a rate higher than the general population – for example rates of chronic chest and breathing problems are 3 times the general population, and rough sleepers experience TB at 200 times that of the known rate amongst the general population.
- In 2007/8 there were around 17,400 inpatient episodes coded as NFA.

Recent data from Homeless Link found:

- 8 out of 10 homeless people have one or more physical health needs
- 7 out of 10 homeless people have a mental health problem
- 44% of those with a mental health problem said they self medicate with drugs or alcohol.
- A high number of homeless people said they drink 10 or more units each time they drink (32% of those who drink).⁷⁷

Appendix 16: Costs of Acute Services

The Department of Health report *Healthcare for Single Homeless People*⁷⁸ looks in detail at the costs of treating homeless people in secondary care acute services. The increased costs arise partly because homeless people have almost three times the average length of stay of the general population due to the severity of their health conditions, an average 6.2 days compared to 2.1 days. They are also high users of accident and emergency care, 3-6 times as many visits to A&E as the general population. Many homeless people are not captured in the population data used as the basis of PCT revenue allocations and there is no weighting to take account of the higher health costs of homeless people. The work has begun in the report of the office of the Chief Analyst to map the homeless population onto PCT areas. It shows in the areas with the highest homeless population that there are between 611 to 1443 homeless people for a PCT population of 330,000.

Appendix 17: Inclusion Health

Homeless people do not necessarily need specialist health services, but the Inclusion Health evidence pack⁷⁹ identifies that health professionals should be 'switched on to the specific needs of their clients, the need for rapid diagnosis and pathways into appropriate care and the need for flexible services around primary care to link clients back into'.

- One third of areas have no specialist primary care service for homeless people and many of those that do simply have a GP surgery which will offer homeless people permanent or temporary registration
- 71% of non homeless health specialists are not confident in their ability to care for homeless people.

⁷⁷ This is based on initial findings from the national data set provided by the health needs audit. This uses information provided by 730 homeless individuals from across 9 PCT areas across England.

⁷⁸ Department of Health, op.cit.

⁷⁹ Inclusion health Evidence pack March 2010 <http://www.cabinetoffice.gov.uk/media/346574/inclusion-health-evidencepack.pdf>