

Learnings from our personalised budgets focus group

Personalised budgets are used in a variety of ways across homelessness services. From supporting someone with household items when they move into accommodation, to paying for a training course to help them find employment, personalised budgets can provide life-changing support for people experiencing homelessness.

In June 2024, Homeless Link, alongside one of our members [Greater Change](#), facilitated a focus group for people working in homelessness services across England to explore the use of personalised budgets. 19 individuals from 13 different services attended. This briefing summarises the focus group discussions about what is working well, what the challenges are, and key recommendations to consider when offering personalised budgets.

This briefing does not draw on existing available literature on personalised budgets. However, there is a section at the end which lists further resources for exploration.

What works?

A key theme which came out of discussions was the ability to use funds flexibly and creatively as opposed to having a specific amount allocated to each person. People will need different things, at different times in their lives and therefore, although participants believed a policy for personalised budgets should be in place, each request should be considered on its own merit. Policies should be co-produced by people accessing services, to ensure they reflect what people want and need.

Participants spoke about how personalised budgets can have a hugely positive impact in the short-term to help someone survive a crisis, for example, paying arrears to avoid an eviction. Conversely, participants also felt that ideally, personalised budgets shouldn't be used to top up essentials, for example, to top up insufficient benefits/wages, as this isn't sustainable or transformative. Rather, personalised budgets should be used creatively and flexibly. Examples of how services had used personalised budgets were:

- Furniture/soft furnishings for accommodation
- Property adaptations/repairs
- Professional cleaning of properties
- Mobile phones & credit
- Travel cards
- Leisure outings
- Beauty treatments
- Private health tests/screenings

Participants discussed how it is important to help staff feel confident to think differently about using personalised budgets; to move from being concerned about potentially using money wrongly, and into a mindset of thinking through how they can use the funds to enable something transformational for the person being supported. For example, funds could be used to engage someone in a hostel and help someone supported by an outreach service to pursue a hobby.

What are the challenges?

Although, universally, there was a desire to see personalised budgets used flexibly, participants raised that this can create anxiety for workers about how to manage the fund. It was discussed how there can be a fine line between promoting the principles of choice, and harm reduction, including the fear that a service user may sell items, purchased with a personalised budget, to fund substance use.

Some participants working in Housing First services had experienced service users being referred on the expectation of receiving a continuous personalisation fund which created tensions and expectations about the money and how it was spent. Incidents were discussed where engagement lessened after the fund had been spent, with some people returning to rough sleeping. It was noted that within Housing First services, there can be some very complex individuals, so safety and risk may look different compared to services supporting lower-needs groups.

Another challenge discussed was how to upskill staff to build strong relationships so they can really understand what the specific transformative intervention might look like. With many staff having high caseloads, it can be difficult to make the time to understand exactly what each individual might need or want. Participants also discussed how there can be a power imbalance: workers have the funds and are paying for items people need/want, therefore often the control of the actual money is in the hands of staff. There can therefore be issues in terms of boundaries and relationships between service users and staff in terms of the service users being aware of the amount of money available.

There is a challenge of using personalised budgets for crisis relief versus using it for more strengths-based activities and many participants found that often the funds were spent on managing crisis, with no money left for personal/recovery activities. Participants also found that a lot of funding had to be spent on carpets and other household essentials, so personalised budgets were seen as plugging a gap in poor standards of accommodation.

Continuation of funding was discussed with some organisations stating that they do not know whether they will have the same funds for personalisation in coming years, so sustainability was an issue. Moreover, participants felt it was a real challenge to promote independent living without promoting dependence on funding from personalised budgets.

Key recommendations for using personalised budgets

Towards the end of the focus group, we discussed the key recommendations for using personalised budgets. It was agreed that an overarching recommendation should be that personalised budgets are essential in homelessness services, and not a 'nice to have' or a luxury. The following recommendations were then highlighted:

1. Personalised budgets should be easily accessible, and used flexibly
2. Personalised budgets must be relational, not transactional
3. Personalised budgets should promote independence, and not dependency
4. Personalised budgets should be person-centred, build on people's strengths, and forward focussed
5. There should be clarity around the boundaries of how funds can be spent and collective decision making on how to use the budget.

Next steps

Research from the UK and abroad is starting to emerge regarding the effective use of personalised budgets to relieve homelessness. The Centre for Homelessness Impact's [Test and Learn project](#) will be evaluating evidence of what works to end rough sleeping and reduce homelessness, including the use of [personalised budgets](#), so we expect some great research to come out of this. Following this, Homeless Link will work towards creating a set of principles and guidance for using personalised budgets, to encourage fairness and consistency within the sector.

Further resources

- We have developed a guide to using personalised budgets within Housing First services, [downloadable here](#).
- The Joseph Rowntree Foundation [published research](#) which evaluated the impact of a new pilot project offering personalised budgets to people sleeping rough in the City of London.
- The University of Salford has [published an article](#) which draws on research findings from a study which evaluated the delivery of an approach to allocate 'individual budgets' to people experiencing homelessness.
- Greater Change wrote a [blog post](#) about their model of providing personalised budgets.

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