



Together
we will end
homelessness

Housing First Feasibility Study for the Liverpool City Region

Final Report

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Contents

Glossary	4		
Forewords	6		
Introduction	8		
Chapter 1: The current homelessness system in LCR	12		
1.1 Current homelessness provision	12		
1.2 Demand for homelessness services in LCR	14		
1.3 Participants' views on how existing service provision is working	16		
1.4 Barriers within the wider system	17		
1.5 Strategic challenges, threats and opportunities for LCR in relation to homelessness	19		
Chapter 2: Current provision and use of services by people with complex needs	22		
2.1 Existing services and initiatives focusing on people with complex needs in LCR	22		
2.2 Homelessness service usage by people with complex needs	23		
2.3 'Revolving doors' and 'burned bridges'	28		
2.4 Rejecting the homelessness system	32		
2.5 Wider system response to people with complex needs	33		
Chapter 3: Developing Housing First as part of a solution to homelessness	34		
3.1 What did homeless people tell us they valued and needed?	34		
3.2 What is Housing First and how does it respond to these needs?	35		
3.3 The Case for Housing First	36		
3.4 Housing First within Integrated Strategies	41		
3.5 Developing a housing-led Strategy for LCR	42		
Chapter 4: Developing a Housing First and housing-led model in Liverpool City Region	52		
4.1 Definition	52		
4.2 Target group for the Housing First service	53		
4.3 Description of the Housing First service	54		
4.4 Duration and intensity of support	55		
4.5 Team structure	57		
4.6 Hours of operation	58		
4.7 Access to housing	59		
4.8 Types of properties to be used for Housing First	61		
4.9 Mental health	62		
4.10 Access to health and social care	63		
4.11 Peer support	64		
4.12 Asset-based community development	65		
4.13 Referral routes and assessment	67		
4.14 Estimating demand for the Housing First model in the LCR	68		
4.15 The cost of the proposed Housing First model	68		
4.16 How will the Housing First service link to the wider Housing-Led system?	69		
4.17 Examples of existing LCR resources which Housing First might support people to access	70		
Chapter 5: Financial and Commissioning Implications	72		
5.1. Housing First: Commissioning approach	72		
5.2. Financial Implications: Potential for cashable savings and efficiencies from implementing Housing First	78		
5.3. Housing First Implementation: Potential transitional and phasing arrangements	84		
Chapter 6: Policy Context	88		
6.1 The current strategic context on homelessness in LCR	88		
6.2 The Role of Housing First in the Context of the Homelessness Reduction Act	90		
6.3 Welfare Reform and Housing First	93		
6.4 Housing First in Combined Authorities	96		
6.5 Housing First and Health and Social Care Policy	98		
6.6 Housing First and Criminal Justice Sector Policy	100		
6.7 International Lessons	102		
Chapter 7: Conclusions	106		
Appendix 1: Overview of Liverpool City Region	109		
Appendix 2: The Research Team	114		
Appendix 3: Methodology	116		
Appendix 4: Costing of proposed Housing First Model	123		
Appendix 5: Detailed Calculations of Sizing the Cohort for Housing First	127		
Appendix 6: Method for assessing potential for cashable savings and efficiencies from implementing Housing First	131		
Appendix 7: Potential for efficiencies: Value for money analysis	140		

Glossary

Assertive outreach is a way of organising and delivering care via a specialised team to provide intensive, highly coordinated and flexible support for people with complex needs. The focus of the work must be on engagement and rapport, building up, often over the long-term, strong relationships.

(Priority) Band: Councils decide who gets offered housing based on a 'points' or 'banding' system. Points and bands are based on housing need and start with the letter A being the highest priority.

Cashable savings are savings which make a difference to the budget line, usually by reducing fixed costs.

Combined authority (CA): comprises two or more elected local authorities that collaborate and take collective decisions.

Commissioned/non-commissioned supported housing: 'commissioned' here means that the council funds (and therefore monitors) the support within a scheme – this is true of the vast majority of hostels run by charities and/or housing associations; 'non-commissioned supported housing' generally refers to private sector HMOs (see definition below) which have been classified as supported (or 'exempt') housing under the Housing Benefit regulations and are therefore able to claim higher levels of Housing Benefit; we are also aware of a small number of non-commissioned hostels run by religious charities in the region.

Complex needs means that people have multiple issues in relation to mental health, drug use, homelessness, offending and/or

learning disability, which tend to interact with each other.

CRISS (City Region Intensive Support Service) is government (DCLG: Department of Communities and Local Government) funded service providing assertive outreach during office hours to those with the highest levels of complex needs in the five authorities in LCR outside of Liverpool city.

Floating support: visiting support provided to a person who lives in their own property.

Housing-led can be distinguished from "Housing First" by its lower intensity of support, range, duration and the lower needs clients it targets. In this report, we argue that Housing First should operate within a 'housing-led system', in which the default approach is to support all homeless people as quickly as possible into independent tenancies with supported as needed, by-passing the need for compulsory and/or longer stays in communal supported housing.

Housing First is a system of support for homeless people with high and complex needs which is designed to deliver a sustainable exit from homelessness by helping them to access an independent tenancy as quickly as possible and providing the support they need for as long as they need it to sustain this tenancy.

'High fidelity' Housing First stays close to the original Housing First model set up in the US by Sam Tsemberis; strictly speaking this would include an 'assertive community outreach' team providing healthcare to Housing First tenants; however, in the UK where healthcare is provided through the

NHS, Housing First typically involves case management only (see section 3.3 for a discussion of this). In this report, we sometimes use 'High Fidelity' to distinguish Housing First from lower intensity Housing-led services.

House in Multiple Occupation (HMO): is a property rented out by at least 3 people who are not from the same 'household' (e.g. a family) but share facilities like the bathroom and kitchen. Landlords of larger HMOs must be licensed.

Liverpool City Region (LCR): Liverpool City Region includes the following local authorities: Liverpool, Halton, Knowsley, Sefton, St Helens, and Wirral. A map and a demographic/housing profile of the region is included in Appendix 1.

Local Housing Allowance: For people renting from private landlords, Housing Benefit is based on a flat-rate 'Local Housing Allowance' (LHA) which is based on the 30th percentile of local market rents, covering areas known as Broad Rental Market Areas.

Local Lettings Agency: A Social Lettings Agency is a not-for-profit lettings agency which provides a range of services to private sector landlords and (prospective) tenants, ranging from a tenant/ property finding function right through to a full housing management service. In this report, we use the term Local Lettings Agency, since our vision for such an agency in Liverpool is that it might also offer a similar range of services to social as well as private sector landlords.

Mainstay is an assessment and referral gateway and database for commissioned homelessness accommodation and floating support services across LCR.

Property Pool Plus/ Under One Roof: Property Pool Plus is a joint allocation and choice-based letting system for social housing in Liverpool, Halton, Knowsley, Sefton and Wirral. St Helen's is not part of Property Pool Plus, but has its own choice-based lettings system called Under One Roof.

Supported Housing can be described as any housing scheme where housing, support and sometimes care services are provided to help people to live as independently as possible in the community.

Waves of Hope is a lottery-funded partnership providing holistic and intensive case management support to people with the highest levels of complex needs in Liverpool city.

Welfare Reform describes a package of changes to the benefits system introduced by the 2010-15 Coalition Government, including Universal Credit, Benefit Cap, Removal of the Spare Room Subsidy, and Personal Independence Payment.

Foreword from Jon Sparkes

There is overwhelming international evidence that Housing First ends homelessness. Resettling someone quickly into a long term home with access to the flexible support services that gives them choice and control has shown significant improvements in health and wellbeing, and most importantly leads to people sustaining tenancies. At Crisis we are excited to be part of a project that looks at transforming Housing First in the UK to a default solution for addressing homelessness.

With funding from the Housing First Hub Europe and the Department for Communities and Local Government we have commissioned a feasibility study to look at how Housing First could be implemented at scale in the Liverpool City Region. Whilst highlighting the barriers and successes of the current system, the study has shown there is support for real systems change, to move the City Region to a 'housing led' approach where Housing First plays a central role.

This study was commissioned to ask how Housing First might be taken to scale in the Liverpool City Region, but actually goes much further to demonstrate how it can integrate as part of a wider system that prevents homelessness and also deals with it quickly and permanently when it occurs. This holistic approach has the potential to completely transform the prospects of homeless people today and in the future.

Crisis fully endorses the independent findings of this report and stands ready to assist decision makers and providers in making the proposals a reality. The study has attracted national and international attention and any implementation plan will have the good will and support of experts in Housing First from near and far. We hope this report not only shows the feasibility of how services in the Liverpool City Region can be redesigned to end homelessness but can be used as an exemplar to be adapted in other areas both within the UK and in other European cities.

The success of the project depends very much on political leadership and co-operation across the Liverpool City Region, as well as housing and homelessness sector reform. We do not underestimate the challenges faced to make this a reality. Let us be in no doubt however, that by putting the outcomes of homeless people at the forefront of difficult and complex decisions, the new Metro Mayor, the six Local Authorities, and all the housing support providers in the City Region have the opportunity to end rough sleeping and other forms of homelessness.



Jon Sparkes
Chief Executive, Crisis

Foreword from the peer researchers

We are a group of peer researchers who have personal experience of homelessness, we were invited to be part of this study to help gather information from people who are currently homeless. It was felt that we could better gather this information due to our ability to relate to those individuals because of our personal experiences.

Whilst our findings were mixed there were some recurring themes that came from the people we interviewed. Several of those we spoke to told us that they felt safer sleeping on the streets than in hostel accommodation. The reasons for this included issues around substance abuse, intimidation and impact on people's mental health. Others expressed that they were not given, or able to find the right information about services and when they did find them they were not always relevant or accessible, change included access to social housing.

Our interviews highlighted a lack of faith in the current system for addressing homelessness due to repeated failings and inconsistency.

Our research has led us to believe that the current system for tackling homelessness is not working for everyone. It is clear that the lack of permanent accommodation and appropriate support for people is preventing them from escaping the recurring cycle of homelessness. We believe, if implemented, the recommendations in this report provide viable and realistic alternatives to the current system that would eradicate homelessness quicker and more efficiently.

Dave, Mohamad, Richard and Rose
The Peer Research Team

Foreword from Housing First Europe Hub

The Housing First Europe Hub seeks to promote and support the scaling up of Housing First. This project is an excellent example of how Housing First can be a catalyst for bringing all relevant actors together to reconsider how homelessness can be better tackled, prevented and ended. The Housing First Europe Hub welcomes the work of all those involved in this study and we look forward to using the findings, both in terms of the suggestions and recommendations, and the inclusive methodology, with other partners in Europe. We are eager to follow the Liverpool City Region as it takes ambitious steps forward towards meeting the challenges of homelessness head on.

Juha Kaakinen, CEO, Y-Foundation
Freek Spinnewijn, Director, FEANTSA

Introduction

A consortium led by Imogen Blood & Associates was commissioned by Crisis to carry out this Feasibility Study for the implementation of Housing First in Liverpool City Region (LCR). The study has been funded by the UK's Department of Communities and Local Government and Housing First Hub Europe. Liverpool City Region includes the following local authorities: Liverpool, Halton, Knowsley, Sefton, St Helens, and Wirral. We have included an overview of Liverpool City Region, including information about demographics and the housing market, in Appendix 1.

The consortium consisted of Imogen Blood & Associates, Housing & Support Partnership, HGO Consultancy and the Centre for Housing Policy at the University of York. Further details about the team is contained in Appendix 2.

The study aimed to test the feasibility of implementing Housing First *at scale* within the Liverpool City Region by:

- Using a wide range of quantitative and qualitative data from LCR to develop, evaluate and propose a model for implementing Housing First at scale within the region;
- Assessing the financial and commissioning implications of making the transition to this model;
- Understanding the local and national policy changes needed to support this model;

The wider learning for implementing Housing First at scale in the UK and the rest of Europe will be presented in a separate toolkit.

What do we mean by 'Housing First' and 'Housing-Led'?

Housing First is a system of support for homeless people with high and complex needs which is designed to deliver a sustainable exit from homelessness, improve health and well-being and enable social integration. Housing First uses ordinary housing, such as private rented or social rented flats and is designed to house formerly homeless people with high needs in their own, settled homes as *quickly as possible* and to provide the support they will need to sustain an exit from homelessness *in their own home*.

Homeless Link (2015)¹ distinguishes 'housing-led' approaches from Housing First:

"Current practice in England shows that fidelity to the Housing First model is mixed. Whilst there are some

services adopting the core philosophy of Housing First, others appear to be drifting from the model and can be described as 'Housing led' approaches due to their lower intensity of support, range and duration and targeting lower needs clients. A small number of projects represent a much greater drift from the model, and appear more akin to floating support with independent accommodation". Homeless Link (2015, p.3)

In this report, we present a vision in which Housing First is a sub-set of 'Housing-Led' approaches – in other words, it sits within a housing-led system in which the default approach is to support homeless people as quickly as possible into independent tenancies, by-passing the need for compulsory and/or longer stays in communal supported housing. This goes beyond the current scope of existing Housing First projects within the UK.

Some of those resettled (assuming this can be done quickly and effectively) should not need any support at all once they have been helped to find a property; some will need lower level – and probably time limited – floating support to help them settle in; others are likely to need more intensive and ongoing holistic support in relation to complex needs if they are to sustain a tenancy. This last group will be offered a Housing First model with strong fidelity to original models. However, vitally, we are proposing that the core principles of Housing First should apply to all who access the whole housing-led system. These are:

1. People have a right to a home
2. Flexible support is provided for as long as it is needed (in the case of those who are initially assessed as needing lower level floating support, this can be increased or extended where necessary)
3. Housing and support are separated
4. Individuals have choice and control
5. An active engagement approach is used
6. The service is based on people's strengths, goals and aspirations
7. A harm reduction approach is used



People have a right to a home



Flexible support is provided for as long as it is needed



Housing and support are separated



Individuals have choice and control



An active engagement approach is used



The service is based on people's strengths, goals and aspirations



A harm reduction approach is used

¹ Homeless Link (2015) 'Housing First' or 'Housing Led'? The current picture of Housing First in England

Although there are examples of these principles being applied in different parts of the current homelessness system, we would argue that significant cultural and policy change will be needed if these are to be applied consistently. For example:

- Allocation policies for social housing are underpinned by a philosophy that housing is something to be earned and deserved;
- Housing and support is typically provided as a combined package: so people who may not need support can sometimes end up in supported housing because of their need for housing;
- Support – whether through floating support or in hostel settings – is typically time limited;
- Although harm reduction approaches are the norm within drug and alcohol services, this is not reflected in the rules of most hostels;
- Systems tend to assess eligibility based on deficits, needs and risks.

The model we present in this report is a fairly high level proposal for the wider reconfiguration of homelessness services. We have developed this by reviewing a wide range of local and international evidence and have undertaken significant consultation with people with lived and professional experience in the region. However, it will require political decisions and more scoping and planning to develop a detailed implementation plan that is agreeable to key stakeholders. We hope that these proposals provide a useful starting point and evidence base for this process.

Our approach

The study ran from February to June 2017 and included the following activities:

- Qualitative research to understand people's experiences of how current service systems work with homeless people and to gather views about the

proposed model and the conditions needed for it to work. This included:

- Focus groups, phone and face-to-face interviews with 95 professionals from across LCR, including local authority commissioners, housing and support providers, and health and criminal justice professionals;
- Qualitative research with a diverse sample of 79 people with lived experience of homelessness, co-produced by a team of people with lived experience working alongside professional researchers;
- Analysis of the Mainstay database, which acts as an assessment and referral gateway for supporting housing, outreach and floating support services across LCR, in order to understand the flow of people through the system and to understand the needs and pathways of different sub-groups within this;
- Phone interviews with eight commissioners, policy officers and operational managers from other parts of the UK to draw learning from other areas and inform our understanding of the wider policy context;
- Review of local and national policies relating to: homelessness, housing strategy, benefits and the future funding of supported housing, criminal justice, health and social care, and devolution;
- Review of the existing evidence base on Housing First;
- Analysis of the potential costs of Housing First and the extent to which it may be possible to achieve cashable savings and other efficiencies
- Assessing the implications of welfare reform for Housing First

A more detailed description of our methodology, including the profile of our research participants is included in Appendix 3.

The structure of this report

Chapter 1 provides an overview of the current homelessness system within LCR, including the type and amount of supported housing commissioned; the demand for and usage of this provision, and a summary of key issues and concerns which were raised about the existing models and the systems within which they operate. It also summarises some of the strategic challenges, threats and opportunities for LCR in relation to homelessness.

Chapter 2 focuses on the increasing numbers of people with high and complex needs who are homeless within LCR. It presents information on their use and experience of homelessness and wider services.

Chapter 3 begins to build the case for solutions which are grounded in the views and experiences of people with lived experience of homelessness. It summarises the evidence from elsewhere about Housing First and builds the case for the development of a model of Housing First within LCR which is integrated within a housing-led system with substantial investment in prevention. We explore the case for this through a series of case studies.

In **Chapter 4**, we present the model for the Housing First and housing-led services – including details about its staffing structure, assessment and referral processes, how housing will be sourced and the size of the potential cohort of service users. We summarise our calculations of the costs of these services within this section, referring the reader to our more detailed assumptions and calculations in appendix 4.

In **Chapter 5**, we look at the financial and commissioning implications of the proposed model, considering potential cost effectiveness and how – and over what time period – funding might be transferred from current models to Housing First and the wider housing-led model proposed.

In **Chapter 6**, we look in more detail at the relevant local and national policy context and how this might support or impede the implementation of the model in LCR, or potentially, in other parts of the country.

Appendix 1 provides an overview of the LCR, including a map, demographics and information about housing stock and markets.

Appendix 2 gives information about the roles and backgrounds of the research team.

Appendix 3 summarises our methodology and gives details of the profile of our sample.

Appendix 4 sets out in detail the assumptions underlying our costing of the Housing First model.

Appendix 5 presents our detailed calculations for sizing the cohort for Housing First.

Appendix 6 presents the details of how we calculated the potential for cashable savings within the model.

Appendix 7 provides the details of our value for money analysis.

We have included anonymised quotes from our interviews with people with lived experience and professionals. We have changed the names of the people on whom we have included case studies.

Current system

Chapter 1: The current homelessness system in LCR

This chapter provides an overview of the current homelessness system within LCR, including:

- The type and amount of supported housing commissioned;
- The demand for and usage of this provision,
- A summary of key issues and concerns which were raised about the existing models and the systems within which they operate by study participants; and
- A summary some of the strategic challenges, threats and opportunities for LCR in relation to homelessness.

1.1 Current homelessness provision

This feasibility study has sought to identify the existing range of services being used by homeless people for whom a Housing First/housing led service response is likely to be suitable, exploring the extent and nature of existing needs and ascertaining the level of current resource commitment, and the potential for reallocation of resources.

Our primary focus has been on commissioned supported accommodation services since these account for the largest proportion of local authority spend on this group, and a key question for this study is the extent to which the Housing First/housing-led model could act as an alternative to these resources in future. We describe the proposed Housing First model, the necessary wider changes needed to create a housing led system and the nature and size of the target cohort for the LCR in more detail in chapters three and four.

Figure 1.1 summarises the current system, primarily in relation to accommodation responses and related pathways.

Data from Mainstay identifies that there are 1,511 units of accommodation-based supported housing for people who are homeless across the LCR (2016/17) (excluding refuge and family provision but including that for young people). Table 1.2 breaks this down by authority and broad scheme type.

Figure 1.1. Current homelessness system – housing based ‘pathways’

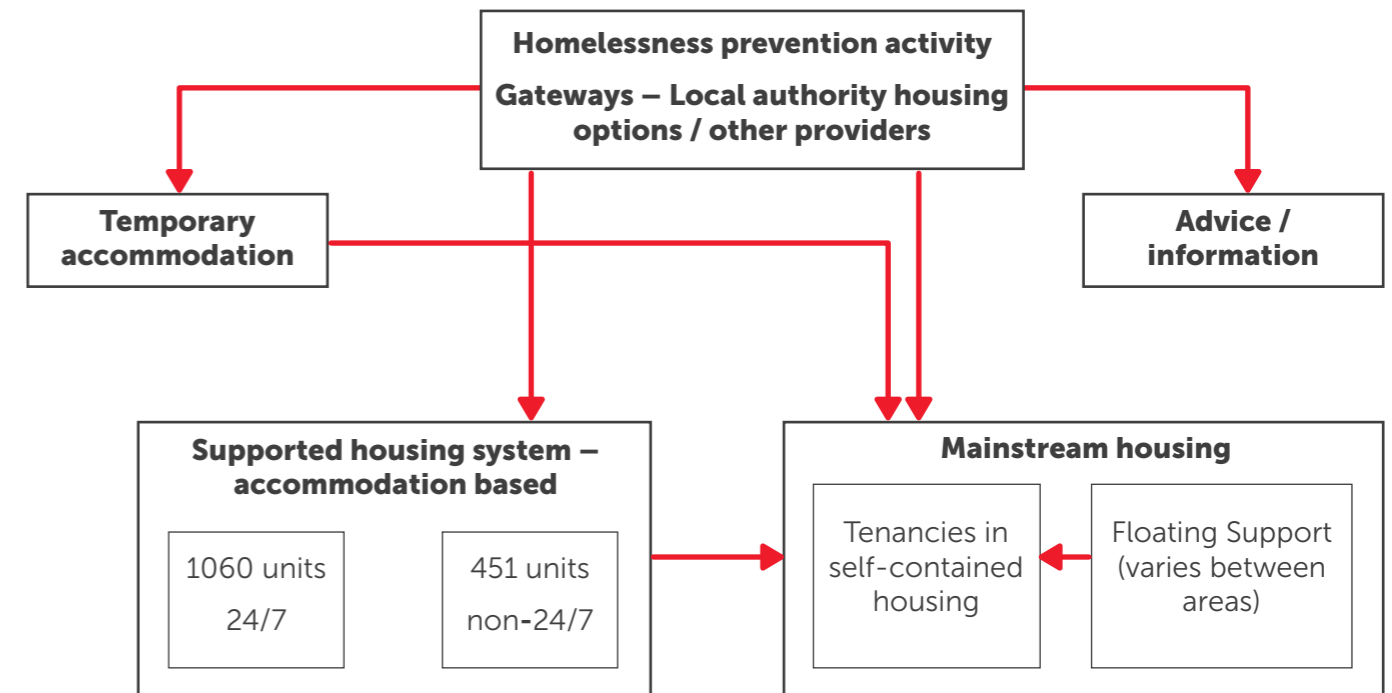


Table 1.2. Supply of homelessness accommodation based supported housing (2016/17)

Authority	No of Units	24 Hour Cover	Young Person specialist units
Halton	105	105	0
Knowsley	102	36	66
Liverpool	713	510	92
Sefton	102	39	0
St Helens	107	96	0
Wirral	382	274	206
Total	1511	1060 (70%)	364 (24%)

Source: Mainstay; note we have excluded refuge and family homelessness services.

The key characteristics of this existing supported housing are:

- 47 per cent of the total number of units are located in Liverpool, with 25 per cent in Wirral;
- 1060 (70%) of the total number of units have 24-hour cover available; and
- 364 (24%) are designated provision for younger people.

- Of the units which are not supported 24 hours a day, there is a significant amount of dispersed accommodation: 351 units in total across LCR.

The provision of accommodation-based supported housing has been developed historically based on the local commissioning priorities of each of the six local authorities within LCR.

Supply of homelessness accommodation in Liverpool City region 2016/17



Source: MainStay database

There are variations between the local authority areas in terms of:

- The extent of provision of supported housing with 24-hour cover as a percentage of overall provision;
- The starting dates and length of contracts for these services;
- The pathways and access arrangements to independent housing to move to and from supported housing; and
- The extent to which supported housing services are an integrated part of a wider coordinated approach to preventing and responding to homelessness, including commissioned floating support and outreach services.

1.2 Demand for homelessness services in LCR

Headlines from our analysis of the Mainstay system paint a picture of high demand (including significant unmet need) for hostel services, including substantial numbers of people with complex needs.

These figures are likely to under-represent the real scale of demand, since many 'homeless' people will not have approached services for a Mainstay assessment, either because they will not or believe they will not be

entitled to services, because they are 'sofa-surfing', or because they do not trust 'the system' or want the services that are available.

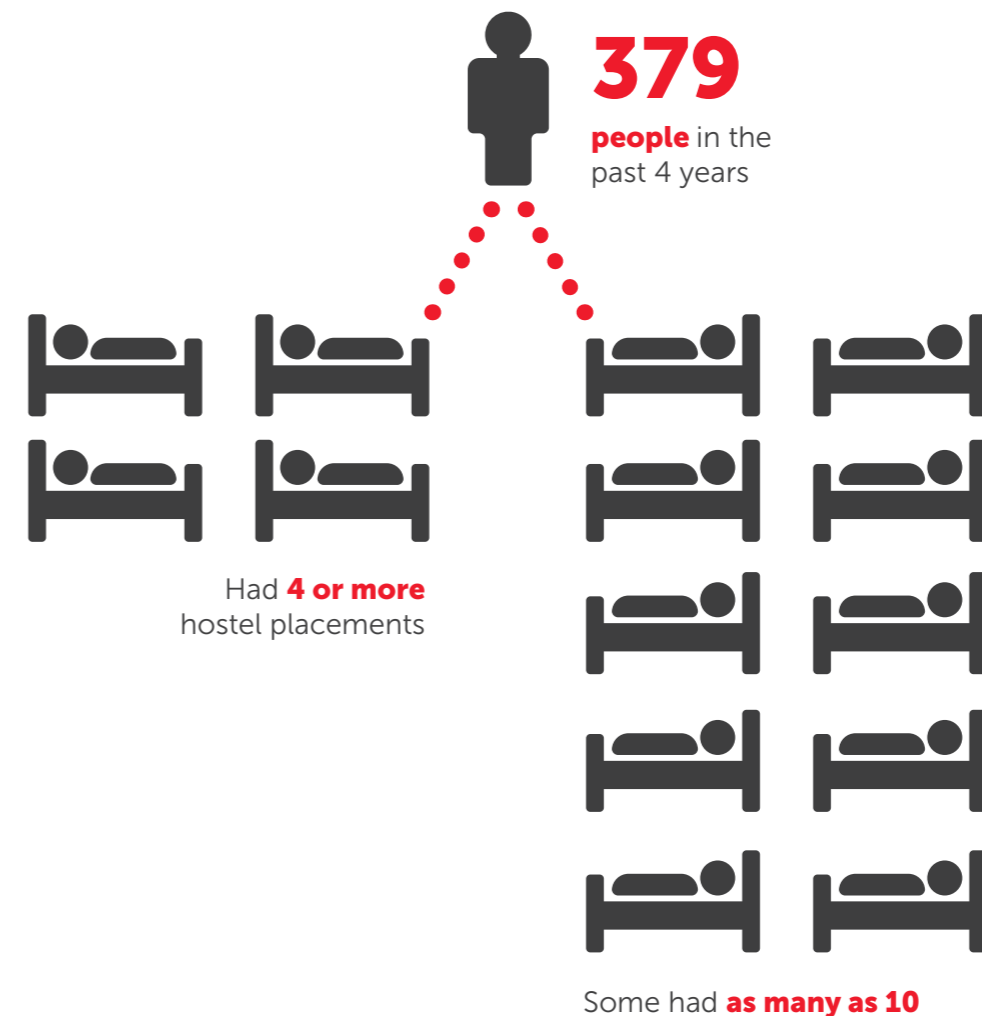
- In the two-year period from March 2015 to March 2017, 8848 different clients were assessed by the Mainstay system across LCR.
- Of these, 5296 (60%) people were placed in accommodation; 3552 (40%) were not.
- There is evidence that many of those who were **not** placed have high levels of need: of the 3552 people overall who were assessed but not placed, 44 per cent were described as having current mental health issues and 20 per cent having been assessed by a psychiatrist at some point.
- The Mainstay data will not, by definition, include those who have withdrawn from 'the system', or the region's 'hidden homeless': those who are 'sofa-surfing' or form 'concealed households' living within other households. The findings of our qualitative research suggest that some of these will become the next cohort of rough sleepers.
- Neither will Mainstay include those who have no recourse to public funds due to their immigration status, who we heard and observed make

Homelessness assessments in Liverpool City Region



Source: MainStay database March 2015 to March 2017

Number of multiple supported accommodation placements in past four years in Liverpool City Region



Source: MainStay database

Not all of these moves within supported accommodation are negative. Some moves are a result of being closer to employment or family or going down to a lower level of support.

up a significant minority of LCR's rough sleepers². Without Housing Benefit, there is little on offer for this group, though there is some support from non-commissioned services.

- There is substantial 'churn' in the homelessness system: 379 people had 4 or more hostel placements in the past 4 years: some had as many as 10.
- At April 2017 there were 567 people in LCR living in 24 hour accommodation or supported by rough sleeper outreach services who had been registered on Mainstay for over 12 months.³
- Levels of homelessness – including rough sleeping – are increasing: according to official rough sleeper counts (DCLG⁴), there has been a 140 per cent increase in rough sleeping in LCR from 2015 to 2016, with an average of 43 people sleeping rough in the region each night. Half of these are in Liverpool city; a quarter are in Wirral.
- These figures are likely to significantly under-represent the scale of the problem (Crisis 2017⁵). Mainstay shows that an average of 93 new rough sleepers are presenting across LCR each month.⁶
- There is both quantitative and qualitative evidence to demonstrate increasing numbers of people with 'complex needs' – that is, multiple

needs in relation to mental health, drug use, homelessness, offending and/or learning disability, which tend to interact with each other. We consider this – and its implications – in more detail in the next chapter.

- There are successes from the current homelessness pathway in LCR: 38 per cent of individuals placed⁷ were supported to move to independent or long-term supported housing, including RSL and PRS tenancies, sheltered and other long term supported housing, according to outcomes recorded on Mainstay.⁸

1.3 Participants' views on how existing service provision is working

Many of those who had used homelessness services were keen to praise individual members of staff who had supported them. The physical environment in hostels was described as varying enormously in its quality; but some of the smaller, recently re-furnished schemes were felt to provide excellent accommodation.

However, both professionals and people with lived experience said that the current supported housing system is not working well for many significant sub-groups of people, including:

- People with complex needs, as we will explore in more detail in the next chapter

- People in relationships or those trying to retain or rebuild contact with children; People who do not have recourse to public funds;
- Those who cannot demonstrate a local connection;
- People who have previously been excluded due to behaviours, substance use, or previous debts (often linked to problems with benefits claims);
- Those who are working;

People with lived experience reported a lack of consistent, accessible information and advice about the homelessness system. People described their journeys through this system as feeling very 'hit and miss': it had been a question of being 'lucky', getting to the 'right person', and 'being in the right place at the right time'. A recurring theme in the interviews with people with lived experience was that there was insufficient publicity for services, both those that aimed to prevent homelessness and those that responded to it.

There are a lot of agencies working with homeless people in LCR, but as a result of differing eligibility criteria there are still a lot of gaps between them. There was confusion about whether and under what circumstances services could be accessed by those who could not demonstrate a local connection, especially where people came from other LCR authorities.

In the interviews and focus groups with professionals, this picture of a complex, criteria-based system – or 'maze' – was confirmed, spanning the various service systems with which homeless people have contact. Some participants with lived experience were clear to distinguish between 'being helped' (i.e. offered something tangible) and 'being passed on' (i.e. signposted); whilst from professionals' perspectives, interventions like assessment or signposting have become outcomes in themselves:

“At the moment, a lot of effort is spent on assessing – all the doors are shut and assessing someone as not eligible for anything seems like an adequate response within the current system.”

Health professional

Professionals highlighted many examples of policies in one part of the system creating barriers or challenges in other parts. For example, welfare reform policies such as the removal of Spare Room Subsidy reduce move-on options in areas where there is a limited supply of 1-bedroomed properties; regular moves within the hostel system disrupt the continuity of care within the NHS.

1.4 Barriers within the wider system

Across LCR, health services and local authorities increasingly have aspirations and strategic aims to work in a more multi-disciplinary and integrated way, often moving towards locality-based 'hub' delivery models. We explore this policy context in more detail in chapter 6.

We heard about specific challenges in relation to different parts of the system:

Housing

A recurring theme from the interviews with people with lived experience was just how difficult it is to get back into independent housing once you have lost it. Barriers include:

2 A total of 35% of those completing a first contact form in 2016-7 at Crisis Skylight Centre Merseyside did not have British or Irish citizenship, including 10% with EU/ EEA citizenship, 16% with either refugee status or leave to remain; 8% said they had 'no citizenship'.

3 Clients are registered on MainStay if they need access to floating support/accommodation and although these clients had accessed 24 hour cover or rough sleeper services at the end of the period it does mean that they all accessed this level of support throughout this period.

4 Department for Communities and Local Government (2017) Rough sleeping in England: autumn 2016 and the equivalent publication for the previous year, <https://www.gov.uk/government/statistics/rough-sleeping-in-england-autumn-2016>

5 Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S. & Watts, B. (2015) *The Homelessness Monitor: England 2017*. London: Crisis/JRF.

6 This is the monthly average (mean) of new clients assessed on Mainstay as rough sleepers since the records began. (We have made allowance in this for the phased introduction of Mainstay across LCR). This figure is based on the judgement of the person completing the Mainstay assessment. It is possible that the desire to receive priority for supported accommodation causes over-reporting of rough sleeping at this point.

7 NB: this is individuals as opposed to placements, since some individuals had more than one placement

8 This is in contrast to the last available national analysis of outcomes from supported housing (the Client Record Form), which showed that 52% of people left to move to independent or long-term supported housing on average in 2010-11. However, it is more closely aligned with the findings of Homeless Link's 2016 Support for Single Homeless People in England, Annual Review 2016, which found that 35% of people moved into independent or supported accommodation.

- Restrictions within the Property Pool Plus allocation policy for those with a recent history of serious and unacceptable behaviour (ranging from 8 weeks' arrears or more, to convictions for violence or drug dealing - although in practice, we heard that any offence within the previous 12 months excludes people in practice, as does anti-social behaviour or leaving a property in a poor condition⁹);
- The challenges of bidding for properties online through Property Pool Plus (or Under One Roof in St Helens);
- The high cost of deposits and rental advances required by private sector landlords;
- Accessing furniture and appliances even if you are able to find a property.

We heard that a lot of time and energy is spent by support workers building relationships with housing providers to secure move-on accommodation for their clients, but that there is no consistent approach to brokering housing for homeless people.

Benefits

A recurring theme from the qualitative research was that the introduction of welfare reform, including Universal Credit, the removal of Spare Room Subsidy, changes to disability benefits and increased use of sanctions in relation to Job Seekers' Allowance is causing a number of challenges for people trying to get back into (or remain in) housing. These included:

- A lack of 1-bedroomed or shared room rate accommodation in some areas;
- Delays and errors in the payment of Universal Credit or the setting up of Alternative Payment Arrangements (to pay rent directly to the landlord);
- People getting into debt as a result of benefit reductions, delays, sanctions

or loss of benefits (e.g. disability benefits).

We heard (and observed) that people with no recourse to public funds make up a significant minority of those on the streets of LCR. Some are new arrivals from EU countries who have not yet been able to establish themselves with a home and work; others have been in work and housing but have lost both and fallen through the limited welfare safety net for EU migrants.

Criminal Justice

Prison release was highlighted as a particular weakness in the system. Some of our interviewees who had been in prison complained of a lack of information in relation to housing. Those working in prison to help people secure housing told us they were frustrated by a lack of housing options and referral routes to post-release support. They explained that different authorities had different policies in relation to accepting prisoners due for release as homeless: most required them to come and present as homeless on release in order to start the process. Local authorities told us that the uncertain timing of prison release and the often short or changing notice they received made it very difficult to respond within an overstretched hostel system.

'Having spent time in custody, that takes you out of the system and forces you into hostels and you can't get social housing for 12 months after you come out of prison, and then if you stay in the hostel for 12 months, then they kick you out. You're starting from scratch again to get social

housing which can take months or years.'
(Hostel resident)

'I came out of jail in November and this is where I am now - all the hostels were full apparently.'
(Man living in a tent on the streets)

'Given the restrictions on Property Pool Plus [for offenders], there just aren't positive housing options for people..... I have been in post three years and I think we have only three times managed to get an address for someone straight from prison.'
(Prison Housing Worker)

Health and Social Care

We heard from people with lived experience that admission to acute health care had at times led to their needs being identified and them being signposted to support on discharge, but that this felt very hit and miss. Health professionals described a number of challenges here, including:

- Where people have been drinking, they need to sober up before they can be effectively assessed (but they often discharge themselves before this is possible);
- Lack of coordination and communication between hospital and the community, exacerbated by long waits for social care and other assessments
- People who are medically fit for discharge but do not have suitable housing and need support but do not meet the (raised) threshold for social care input.

'After about a month [of being homeless] and after I attempted to take my life I was put in hospital for my mental health, I was there for over a month. I couldn't be released because I had nowhere to go and at the hospital they have a duty of care so they couldn't release me. It was from the good grace of a friend, they had a spare room and let me move in.'
(Man now living in an independent tenancy with floating support after period in hostels)

There was a clear consensus amongst all those who participated in our research that the current system is not working well:

"The system is clogged up and the people working in it are frayed and embattled".
(Health professional)

1.5 Strategic challenges, threats and opportunities for LCR in relation to homelessness

There are a number of key drivers and pressures facing LCR local authority commissioners and their partners in considering their future homelessness strategies.

The future of homelessness services was a key issue within the recent LCR mayoral election. In our focus groups with local authorities across LCR, we heard how political pressure – prompted by the high numbers of people visibly on the streets – is increasing the appetite for a radical rethink of the response to homelessness. As a commissioner in one authority (outside of the city) explained:

⁹ These restrictions are detailed in S.3.2.3.2 of Property Pool Plus: Sub-Regional Choice-Based Lettings Allocations Scheme, see: <https://www.propertypoolplus.org.uk/NovaWeb/Infrastructure/ViewLibraryDocument.aspx?ObjectID=1225>

“There is a corporate and political knock-on from people congregating in the town centre and around the hostels – so there is a political driver from this to try something different”.

This is set within a context of ongoing requirements to reduce local authority spending. For example, Liverpool City Council is having to make plans to reduce its total spending by a further £90 million over the next three years. Meanwhile, at the time of writing, we are awaiting confirmation of the proposed significant changes to the future Government funding of supported housing, which includes existing hostel provision, and is likely to take place within a relatively short timescale, by April 2019. We discuss the likely implications of this for the development of housing-led approaches in more detail in chapters four and six.

A key concern raised in relation to the feasibility of housing-led approaches focused on the supply of suitable housing. Much of the LCR housing market is characterised by relatively low demand, so the key barriers here relate to local and national housing and benefit policies, i.e.

- A lack of 1-bedroomed properties, where the removal of Spare Room Subsidy regulations prevent homeless singles or couples being placed in larger properties, even in low demand areas;
- A lack of affordable shared properties in which to house those under 35, given the restriction to shared room rate within the Local Housing Allowance for this age group;
- Regional policies and local practices in relation to the allocation of social housing which are – as we have heard - risk averse in relation to those with histories of offending, anti-social behaviour, or arrears.

There is recognition amongst participants of the need to take a more strategic approach across local authority boundaries within the LCR and with other partners: NHS, criminal justice, and public health services to prevent and respond more effectively to homelessness.

“We need to stop thinking about routes through services – it is so difficult to engineer this across trusts and departments - we need a system that builds protective care around the person”
(Health Professional)

Liverpool City Region’s devolution deal was agreed in 2015, with further amendments made in 2016. Some participants felt there should be opportunities, through devolution, to develop the more joined-up approach that is needed.

“In a devolved context, there will hopefully be opportunities to set up multi-disciplinary teams, especially around mental health provision for homeless people, which is currently a huge gap”
(Local authority commissioner)

There was generally a positive attitude towards the idea of a cross-LCR approach to homelessness: although some authorities were more cautious than others, pointing out that they would need to be very careful that a regional response worked for them locally. A precedent for regional collaboration on homelessness initiatives has already been set by the development of the Mainstay system and the roll-out of No Second Night Out. The argument in favour of regional collaboration was summed up by one commissioner:

‘Everyone has different ideas, but we are all small so it is good to have a safety net and, if we can create something where there is a shared structure, with resources, back-office, guidance, etc but that can be quite flexible at a local operational level, then it absolutely makes sense to us. If there is more honesty between the LCR authorities, then we figure everyone is less likely to ‘dump’ complex clients on each other!’

Current services

Chapter 2: Current provision and use of services by people with complex needs

This chapter focuses on the increasing numbers of people with high and complex needs who are homeless within LCR. It presents information on their usage of services and the challenges they face in accessing the rest of the system.

2.1 Existing services and initiatives focusing on people with complex needs in LCR

Waves of Hope

Liverpool Waves of Hope is part of the Big Lottery Fund's Fulfilling Lives programme to support people with multiple and complex needs and is funded up to 2019. Support is provided by a partnership of local organisations in the city, and includes: intensive and personalised help with health issues, including substance misuse recovery programmes; finding suitable and safe accommodation; supporting service

users to claim welfare entitlements; and supporting those with additional learning and physical disabilities. To be accepted on to the Waves project a client has to have an identified high level of need in relation to at least three of the four domains of homelessness, mental health, substance misuse and offending, measured by a scoring system called the NDT¹⁰. Although Waves' focus is on complex needs, rather than homelessness *per se*, our analysis of Mainstay data shows that around three-quarters of those accepted as meeting Waves criteria were homeless

at the time of assessment.

The second evaluation report of the project, which was conducted by Ipsos MORI, was published in April 2017¹¹.

City Region Intensive Support Service (CRISS)

The CRISS service operates in the five authorities of LCR outside of Liverpool city providing assertive outreach during office hours to people who have typically experienced multiple exclusions from services and have issues with three or more of the following: homelessness, mental health problems; substance misuse (including alcohol); and offending. CRISS is currently funded by DCLG Single Homelessness Fund up to autumn 2017, and an evaluation of the service is due to be published shortly.

2.2 Homelessness service usage by people with complex needs

In our interviews and focus groups, commissioners, providers and other professionals consistently reported that the numbers of people with multiple problems in the homelessness system – and the complexity of their problems – is increasing:

“The type of clients has changed over time – there are more heavy drug and alcohol users, including more women, more of whom have a dual diagnosis with

mental health issues and they are often in and out of prison.”
(Local Authority Commissioner)

Quantitative data

This trend was borne out in our analysis of Mainstay data, notwithstanding the almost inevitable ambiguity around how we define ‘people with high and complex’ needs. For example:

People being assessed by Mainstay who meet Waves of Hope criteria:

- 1104 of the 8848 people assessed by Mainstay during the last two years (12.5%) met the basic Waves of Hope criteria for referral (though not all went on to become Waves' clients).
- This is likely to significantly underestimate the scale of the problem: commissioners at Liverpool City Council alone were also concerned that there are:

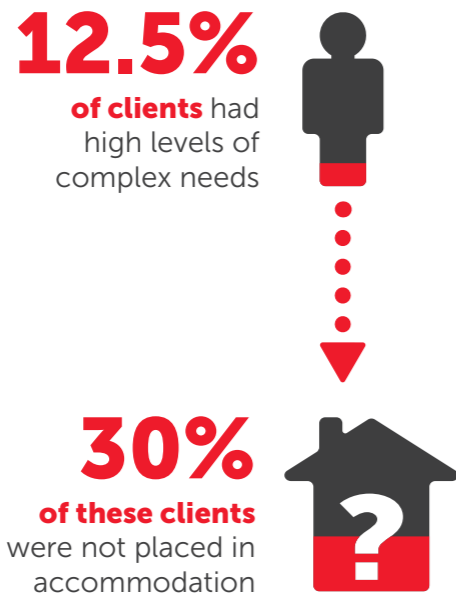
“An estimated 190 individuals in the city who had been homeless for 3 years or more and had had various placements, many had addictions and complex physical health needs and mental health problems, but did not meet the Waves of Hope criteria”

- 774 (70%) of the group meeting Waves criteria were placed in accommodation; but 330 (30%) were not.

10 The NDT was developed by the South West London and St. George's Mental Health Trust as part of the Adults Facing Chronic Exclusion programme: a score of 27 or more is the current threshold for acceptance onto Waves of Hope

11 Ipsos MORI and Institute of Psychology Health and Society, University of Liverpool (2017) Liverpool Waves of Hope Evaluation: Year 2 – Evaluation Report, <https://liverpoolwavesofhope.org.uk/app/uploads/2017/03/LWoH-Year-2-Local-Evaluation-Report-May-2017.pdf>

Proportion of people meeting Waves of Hope criteria (complex needs) in Mainstay from March 2015 to 2017



Source: MainStay database

Complex needs amongst longer term homeless people:

- At April 2017 there were 567 people in LCR living in 24 hour accommodation or supported by rough sleeper outreach services who had been registered on Mainstay for over 12 months.
- There is some overlap between this group of long term users and the group assessed as meeting Waves criteria: 155 out of 567 were also in the sub-group that met the basic criteria for Waves.
- We conducted detailed analysis of levels of needs and risks assessed on Mainstay across a range of domains (including, for example, drug and alcohol use, offending, mental and physical health) and found that on average, for this group of long term homeless, 50 per cent of individual scores across all the different need

domains were rated as 'medium' or 'high' for the overall cohort (this compared to an average of 68 per cent for the cohort that met Waves criteria).

- Of the group of 567 who had been in services for 12 months or more at 2017:
 - 27 per cent had a disability;
 - 68 per cent had a current mental health problem;
 - 37 per cent had been assessed by a psychiatrist in the past;
 - 68 per cent had convictions (nearly half of whom had committed a violent offence);
 - 16 per cent were on a current Probation Order;
 - 37 per cent said they were currently using drugs;
 - 25 per cent had been sleeping rough prior to being assessed for accommodation;
 - 6 per cent had been in custody prior to being assessed for accommodation; and
 - 10 per cent of them had had 5 or more hostel placements, with the highest number of placements being 10.

Housing data for Waves of Hope clients

- About a quarter of the 220 people that Waves supported between 01/01/2016 and 31/12/2017¹² were living in supported housing, with a further 17 per cent in temporary accommodation (presumably mostly B&Bs and Houses in Multiple Occupation in the private sector). Waves has, however, been successful at supporting around a quarter of its clients to remain or resettle in independent tenancies in both the social and private rented sector.

The key messages from this data are:

- There are significant numbers of people entering the homelessness system (or trying to enter it) who have complex needs, even by

¹² Data supplied by Waves: NB: Although housing data has changed during the course of individuals' placements with Waves, we have used the accommodation that they were accommodated in for the highest percentage in the last quarter.

Support needs of longer term service users in Liverpool City Region



Of this group (of 567)

- 27%** had a disability
- 68%** had a current mental health problem
- 37%** had been assessed by a psychiatrist in the past
- 68%** had convictions (nearly half of whom had committed a violent offence)
- 16%** were on a current Probation Order
- 37%** said they were currently using drugs
- 25%** had been sleeping rough prior to being assessed for accommodation
- 6%** had been in custody prior to being assessed for accommodation
- 59** of them had had **5 or more** hostel placements, with the highest number of placements being 10.

Source: MainStay database

the strictest definitions; there are likely to be many more who could be described as having complex needs, given the causal relationships between homelessness, mental health and substance use.

- There is evidence of high unmet need, with nearly 1 in 3 of those with the highest complex needs not receiving an accommodation placement.
- There is evidence of high levels of multiple needs amongst the longer term service users.
- The intensive support provided by Waves for people with complex needs appears to have relatively high success rates in relation to sustaining this group within accommodation, including their own tenancies.

Qualitative evidence

Evidence gathered from stakeholders across the sector suggests that hostels are struggling to meet the needs of this cohort, for a number of reasons.

Reductions in local authority support funding since the end of the Supporting People (Homeless Link 2016)¹³ have led to cuts in the staffing structure in many hostels and in the capacity of other organisational partners to provide support. As one provider argued:

“I think it is the understaffing in hostels which means they are not able to work as effectively with some of the more complex needs.”

However, others – including many of the people with lived experience we interviewed – attributed many of the challenges to the congregate nature of the model. We heard that the **main challenge of living in hostels is the resident community** within them –

this can be extremely stressful for anyone who is trying to stay abstinent; suffers from anxiety; or is vulnerable due to age, disability, life experience or other diversity. Ironically, some people contrasted this with the camaraderie they experienced on the street, where they felt they had more control over who they mixed with than in hostels where they are ‘lumped together’.

‘I had been dry for 2 months and then I had a night of sleep deprivation from the other residents on the landing – they were all drinking, doing drugs and I had an abscess and was full of flu so I thought ‘if you can’t beat them join them’. So I went and bought a quarter bottle of vodka and got rotten drunk’

(Woman with hostel placement)

‘I got called a grass because I went round to the staff – well I asked them to tell the person to stop banging on my door every twenty minutes so I could sleep. So the next day they called me a grass and I just came down to their level because I was so tired and frustrated I just needed to explode. I got sent to my room like a child by the staff’.

(Woman with mental health condition describing previous hostel placement)

In order to manage communal settings with significant proportions of people with high support needs and relatively lean staffing structures, **most hostels have a lot of rules** and a key role of staff is to ‘police’ these:

‘When you start over-monitoring people then they just get more standoffish and think well ‘I don’t want to stay in here because there are too many rules and regulations’. Now the thing that brought most of us here is not being able to deal with rules and regulations...’

(Man with hostel placement)

As in the report by the Homeless People’s Commission (Groundswell 2011¹⁴), homeless people, including those with complex needs, generally told us they preferred smaller hostels to larger ones:

‘I think that if hostels are going to work, they need to be smaller, then they are a bit calmer and don’t have to be quite so tightly regulated’.

(Man in emergency shelter)

The ‘linear’ or ‘staircase’ hostel system which operates in LCR and is typical of the UK can create a series of challenges and barriers for many people with complex needs. This model essentially involves ‘progressing’ homeless people through a series of separate residential services – emergency shelters, short and longer-term supported housing – towards independent living. Progress up the ‘staircase’ is conditional on acceptable behaviour, compliance with treatment and support programmes, and, typically, sustained abstinence from substance misuse (Tsemberis (2010)¹⁵; Johnsen and Teixeira (2010))¹⁶

People with lived experience told us that it can take a lot of tenacity and

determination to move successfully through the ‘staircase’, with its assessments, rules and uncertainty, especially if you are battling with mental health and/or addictions:

‘The structure – there’s certain things you’ve got to do otherwise you can lose your place. I don’t mean like service charges, I mean like courses and group and meetings...’

(Man with hostel placement)

‘It’s stressful living in a hostel because you’ve only got a certain amount of time before you got to move. Then you are panicking, thinking “where have I got to go now?!” and when you’ve got mental health problems like I have and you’re thinking “I’m going back to another hostel” and you’re getting more and more depressed because you want your own little nest – do you understand? You want it the way you want it, not the way they told you they want it’.

(Man with hostel placement)

Whilst in hostel placements, a key message was that there is a **lack of appropriate mental health, substance misuse and emotional and/or psychological support:**

13 Homeless Link (2016) Single Homelessness Support in England: Annual Review

14 Groundswell (2011) The Homeless People’s Commission: Full Report, Groundswell

15 Tsemberis, S. (2010) Housing First: The Pathways Model to End Homelessness for People with Mental Illness and Addiction Hazelden: Minnesota

16 Johnsen, S. & Teixeira, L. (2010) Staircases, Elevators and Cycles of Change: ‘Housing First’ and other Housing Models for Homeless People with Complex Support Needs, Crisis/ University of York

“For those with mental health/dual diagnosis issues, we are often setting them up to fail in hostel placements due to issues accessing a good multi-agency offer”

(Local Authority Commissioner)

“The staff don’t have enough time to spend providing emotional support because they are too busy behind the scenes, running the system. It’s not a criticism of the staff personally – they have been great to me – it’s just the way it is set up”.

(Man interviewed in day centre)

Key challenges here are that mental health services will not assess someone who is under the influence of drink or drugs; and the mental health conditions of many are not sufficiently severe to trigger eligibility for treatment or support. Those working in hostels explained that, even where they finally manage to access mental health assessments for residents, a lot of assessments seem to simply result in ‘filtering people out’. Mental health professionals often do not seem to understand this client group and their tools do not fit. One support worker summed this up by saying, ‘What they bring is not quite right’. Meanwhile:

“The amount of medication delivered to our services – people have become dependent on this, they demand it, professionals keep prescribing it because it’s easier and past trauma is simply not being dealt with for many of these people.”

(Hostel support worker)

As a result of these challenges and barriers, people with complex needs are at high risk of: frequent evictions from hostels, getting ‘stuck’ within the hostel system, or rejecting services altogether. We explore each of these scenarios below:

2.3 ‘Revolving doors’ and ‘burned bridges’

The terms ‘revolving door’ and ‘burned all their bridges’ were used frequently in our interviews and group discussions with professionals to describe the pathways of people with complex needs:

“In terms of mental health and complex needs, we are seeing the same people coming through the system time and time again – the numbers aren’t huge, but they take up so much of everyone’s time, we are really keen to find ways of working with them differently. We often fund extra services, but it all falls down”.

(LA Commissioner)

This was reflected in our analysis of Mainstay data, which confirmed that a significant number of people had received multiple assessments and hostel placements. 379 different people had received four or more separate assessments for accommodation within a four -year period, with the highest number of recorded assessments during this time period being 12.

This ‘churn’ is related to very high levels of evictions (1,523 since 2013) from and abandonment of hostel places (1,495 since 2013). Together these make up 28 per cent of the total number of placements coming to an end. A further 1,981 left supported housing to live with family and friends, which will represent another step in a cycle of housing instability for some.

Some people told us that they would sometimes deliberately get themselves arrested so they could get a safe bed for the night with no responsibilities.

Case study

The diagram overleaf summarises John’s homelessness pathway, which illustrates a ‘revolving door’ of hostel placements.

‘When I first went into [a hostel], I thought ‘it won’t take long’, then 6 months I just got shipped out of the hostel...hostel.... hostel...hostel...so I just went around the hostels for about 5 or 6 years. [...] and you can get bin bagged at any time’

When we met John, he had moved into an independent tenancy in the private rented sector with intensive floating support from the CRISS team:

‘I can do what I want, I can come and go when I want...I’ve got a tenancy agreement, got the leccie on, get my food and all that, everything’.

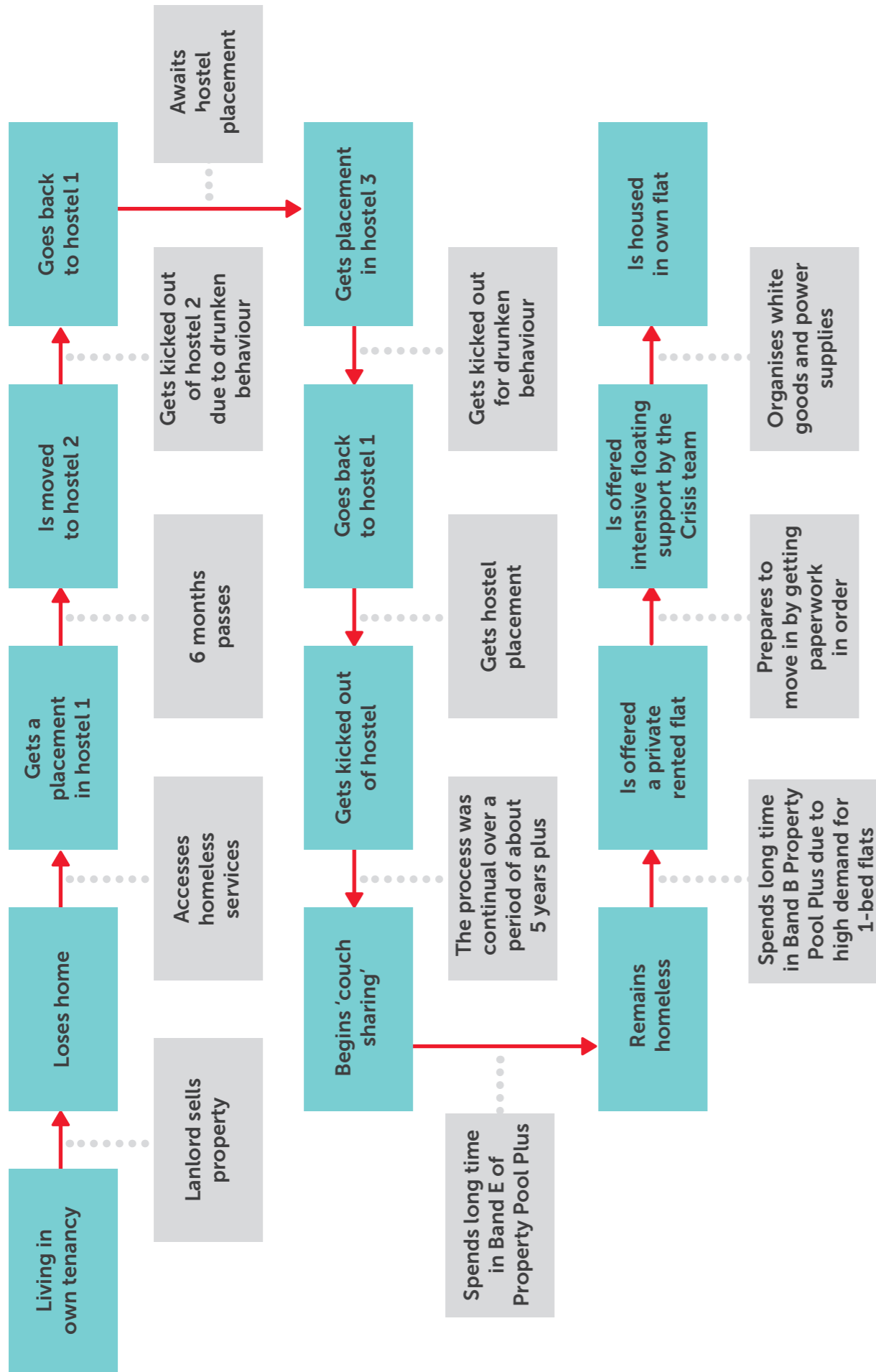
John accepts that he was responsible for the repeat hostel evictions:

‘It was me that mucked that up.... it was me when I was drunk being a divvy. I can’t knock the hostels for that.... when I get drunk I do lose my head a little bit’.

However, his reflection on this period is:

‘[All the individual hostels are] alright, it’s just the way that it’s run, it’s run totally wrong..... Instead of putting you in [hostel 1] then shipping you to another hostel, why don’t they try and get you a flat..... They could have done it sooner’.

John's homelessness journey



Many people were described by the professionals we interviewed as having 'burned all their bridges' with different landlords:

"Some stay in hostels because the move-on options are limited – they have burned their bridges with all the local landlords – alcohol misuse is often high amongst this group" (Local Authority Commissioner)

"It's often through no fault of the providers but this bigger challenge around housing supply can end up keeping people trapped in the system". (Local Authority Commissioner)

"One of the gaps is for more wraparound support for people with complex needs outside of communal settings – there is floating support, but it just isn't intensive or long term enough for some people." (Local Authority Commissioner)

In some authorities, where there are stricter time limits on different stages of the hostel pathway, this may lead to people 'hostel-jumping'; in other authorities, where the pathway is more relaxed, people can end up living in the same hostel for years:

'In principle, people can spend up to 2 years in the hostels [in this borough] but we have got people who have been in the hostel system for years and years - either going around the 'revolving door' or, in the case of [one scheme], there are

probably some who have been in there for about a decade'. (Local Authority Commissioner)

This approach can be linked to a culture of low expectations: during our interviews, several professionals expressed the view that it was not realistic to expect some of this cohort to ever be able to live independently. As one said, whilst describing a hostel resident: 'This is the best it is ever going to get for him'.

We met some individuals who told us that they thought life in hostels was easy in terms of not having any responsibilities for bills, housework, etc.:

"I've always been lazy. I've never paid a bill in my whole life, that's why I've always turned to hostels because you just pay the rent and then you're all done then aren't you".

Some of the people we interviewed had spent many years – if not all their adult lives – in unstable housing circumstances, punctuated by periods in hostels.

For example, Lisa (who has Asperger's and depression) told us about a decade of housing instability:

"I first became homeless when I was 19, my mum and step dad kicked me out. From then until now – over 10 years - I been moving around and about and never staying anywhere for more than a couple of years. I've been moving from hostel to hostel, from different houses with different partners, I've never settled anywhere. The

reason why I ended up in a hostel this time is because my relationship broke down and he kicked me out so that's how I ended up here".

2.4 Rejecting the homelessness system

The uncertainty of short term placements, combined with experiences of exclusion, bureaucracy, rules and complexity have led some people – most of whom have complex needs – to reject 'the system' altogether.

For some, this was a short term decision (or at least at the point at which we met them). For example, we met one woman bedding down for the night in a doorway who told us she had a hostel place but felt safer sleeping out. Others had disengaged over much longer periods of time, preferring instead to spend long periods of time sleeping rough or

using alternatives like poor quality housing in the private rented sector. Some of this group had become 'institutionalised on the streets' as one put it. This group were the most negative about services, though some appreciated the 'life lines' provided by outreach services.

"On the streets, you're the one making decisions for yourself whereas in hostels they are all made for you"

Outreach worker

Case study:

Bob and Sharon are a couple in their 50s who are now living in very poor quality private accommodation, where we interviewed them – as Sharon says: 'it's dilapidated to say the least' – they receive support from the CRISS team.

Sharon

- Describes herself as an alcoholic
- Most of her family apart from her daughter have died
- Prison release and re-arrest
- History of sleeping rough
- Has had ASBO in the past because she was not supposed to drink on the street
- Has avoided the hostel system for about 3 years now because she feels they are set up to make her fail
- Says she's been in for treatment but timings are not clear
- Is now living with Bob in very poor condition PRS property with support from CRISS outreach team

Bob

- Was living in PRS HMO
- Becomes homeless following assault by other tenants
- Suffers depression and stress
- Homeless for 4 years on and off
- Gets kicked out of accommodation because Sharon gets evicted and he tries to sneak her in
- In and out of a series of hostels – but does not feel safe in them
- Was refused a home by the council because of rent arrears
- Is struggling in the current place where he and Sharon live because of the stairs

"They don't help you, they put you in a hostel and quite well, they set you up to fail.... I've been out of the system now for 3 years and the more you try to go the right way, the more it comes to you – but, they've left me alone now'.

Sharon

'I'm not being funny, I'd rather do jail than go back to the [hostel]. It's the other people, and what it is – I drink – a bit – but the main ones in the [hostels], they're mainly crack heads'

Bob

2.5 Wider system response to people with complex needs

All of the local authorities in LCR are very aware of those with the highest levels of complex needs who are taking a lot of resources or not engaging with services at all and for whom sustainable successful outcomes are not being achieved. In most areas of LCR, multi-agency panels have been set up to try and find ways of supporting these people, especially those who also have social care needs. We heard examples of individual solutions being set up for long term homeless people with care needs, which might include domiciliary care and intensive support being provided to someone living in a hostel setting or an independent tenancy. However, these are happening in an ad hoc, case-by-case and time intensive way.

Where people have multiple needs, a lot of time and energy can be spent trying to determine what the underlying diagnosis is, which 'category' they fit in and, ultimately which agency (if any) is responsible.

"There are lots of debates operationally about what is causing what and which category people fit under – so, if someone is doubly incontinent, is that caused by substance misuse or by physical health problems".

Local authority commissioner

Another described the challenges trying to set up accommodation and support for a homeless person with Korsakoff's syndrome and tuberculosis:

"Where all agencies' budgets are reduced, no one wants to take responsibility for high risk people."

Local authority commissioner

Meanwhile, some professionals described a lack of clarity over the target population for hostels: the support needs of many residents seem either to be too high or too low:

"I think there are some challenges about homelessness versus complex needs. Are we just accommodating people in supported housing because they are homeless? But at the same time, we have ended up with a lot of people who have complex needs".

Supported housing provider

Housing First

Chapter 3: Developing Housing First as part of a solution to homelessness

In this chapter, we begin by presenting the core components of solutions to homelessness, based on the views of people with lived experience. We argue that the principles on which Housing First is based align well with these and we summarise the evidence from elsewhere on how this model can work, before describing how it could and should be integrated within a wider housing-led homelessness strategy in LCR.

3.1 What did homeless people tell us they valued and needed?

When interviewed for this study, people typically described their experiences of homelessness in terms of shock, stigma, shame and survival. Some people described the shock of becoming homeless and the subsequent dislocation from 'normal life': for some, it was something they had never thought would happen to them. Having the opportunity to return to 'normal life' must, therefore, be a key part of the journey of recovery from homelessness.

Many described the stigma of being looked down on and judged by members of the public and professionals, especially those in power:

"I don't like it when you go to places and you feel like they are looking down at you and you feel like you're being judged. It's not nice."
(man currently living in hostel)

We heard how homelessness can cause people to sink into a vicious circle of shame: one woman told us that, when she had lost her previous home on the outer edges of LCR, she had moved into the city centre of Liverpool because she did not want to bring shame on herself – or her family – by being on the streets in her home town. Lasting solutions to homelessness must empower homeless people, giving them opportunities to make a contribution and rebuild family relationships, and treating them like adult citizens with rights and responsibilities, not just recipients of charity.

We also heard about the overwhelming focus on day-to-day survival, particularly for street homeless people. People described deciding to beg so as to avoid criminality; taking drugs or drinking to help them sleep. When people are in this 'survival mode' and especially if they have been in it for many years, it can be very difficult to think ahead or articulate their aspirations. People need time, opportunities for respite, and gradual, consistent relationships with people they can grow to trust if they are to make informed decisions about their futures. Some of the rough sleepers we interviewed who were heavy drug users and drinkers said they felt they needed to 'get away from it all' in order to stand a chance of changing their lives.

The homeless people interviewed for this study told us that solutions for them and others need to include:

Emotional support: many homeless people have experienced trauma, loss and abuse yet there is limited access to talking therapies or basic emotional support for this group.

Peer support: from others who have themselves been through homelessness.

Independence: Being able to come

and go independently and at your own time is really appreciated.

Not being judged, punished or treated like a child.

Opportunities for rehabilitation and longer term planning: some of those interviewees who felt they were on a positive trajectory told us they valued residential rehabilitation; or support from coaches or mentors, since these had helped them to set personal goals, and build their resilience.

Structure and purpose: opportunities to volunteer and make a contribution, to learn or take qualifications or work towards getting (back) into employment.

A focus on social integration: the importance of the social connection which exists within communities of homeless people (and the fact that these can be positive as well as negative) is often overlooked; some people were afraid of the prospect of being lonely and isolated in their own home.

A swift and flexible response to people with addictions who are at the right stage in the cycle of motivation was a recurring theme in the interviews.

3.2 What is Housing First and how does it respond to these needs?

Housing First is a system of support for homeless people with high and complex needs which is designed to deliver a sustainable exit from homelessness, improve health and well-being and enable social integration. Housing First provides immediate, non-conditional and secure accommodation and uses ordinary housing, such as private rented or social rented flats. It is designed to house formerly homeless people with high needs in their own, settled homes as *quickly as possible* and to provide the support they will need to sustain an exit from homelessness *in their own home*. Housing First uses a mobile team of

workers, who visit formerly homeless people in their own homes, providing practical and **emotional support** and acting as service brokers, or case managers, who help arrange access to any services that someone using Housing First needs, such as psychiatric services, drug services, health care or social work support. Housing First will also ensure someone is housed adequately and has the required range of household goods and furniture **to live independently**, also providing help with budgeting and day to day living skills where needed¹⁷.

In practical terms this means:

- Immediate or rapid housing in a settled home.
- No requirement to stay in a homeless hostel, nor in any form of congregate or communal temporary supported housing, prior to housing being provided.
- No completion of courses, training or other expectations in respect of demonstrating 'readiness' for housing are required before housing is provided.
- No requirement for compliance with treatment, including psychiatric and drug/alcohol treatment, before housing is provided.

Housing First is also distinctive in terms of the degree of **choice and control** given to service users. Someone using Housing First is supported to design their own package of services and help, they design their own process of exiting homelessness. This control extends to whether or not someone using Housing First chooses to engage with treatment, including drug/alcohol treatment and mental health services. Both access to housing and retention of housing are **not conditional on complying with treatment or behaving** in certain ways, housing and support are *separated* in the Housing First model.

17 Pleace, N. (2016) *Housing First Guide Europe* Brussels: FEANTSA <http://housingfirstguide.eu/>
 18 Padgett, D.K.; Henwood, B.F. and Tsemberis, S (2016) *Housing First: Ending Homelessness, Transforming Systems and Changing Lives* Oxford: Oxford University Press.

However, Housing First is not passive, it does not simply offer housing on an unconditional basis to homeless people with complex needs. Housing First workers engage with service users within a harm reduction framework and follow a **recovery orientation**, centring on providing people using Housing First with the idea that positive change in their lives, in respect of ending homelessness, improving health, **building relationships and becoming part of the community** is possible and emphasising that support is available.

To be clear, Housing First does not tell the homeless people with complex needs using the service how to behave, it does not tell them not to drink or take drugs, but the workers emphasise that positive change – as and when someone chooses to make it – is possible and will be supported.

Peer support, where Housing First uses people who are 'experts by experience' and have achieved a sustained exit from homelessness, can be important here. There is a broad emphasis on a strength-based approach, focusing on what the people using Housing First can achieve for themselves, what they are capable of, and **avoiding any judgements** about how someone became homeless¹⁸.

3.3 The Case for Housing First

The history of Housing First

Housing First is an unprecedented, global, success. Since the original experiments led by Sam Tsemberis in New York in the 1990s, the Housing First approach has become a core aspect of homelessness strategy in much of the economically developed world. In contexts as diverse as Portugal, Denmark, Ireland, Italy, Australia, Japan, Finland and Canada success has been reported, with

Housing First services successfully ending homelessness for between seven and nine out of every ten people they work with, levels that approach double the success rate of some earlier models of homelessness service¹⁹. As we saw in chapter 1, the current success rate (if we take move-on into mainstream housing as our primary success indicator) for services within LCR is less than 40 per cent – and, for most on Mainstay, this only gives destination data, not any longitudinal follow-up on the success of these moves.

Alongside the successes of Housing First, there is clear evidence of cost effectiveness. Housing First may sometimes be less expensive than other forms of homelessness service. However, it is probably more accurate to say, based on current evidence, that while levels of spending on Housing First may ultimately be similar to those for other forms of homelessness service for people with high and complex needs, Housing First ends homelessness more *effectively*. In short, a pound spent on Housing First tends to achieve more than a pound spent on other services designed for homeless people with high and complex needs²⁰. We explore this in more detail in our cost effectiveness analysis of the potential Housing First model in LCR in chapter five.

Housing First emerged in part because 'Housing Last' was not working very well. Within a 'Housing Last' system, access to housing for a single homeless person with high support needs is only given when they have completed all the steps required in an institutional setting, are behaving in the 'right' way and are complying

with treatment²¹. Expenditure on these services was high, but only between four and six people out of every ten with complex needs were sustaining exits from homelessness. There was also clear evidence, from both the USA and from Swedish research, that people were getting 'stuck', unable to complete all the steps that a Housing Last approach expected them to follow and ending up spending years in services that were supposed to end their homelessness within weeks or months. This has been borne out in our analysis of how services are currently working in LCR.

There are some debates about what exactly Housing First should be. The arguments centre on the level of **fidelity** that a Housing First service should have with the original model, as developed by Sam Tsemberis in the 1990s. Some argue that only very high fidelity (near-replication of the original approach) can achieve real success, which is the approach taken by the national Housing First programmes in Canada and in France²². However, others argue that while the core principles of Housing First must always be followed, the operational details can be allowed to vary by context²³.

A Europeanised version of Housing First was developed in consultation with Sam Tsemberis, who was part of the team working on the *Housing First Guide Europe* and who advised on the Key Principles of *Housing First England*. One key difference with the original model of Housing First was that diverse types of property were used: in the original model, all Housing First properties were self-contained, usually a one bed flat if someone is living

19 Pleace, N. (2008) *Effective Services for Substance Misuse and Homelessness in Scotland: Evidence from an international review* Edinburgh: Scottish Government; Pleace, N. (2016) Op. Cit.; Padgett, D. et al (2016) Op. Cit.

20 Culhane, D.P. (2008) The Cost of Homelessness: A Perspective from the United States *European Journal of Homelessness* 2(1) http://works.bepress.com/dennis_culhane/82/; Bretherton, J. and Pleace, N. (2015) *Housing First in England: An Evaluation of Nine Services* Homeless Link.

21 Pleace, N. (2008) Op. Cit.

22 Padgett, D. et al (2016) Op. Cit.

23 Pleace, N. and Bretherton, J. (2013) 'The Case for Housing First in the European Union: A Critical Evaluation of Concerns about Effectiveness' *European Journal of Homelessness* 7(2), pp. 21-41.

alone, not in immediate proximity to other Housing First tenants. In the European model, congregate models (using self-contained flats with tenancies) and properties in which two or three people had a shared tenancy were sometimes used. Sometimes this was as a result of individual needs and preferences; often it was driven by the nature of housing markets and welfare benefits systems. Also, in the original model, mental health support models, assertive community treatment (ACT) and intensive case management (ICM), were specified, which involves considerable direct provision of services by Housing First when supplying ACT (used for homeless people with the very highest needs).

Thus far, UK Housing First experiments have been a *case-management only* version of Housing First. Here, as in the original model, there is a relatively high amount of contact between workers and Housing First service users, but health, drug, alcohol, mental health and other support needs are handled primarily through referral and support with using *external* services²⁴. In other words, UK Housing First services have, thus far, ensured someone has a doctor, makes sure they attend appointments and get the treatment they need, works to get any help wanted with drugs and alcohol from specialist services and arranges other treatment and support on the same basis, connecting people with services, rather than providing those services directly.

Broadly speaking, while the trials of 'high fidelity' Housing First in Canada and in France, using the original ACT/ICM model have proven highly

successful, there are reports of very strong results from Housing First services using a case management approach²⁵. In England, seven out of every 10 service users were housed at one year by five Housing First pilots²⁶, in the Netherlands, Finland, Portugal and Ireland, similar or better results were achieved by Housing First services that followed a case management model.

Outcomes from Housing First

The clearest measure for success in the use of Housing First lies in the evidence that it sustainably ends homelessness. The evidence in respect of improvements to health, well-being and social integration is more mixed²⁷, but there is evidence of positive outcomes in these respects as well²⁸.

The evaluation of Housing First pilots in England completed in 2015²⁹ found that, among 60 users of Housing First services:

- 43 per cent reported bad or very bad physical health a year before using a Housing First service, with 28 per cent reporting the same poor levels of health as Housing First service users (i.e. a 15% drop in reports of bad or very bad physical health).
- 52 per cent reported bad or very bad mental health a year before using a Housing First service, dropping to 18% when surveyed as Housing First service users.
- Uneven results in respect of drug and alcohol use, but some evidence of improvement for individuals.
- 25 per cent of Housing First service users reporting daily, weekly or monthly contact with family one year before using Housing First, compared

to 75 per cent reporting these levels of familial contact as Housing First service users, a 50 per cent improvement.

- Falls in involvement in anti-social behaviour, from 78 per cent reporting involvement a year before using Housing First to 53 per cent as Housing First service users.

The international evidence shows that:

- Finnish experience in using Housing First as an approach to long-term and recurrent homelessness, has been extremely positive and lain at the core of a sustained national strategy that has brought Finland to a point where homelessness is becoming a functional zero. The concept of functional zero can be summarised as a state in which experience of homelessness is rare and, where it does occur, short-term, with Finland having levels of homelessness that are extremely low by UK standards³⁰. Housing First is successful in Finland because it is a part of an integral homelessness strategy which includes a strong emphasis on prevention and an array of lower intensity services: a point to which we return below.
- The first stage of the Danish Homelessness Strategy from 2009-2013 was one of the first large-scale Housing First programmes in Europe and housed more than 1,000 people, the intensive case management versions of Housing First reported a 74 per cent housing retention rate, with a 95 per cent rate being achieved by assertive community treatment models of Housing First (Benjaminsen, L (2013)³¹.
- The Finnish use of Housing First within an integrated homelessness

strategy is directly linked to the reduction in long-term homelessness. Finland recorded 2,628 long-term homeless people in 2012 and 2,047 in 2016, a drop of 23 per cent³².

- The major Canadian national pilot, the *At Home/Chez Soi* programme, has been determined to be a major success. In the last 6 months of a study which compared Housing First service users with a 'Treatment as usual' group³³, the following results were obtained:

Table 3.1. Outcomes of national Canadian Housing First pilot

Housing status in last 6 months of trial	Treatment as Usual	Housing First
Housed all of the time	6%	62%
Housed some of the time	23%	22%
Housed none of the time	46%	16%

In France, the pilot of Housing First (*Un Chez-Soi d'abord* programme (2011-2016)) in four cities was led at a national level by the inter-ministerial body responsible for the national homelessness strategy. Overall, 85 per cent of Housing First service users retained housing over the course of two years and the programme was extended to 16 cities³⁴.

Health, Well-Being and Social Integration

The core goal of Housing First, what it seeks to achieve as a model, is to use housing as a basis from which to pursue integration into mainstream social and economic life. What this means in practice is that Housing First seeks to improve the following aspects of an individual's life:

24 Bretherton, J. and Pleace, N. (2015) Op. Cit. (74% of service users housed for 1 year or more)

25 Busch-Geertsema, V. (2013) *Housing First Europe: Final Report* <http://housingfirstguide.eu/website/wp-content/uploads/2016/03/FinalReportHousingFirstEurope.pdf>

26 Bretherton, J. and Pleace, N. (2015) Op. Cit.

27 Johnson, G., Parkinson, S. and Parsell, C. (2012) *Policy shift or program drift? Implementing Housing First in Australia, AHURI Final Report No. 184, AHURI: Melbourne; Pleace, N. and Quilgars, D. (2013) Improving Health and Social Integration through Housing First: A Review* DIHAL.

28 Quilgars, D. and Pleace, N. (2016) *Housing First and Social Integration: A Realistic Aim? Social Inclusion*, 4 (4), pp. 5-15

29 Bretherton, J. and Pleace, N. (2015) Op. Cit.

30 For further details, see: Pleace, N.; Knutagård, M.; Culhane, D.P. and Granfelt, R. (2016) 'The Strategic Response to Homelessness in Finland: Exploring Innovation and Coordination within a National Plan to Reduce and Prevent Homelessness' in Nichols, N. Doberstein, C. (eds) *Exploring Effective Systems Responses to Homelessness* Toronto: Canadian Observatory on Homelessness.

31 Benjaminsen, L (2013) Policy Review Up-date: Results from the Housing First based Danish Homelessness Strategy *European Journal of Homelessness* 7.2, pp. 109-131

32 Source: ARA <http://www.ara.fi/en-US>

33 Goering, P. et al (2014) *National At Home/Chez Soi Final Report* Mental Health Commission of Canada <http://www.home-eu.org/85-percent-homeless-persons-france-keep-home-two-years/>

- Social integration
 - As part of a community
 - Developing positive friendships, family relationships, having a partner
- Economic integration
 - Paid work where possible
 - Progress towards paid work e.g. education, training
 - Structured and meaningful activity
- Health and Wellbeing
 - Mental health
 - Physical health
 - Drugs and alcohol

Housing First will not achieve total success in every case, no service is perfectly effective and there are individuals for whom Housing First is not the right service model. Some people may want more structure, for example, rather than wishing to engage with a Housing First service model that essentially requires an individual to determine and build their own support package, albeit with whatever assistance the Housing First service can provide.

Housing First will also take time to have an effect and the effect it has will sometimes be limited. This is about realism in terms of expectations for Housing First, i.e. someone with a history of recurrent and sustained homelessness, severe mental illness and addiction is unlikely to suddenly 'get better' within a few months and no longer require support. There are dangers in expecting Housing First to deliver a more or less immediate improvement in terms of every aspect of individual need, though the expectation is perhaps understandable as Housing First does deliver a rapid, sustained, end to homelessness for the great majority of the homeless people with complex needs it works with. Nevertheless, there is evidence that Housing First can deliver improvements in every area³⁵, improving health and wellbeing,

reducing use of drugs and alcohol (though not necessarily ending use in the short to medium term) and enabling people to live more socially integrated lives, with better emotional supports.

Moving to Independence

The promotion of independence has sometimes been a challenging question for Housing First. One of the reasons why the approach has not been more widely adopted in the UK is that homelessness services, alongside being faced with sustained cuts in funding in many areas, are commissioned on the basis that interventions to tackle homelessness are short or medium term. This is one of the key aspects of the Housing Last approach, the model being based on making someone 'housing ready', i.e. capable of living independently in their own home, whereas Housing First is built on the idea that homelessness can be quickly ended, but support needs may continue to be present for some time.

This is expressed in Housing First providing support for as long as someone needs, but in practice this does not mean support continues to be delivered at high intensity. Over time, contact with service users will tend to drop, reducing to much lower levels as they stabilise, and Housing First can go dormant, with service users able to contact support if they should require it, but otherwise leading an independent existence. The concept of 'graduation' from Housing First was introduced in Sam Tsemberis's original model, i.e. transitioning to a point of complete independence, yet while this is a goal, there is not a set timetable, e.g. within a year or three years, instead Housing First remains engaged until it is no longer needed. Importantly, however, while Housing First does provide support for as long as is needed, the model is designed on the basis that

support levels are expected to fall over time for each service user, the service contacts becoming infrequent, or the service becoming dormant, even if someone does not formally graduate³⁶.

3.4 Housing First within Integrated Strategies

Housing First is a specific model of support for a specific group of homeless people, i.e. those with high and complex needs, it is not designed for all forms of homelessness. However, where Housing First has been used most successfully, one example being Finland, others being Denmark, France and Canada, it has been part of a wider integrated strategy to end homelessness³⁷. In other words, Housing First has been offered as part of a range of services, including preventative services, lower-intensity support services (for homeless people with less complex needs), services for specific groups (which can include tailored versions of Housing First, specifically for groups like homeless women, young people, or former offenders) and various measures to maximise access to affordable and sustainable housing.

It is within an integrated homelessness strategy that Housing First has the greatest potential for positive effects, both in the sense of achieving reductions in homelessness among people with high and complex needs and in the sense of making sure that those people are not inappropriately (and inefficiently) using services that cannot meet their needs.

Integration of Housing First means efficient triage, making sure that those for whom Housing First is most suitable are quickly directed to an assessment and access to the most appropriate service. There is scope for Housing First to also be used as

part of homelessness prevention, taking referrals for high-risk individuals (for example people with high and complex needs and a history of homelessness) to minimise the risk of sustained homelessness or recurrent homelessness.

There are risks in using Housing First inappropriately, these include using too many resources on homeless people who do not require the level of support offered by Housing First in a context where funding is restricted. Referral and assessment must be carefully organised to avoid this risk.

Another danger lies in loss of fidelity, where many services, including low intensity forms of support, all start to badge themselves as 'Housing First'. The risk, which is something that was experienced in the USA, is a loss of focus. This can undermine the idea of Housing First, where services that are not Housing First - but which describe themselves as such - begin to fail or underperform, potentially tarnishing Housing First as a whole³⁸.

The final risk in relation to strategic integration is that being outside an integrated homelessness strategy means that Housing First does not have a defined role in relation to that strategy. If it is not clear how Housing First is working alongside prevention, low intensity and emergency accommodation services, enabling the delivery of a cohesive whole, then Housing First becomes vulnerable. In practical terms, this involves what the Americans refer to as funding sunsets, where a pilot service, in this instance Housing First, is supported, prospers and delivers good results, but operates in semi-isolation from wider homelessness strategy.

36 Tsemberis, S. J. (2010) *Housing First: The Pathways Model to End Homelessness for People with Mental Illness and Addiction* Minneapolis: Hazelden.

37 <http://housingfirsteurope.eu>

38 Pleace, N. (2011) 'The Ambiguities, Limits and Risks of Housing First from a European Perspective' *European Journal of Homelessness* 5(2) pp. 113-127.

Without a clearly defined strategic role – supporting the policy goals and other homelessness services – Housing First pilots may not evolve into permanent service provision, because without a strategic role, continuing to fund Housing First may not be a priority. Of the Housing First pilots assessed in 2014/15, a few lost funding and either changed shape or disappeared, it was those pilots that shifted gear and moved towards strategic integration, demonstrating their worth in the homelessness strategy and thereby accessing local commissioning funds, that endured. Examples of these Housing First services include the Camden Housing First project, operating on the basis of handling 'hard to reach' cases where homeless people with complex needs were not getting the right support from the existing systems and Changing Lives in Newcastle, which became part of the City's strategic response to homelessness, which are likely to enjoy a future and see expansion³⁹.

3.5 Developing a housing-led Strategy for LCR

In order to mainstream Housing First into commissioning in the current funding climate, it will need to be done in such a way that allows local authority support funding to be transferred from current spending on hostel services. In other words, Housing First needs to be done at sufficient scale and in such a way that some current hostel provision can be safely closed, albeit in the future and following a period of external funding and evaluation.

Our analysis of Mainstay data highlights the huge, increasing and often unmet demand for homelessness services in LCR. Given the significant unmet need for accommodation and support, it is hard to imagine a scenario in which any hostel places freed up by people moving to Housing First were not

immediately filled by others waiting for places. It becomes even more of a challenge to make this stack up where Housing First is targeted at people who are not currently in the hostel system – those who are rough sleeping or in prison: both of which we would expect to make up a significant proportion of the caseload.

Given this, it is crucial that Housing First be part of an integrated prevention strategy, so that as many people as possible are diverted away from homelessness at the earliest opportunity.

Since Housing First is a relatively intensive and expensive intervention, it is important that it is targeted only on those who need it: the cost effectiveness of Housing First hinges on it not being used by those who could be supported by lower intensity services (a point we explore further in chapter 5). Without sufficient lower intensity services and good access to independent tenancies, there is a risk that Housing First is swamped by referrals of people who do not really need this level of support, just because the service is the only gateway to independent tenancies and floating support for homeless people.

If, for example, a new priority band for Housing First was to be introduced to the social housing allocations policy, but the existing barriers to offenders and those with previous history of tenancy breakdown are not reviewed, then a two-tier system would be created in which there is a perverse incentive to refer people to Housing First as a means of getting a property, regardless of whether or not they need the support. Even if these referrals were filtered out by good assessment, the service would use too much of its resources gatekeeping and there is a risk that those who really need the service would be overlooked.

In order for Housing First to have the required impact on the reduction of homelessness, a wider set of system changes are required as part of a housing-led strategy.

Introducing four sub-groups within the homeless population

The analysis underpinning this feasibility study would suggest that there are at least four relevant sub-groups within the large and growing population of homeless people:

1. People for whom the current provision is ineffective and results in long-term homelessness – this is where we have attempted to focus the target cohort for Housing First;
2. People who first come into contact with homelessness services after they have lost accommodation which could probably have been sustained had they accessed high quality and timely housing advice and advocacy;
3. People who are offered supported housing because this is seen as the only option- but who really do not need any additional support, they just need access to affordable housing. For some, this is due to restrictions in Property Pool Plus policies, for others it may be due to a lack of affordable, suitably sized and/or accessible housing. In the current system, there is a risk that this cohort will develop higher support needs the longer they stay homeless⁴⁰.
4. People who are largely similar to the group 3 but who do have some need for support or assistance to secure and maintain independent accommodation, probably on a short-term basis to establish themselves in independent accommodation.

These groupings are all significant and require a change or development in service provision as part of a new

housing-led strategy, and in order to reduce the reliance on high-cost supported housing. We present a case study to illustrate each of these groups before considering the most effective service response to their needs.

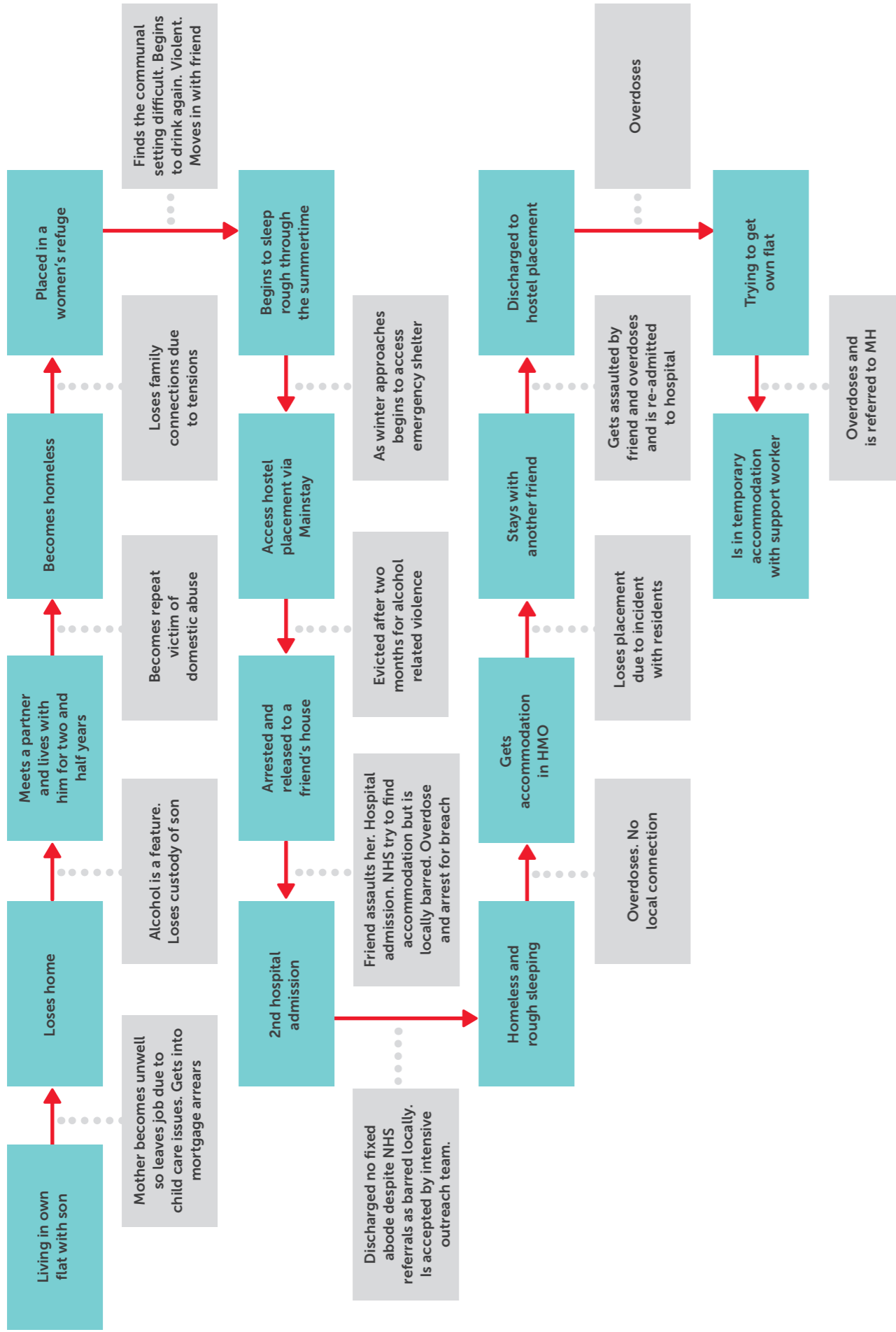
Case studies: Group 1 People for whom the current provision is ineffective and results in long-term homelessness. Since this is where we have attempted to focus the target cohort for Housing First, we have included two case studies and presented these as flowcharts on the following pages.

First we present Rachel's homelessness pathway. The difficulties she experiences with communal living first arise when she moves into a refuge – the option for a suitably supported dispersed property at this stage could well have helped her stabilise much earlier. It is likely that stabilising in her own housing would have reduced or prevented the number of Rachel's subsequent hospital admissions and contacts with the criminal justice system.

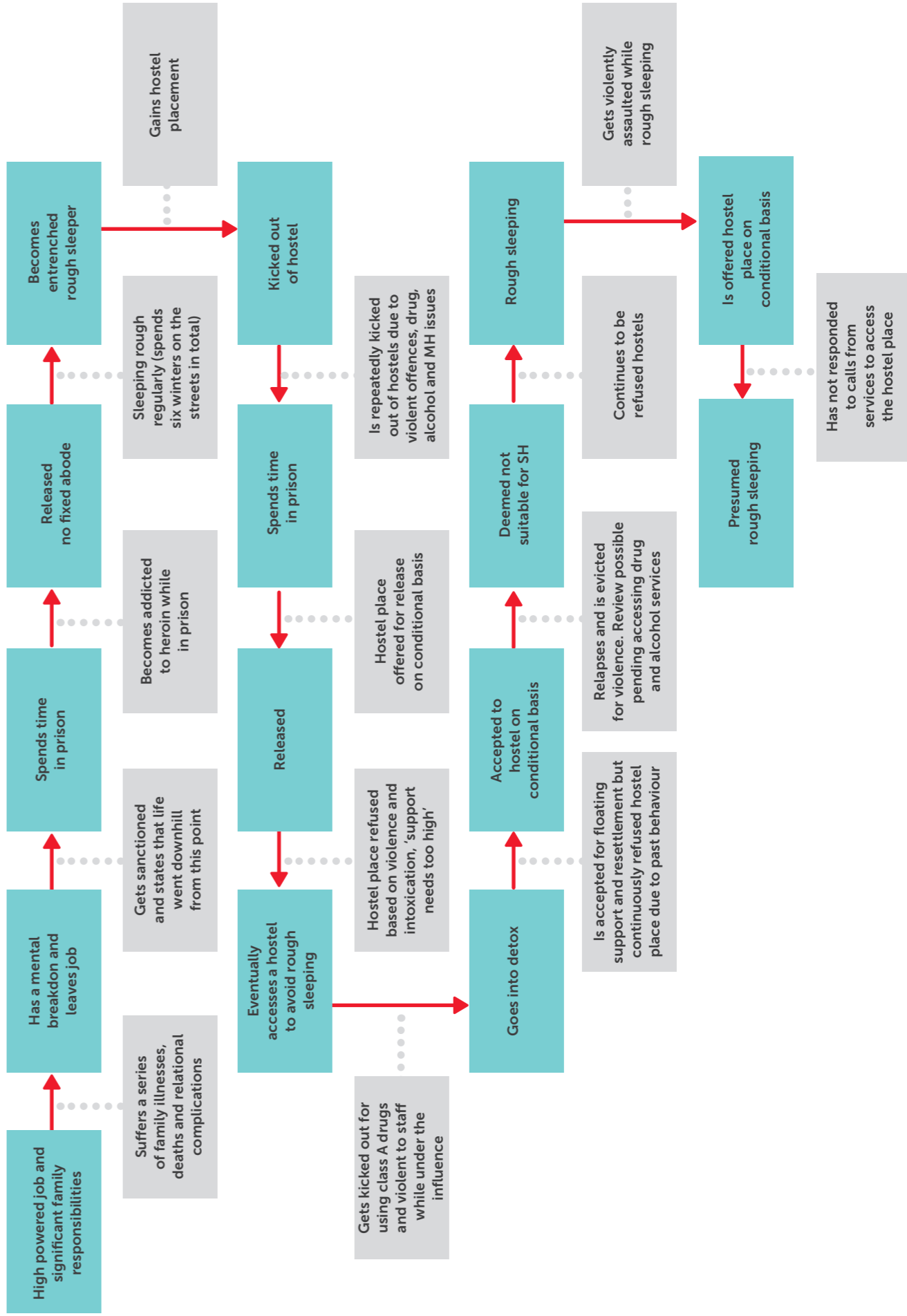
39 Bretherton, J. and Pleace, N. (2015) Op. Cit.

40 Culhane, D.P.; Metraux, S.; Byrne, T.; Stino, M. and Bainbridge, J. (2013) 'The age structure of contemporary homelessness: evidence and implications for public policy' *Analyses of Social Issues and Public Policy* 13(1), pp. 228-244.

Rachel's homelessness journey



Jeff's homelessness journey



Jeff's pathway (on the previous page) similarly shows the 'revolving door' of prison, hostels and psychiatric hospitalisation. Jeff has lots of stays in hostels, but is excluded from one after the other. Jeff told us that, when he has been offered places in hostels it has typically ended up as a 'total disaster' because he knows everyone there and this sends him 'straight back to square one'.

He likes the idea of having his own place but is clearly will need support if this is to be successful:

"But the likes of me, I'm embarrassed to say it, but I think I do need support. There's too many vipers out there who will take advantage of you and if you're going through problems and you're at your weakest moment, these people know how to home in on you. Without the support you're a deer in the headlights – you're just going to get knocked down. And a lot of them don't get back up".

He has clearly suffered a lot of trauma in his life and does not appear to have received any useful emotional and psychological support for this:

"When you've been doing it [homelessness] for 15 years – I had a hard life as it was – a lot of violence in the family so there's always been a lot of violence in my life and there's no hope".

Case Study: Group 2: People who first come into contact with homelessness services after they have lost accommodation which, in theory, could have been sustained if they had

had the right assistance at the right time.

Steve and Joanne have a child and became homeless because the landlord wanted to sell the flat they were living in. Joanne said that she simply did not have the information to know where to turn, she describes it as a scary time and the worst situation she has ever been in; she says she 'just didn't have a clue about what to do'. Steve, who works full time, did the information finding between his working hours and they are both now in separate hostels while their child stays with Joanne's mother. This is particularly hard for Joanne because she cannot have her son stay over with her in the hostel.

Both spent time in different emergency night shelters to get their places in the hostels. Joanne's issue with the system is that she does not really need any support other than to get a home, but wishes there had been more information available to understand what to do when faced with homelessness. Steve had difficulty in getting his hostel place as he missed out on an earlier opportunity as although he answered the call from the hostel while at work and agreed to take the offered place, when he went to sort out the details on his day off the next day, the room had been allocated to someone else. Steve also faced difficulty in accessing the night shelter due to doors closing before Steve's working shift finished, luckily he was able to make a special arrangement with the night shelter to let him arrive after he finished his working shift at 9pm. He expressed his frustration at being penalised for being an ordinary working person without a home:

'So because I was working I felt like I was hitting a wall all the time – I felt like they wanted me to walk around with a needle hanging out of

my arm or a can in my hand to get anywhere with them. No offence to other people but I'm not like some of the other people you see on the streets, I'm just like – normal.'

He also described how, in order to maintain the benefit payment for the hostel, he was having to reduce his working hours. The limitations on saving for a deposit are obvious here. He states that he has the opportunity to earn £10 an hour and get a monthly bonus at his place of work if he was to take it, but as he does not want to jeopardise the placement he cannot, so continues to earn a basic wage whereby his wage tops up the service charge and pays for him to get to and from work and for his son, who is living with his partner's mum. He is currently unable to see or make any financial contribution towards his two children from a previous relationship because he cannot earn enough while in the hostel. He notes that when he does leave the hostel he could start making as much as £500 extra a month.

Steve and Joanne would presumably have been classed as statutorily homeless, had they been given the right advice at any point along this journey – presumably this has been overlooked by the emergency hostel services they have been in touch with because these services are geared up to working with singles and have not noticed that they are actually working with the members of a family who want and need to be living together.

Group 3 case study: People who are offered supported housing because this is seen as the only option – but who really do not need any additional support, they just need access to affordable housing

Darren lost his job due to a (physical) medical condition: he had initially returned to work but was then off for a further six months and so lost his flat

and car and says that everything went downhill from there.

He had a tent set up in an abandoned building and lived in there for 8 weeks; using a charity-run day centre for somewhere to eat. He felt stuck in the area where the charity operated because it was the only place he could get something to eat: he could not use foodbanks as he had nowhere to cook. He explains that this situation increased his level of isolation from his social networks:

"To be honest with you, I didn't really tell many people. People thought I still had my job and I was still carrying on because I was just embarrassed. It was just an embarrassing situation for myself because I've worked all my life.'

He accessed the one-stop-shop, but there was a 3 week wait to get an appointment to get onto the Property Pool Plus waiting list. He had to find and produce all the relevant information he needed - ID, 3 months' bank statements. Darren said he gave these documents to them and the wait still seemed to drag on. He said: 'It didn't seem like anybody gave one really'.

The local authority put Darren in 'Band E' and although he expresses dismay at being in the lowest band, he also felt a sense of guilt that people were less fortunate than himself. However, getting somewhere warm became his one priority because he became ill while living on the streets and was beginning to access A & E services.

He accessed the emergency night shelter and continued to stay there for around 3 – 4 weeks. He also went there in the day if it was raining because they would let him in. He then describes his luck at eventually getting a place in the hostel: at the time of the

interview he had been staying there for 3 weeks.

However, he reflected:

“For somebody like myself who’s just lost my job, this [system] isn’t necessary for me.... all you need is a base and then you can get back to work’. So it would just be short time, because that’s all you need is a couple of months to get yourself set back up, get your own pad, you’ve got your own postcode – just simple things like going for interviews, you can’t get an interview if you’ve got nowhere to live. Unfortunately, this is the process you’ve got to go down and it can take months”.

Group 4 case study: People who are largely similar to the group 3 but who do have some need for support or assistance to secure and maintain independent accommodation on a short-term basis to establish themselves in independent accommodation.

Following a split with his partner, Chris moved to London where he ended up sleeping rough. In London he accessed homeless services, then returned to Merseyside where he stayed with his mum for a while. He then began to access the emergency night shelter and, from there secured a place in a hostel where he had been for the last 3 months.

Chris has no issues with drugs or alcohol misuse. He describes hostel life as ‘tough’ in terms of ‘not knowing people around here’, and ‘not knowing what to expect’: he felt this ‘knocked him back’ when he arrived. However,

he described it as ‘a nice hostel, staff are really friendly, give everybody all the support’.

‘It has been hard going from having a house with my partner, then end up being on the streets and being homeless. It did have its moments and now I’m on a steady thing [...] I want to try and do something fresh, get my flat eventually and then employment but I’m just going to wait until I’ve settled down’

However, significant barriers stand in the way of Chris finding permanent housing. The need for a deposit and a month’s rent in advance is a barrier in the private sector, combined with the way in which landlords ‘judge and label’ those who are not working. Meanwhile, he describes Property Pool Plus as a ‘waiting game’.

Chris remains close to his family and is particularly keen to maintain contact with his nephew and his three children, however the fact that they are not allowed to visit the hostel and he has little disposable income makes this difficult. Chris worked previously in catering but left as a result of experiencing bullying and harassment. Chris is grateful for the support he has had to date, both from hostel staff and others in homelessness services. He recognises that he would ideally need some support if he were to get his own place:

‘I’d love to be given a chance to do that [Housing First] and prove to myself that I can take on some of that responsibility. That’s what I’m looking for, even though I’ve got support with key workers, it’s when I move onto the outside to keep having the support still’

A system which responds effectively to each of these groups

These are the building blocks of the integrated homelessness strategy in which Housing First should be

embedded. Overleaf, we show how these blocks could fit together and which pathways we might expect our four different sub-groups to take:

Housing First

- See Chapter 4 for detailed overview of this service

Floating Support

- Based on Housing First principles: strengths-based, choice & control, etc
- Lower intensity and probably time-limited but enough flexibility to personalise and respond to changing needs
- Good signposting and links with mentoring, ETE, etc.

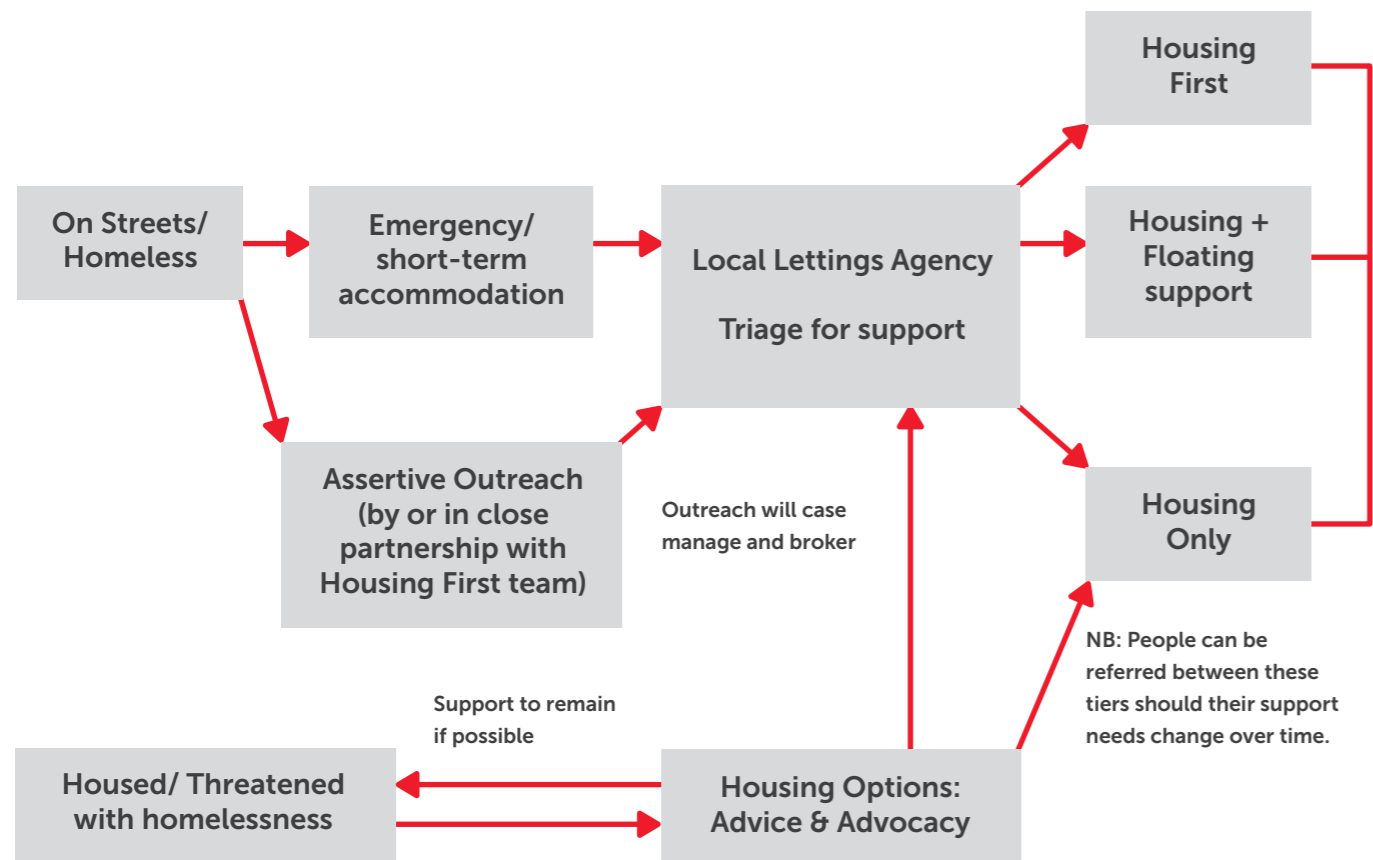
Access to Affordable Housing

- Review of mainstream allocations policies and systems
- Flexible, large scale local lettings agency which will:
 - Acquire (and where desired) manage social & private rented portfolio
 - Housing management in partnership with support providers
 - Opportunities for training, employment, volunteering to improve sub-standard properties

Housing Options Advice and Advocacy

- In line with the requirements of the Homelessness Reduction Act
- Case management approach: co-produced action plan (which might include mediation, debt/benefit advice, advocacy with landlords, lenders, utility suppliers, etc)
- Well-publicised and accessible
- Inclusive: available to all, regardless of local connection, priority need, intentionality

Pathways through the proposed system



NB: Housing First might involve specialist congregate but tenancy-based models delivered in partnership with NHS/ Adult Social Care/Criminal Justice where risks and needs are very high.

NB: People can be referred between these tiers should their support needs change over time.

The model

Chapter 4: Developing a Housing First and housing-led model in Liverpool City Region

In this chapter, we set out our proposed Housing First model for Liverpool City Region.

This has been developed and evaluated through engagement with relevant stakeholders and analysis of Mainstay data. It is also informed by the existing evidence from the implementation and evaluation of Housing First elsewhere in the UK, Europe and North America, as summarised in Chapter 3. As stated in the Introduction, we recognise that this proposal would need both political decisions and more scoping and planning to develop a detailed implementation plan that is agreeable to key stakeholders. Our intention was to give enough detail at this stage to allow readers to get a sense of how this model might work in practice in LCR, but we certainly do not wish to preclude further debate and decision-making about the operational detail.

4.1 Definition

Housing First provides 'a stable, independent home and intensive

personalised support and case management to homeless people with multiple and complex needs' (Homeless Link 2016).

The LCR Housing First model will be based on the following principles⁴¹:

1. People have a right to a home
2. Flexible support is provided for as long as it is needed
3. Housing and support are separated
4. Individuals have choice and control
5. An active engagement approach is used
6. The service is based on people's strengths, goals and aspirations
7. A harm reduction approach is used

Housing First in LCR aims to reduce and prevent recurring and long term homelessness and other homelessness associated with high support needs by:

- Offering a flexible Housing First service to homeless people who are likely to need intensive and ongoing support in order to settle into and/or sustain a tenancy.

Tenancy sustainment is the primary outcome by which the performance of this service should be measured and judged.

"If you can get tenancy sustainment right, everything else flows from this – so you need to measure your success in tenancy sustainment and what that takes and costs."
Manager of Housing First service in another area

The Housing First service will sit within an integrated strategy for the prevention of long term homelessness as outlined in the previous chapter.

4.2 Target group for the Housing First service

We recommend using the following criteria for identifying those who will benefit from the Housing First service. However, recommendations about suitability should be made by skilled and trained professionals as a result of triage, in which the individual would be supported to play an active role. A multi-agency group should ideally oversee the assessment process as detailed in section 4.12.

We have avoided recommending use of chaos and vulnerability indices which have been used as criteria for acceptance onto some Housing First schemes and the Waves of Hope project in Liverpool⁴². There is

already concern from commissioners in Liverpool that the Waves of Hope criteria excludes significant numbers of people who have been homeless for a number of years, have had various placements and have multiple needs but are not scored highly enough on the chaos index. Others raised concerns that, although the scoring system gives the appearance of quantitative measurement, it is still very subjective and is insufficiently service user-led.

Criteria for inclusion:

"I think people have got to be willing to move into the property. That's about getting information to people again – this needs to be broadcast: that there will be a good solid network of support"
 Interviewee with lived experience

- A significant history of unstable housing and/or homelessness
- A judgement that other service options either have presented or would be likely to present a risk to the individual or others they might share with, or have provoked / might provoke anti-social behaviour to the detriment of the individual and/or community
- A history of at least one of the following:
 - Repeated substance misuse;
 - Enduring mental ill-health;
 - Profound learning difficulties;
 - Long term and deteriorating physical health;
 - Repeat offending.
- The person's choice: assertive outreach teams would engage with people over time to help them decide what is right for them and what support/ type of housing they

⁴¹ These are the principles which have been developed by Homeless Link, based on the international evidence and aligned with the core principles of the FEANTSA Housing First Guide Europe (www.housingfirstguide.eu), but adapted for the UK where necessary. See Homeless Link (2016) Housing First in England: The Principles

⁴² Current eligibility for Waves of Hope involves scoring 27 or more points on the NDT (New Directions Team) Chaos index, used across the Big Lottery Fulfilling Lives programme

would need to make Housing First work for them. However, nobody would or could be forced to accept Housing First, since they need to accept the rights and responsibilities of the tenancy.

As emphasised in Chapter 3, ensuring that Housing First operates in a wider system in which there is effective 'triage' with speedy access to housing and lower levels of support for those who do not need the intensity of the pure Housing First model is key. If Housing First is the only way to access housing and support quickly, it will be swamped with referrals of people who do not really need the service and this will not prove cost effective.

4.3 Description of the Housing First Service

The success of the Housing First support service rests on its ability to recruit, retain and manage effectively a small and consistent team of workers with excellent engagement skills who are able to work to the principles outlined at section 4.1 above. We expect that this will require very careful recruitment and selection from a pool including people working in other sectors and those with lived experience, and a strong commitment to upskilling successful applicants.

This team would work together flexibly to support a protected caseload of Housing First tenants, connecting them into mainstream services and community resources and networks wherever possible. We anticipate a caseload of between 3 and 8 service users per full time support worker, depending on progress and mix of support needs. However, it is the *quality* of the relationships, as much as the *amount* of support which will really distinguish it from current models. A key principle here is that the relationship with the team *is* the service. As they build this relationship, the team will have the skills, support and networks to provide to the tenant (as and when needed):

- Emotional and psychological support (using, for example, psychologically informed approaches, motivational interviewing and attachment-based approaches);
- Practical support to set up and maintain a home and manage finances;
- Help and advocacy to access benefits and NHS services;
- Support in relation to building and sustaining positive social networks and meaningful activity, which might include relationships with family, friends, peers and neighbours; volunteering opportunities; and/or education, training and employment.

This support would be delivered in a way that is consistent with the Housing First principles set out section 4.1 above. In practice, this means that:

- If someone refuses or fails to engage with the support, they are not 'struck off'; nor is their tenancy threatened by this. The team is proactive, whilst respecting people's right to privacy. In practice, this means trying again later or the next day and perhaps trying a different approach, or using a different member of the team.
- As tenants, Housing First clients have a set of rights and responsibilities, as any other tenants would. If there are concerns in relation to the tenancy, the Housing First team will work with housing managers and landlords to mediate, negotiate and support.
- Freed up from 'policing the rules' (as is often the case in hostels or other homelessness services), workers are aiming to collaborate with the individual and support them to find and implement solutions, not impose a plan on them: this fits with the concepts of co-production and personalisation.
- Where traditional models of support have focused on identifying needs and deficits, a key element of the strengths-based model proposed here will be to find out and build on what the person does *not* need help to do, what keeps them strong,

what they are good at, and how they can be supported to make a contribution. The aim here is to build people's longer term resilience – the abilities and support networks which can help them adapt to adversity, challenge, loss and relapse.

- The Housing First model is one of recovery and the team will maintain a fundamental outlook of hope in people's capacity to change their behaviours, re-build broken relationships, or learn new skills.

4.4 Duration and intensity of support

A key success factor for the service will lie in achieving the right balance between holding on to its clients and letting them go, both at any one time and over time. The ultimate aim of the service is to (re-)integrate people into communities.

In order to achieve this, the small stable team of support workers needs to be able to access a wide ranging support network in the community.

The idea of a skilled team working holistically and directly as much as possible, rather than spending most of their time trying to refer to and navigate other systems was popular with many professionals and homeless people we spoke to. However, there is a danger here of creating an expensive and unsustainable 'bubble' around Housing First tenants, rather than influencing wider policies, commissioning and practice by using mainstream services as much as possible. Our analysis of data from the Waves of Hope project shows that this cohort needs to access a wide and varied range of other facilities and services in order to achieve some degree of stability: it would be neither possible nor desirable for the support team to try and meet all these needs directly.

As explained in chapter 3, the original North American model of Housing First used two models of support, assertive community treatment (ACT) and intensive case management (ICM), Case management only Housing First services, which have predominated in the UK in the pilots attempted so far, have much lower operating costs than ACT/ICM teams and there is an argument that as the NHS and other services provide universal support to all the public, Housing First should concentrate on ensuring that service users get the help they should be entitled to as citizens⁴³. One point to note is that while a case management model, the proposed Housing First service would still provide relatively high levels of service user contact, with workers providing emotional, psychological and practical support, alongside facilitating access to the external services someone may choose to use.

A recurring concern during our qualitative research was that an ongoing, wraparound service risks creating 'dependence'. This is not borne out within the current research evidence⁴⁴. Rather than seeking to promote independence by imposing a time limit on services (as is the traditional approach in services), the Housing First service will achieve this by:

- Maintaining a strong value base which treats the people it supports as adults and equal citizens (not people who need to be 'rescued', 'protected' or 'taught');
- Mapping the existing resources that are relevant and local to each individual (this might include a range of centres, hubs, charities and social enterprises as well as arts, leisure, health, public transport resources – workers should be urged to also think outside of 'services'). We present some examples of existing enterprises at the end of this chapter

43 Pleace, N. (2016) *Housing First Europe Guide* Brussels: FEANTSA.

44 Lee, B.A., Tyler, K.A. and Wright, J.D. (2010) The New Homelessness Revisited, *Annual Review of Sociology* 36 pp.501-521; Pleace, N. (2016). Researching Homelessness in Europe: Theoretical Perspectives. *European Journal of Homelessness*, 10.3, pp.19-44.

in section 4.14, which might form the starting point of such mapping;

- Working at the pace of each individual to link them into the resources they want and need to access. This may involve the worker – or a volunteer – accompanying them, at least initially, and advocating for them where necessary but with the aim to withdraw (gradually and flexibly) where possible;
- Where there are gaps or barriers to these resources, using a combination of spot purchasing through a small flexible budget (we discuss this idea in more detail in sections 4.8 and 4.12) and strategic influencing to stimulate commissioning, e.g. through social prescribing or the NHS's self-care agenda.
- Excellent managers supervising small teams of four workers to support and challenge the promotion of independence, through a culture of positive risk-taking. We have costed on the basis of a 1:4 team leader: staff ratio, which we recognise makes the service more expensive than other models, but we believe this will be key to its success.

We expect support to taper for most people as they are linked into other networks, activities and services, however this should happen organically rather than being imposed by commissioning targets.

In the interviews with people with lived experience, we heard how some of this cohort had previously sustained independent tenancies for long periods of time but had then lost these following a crisis, which typically involved or triggered a relapse into drug use or an episode of poor mental health.

Case study

We interviewed Lee at an emergency shelter. He told us he had been in several hostels in the past and that, following a stay in one hostel, and having stopped using Heroin, he had been set up with a flat of his own:

“I did manage to stop using during the time I got that place – I just kept myself to myself. I was there for about 6 years. I was on Methadone and I didn’t get into trouble with the police or anything, but it was tough because I didn’t get any support while I was in the flat. I didn’t need someone supporting me all the time but when you need some support, you need to be able to see someone but you have to go back to square one with appointments and waiting lists – you have to start again”.

A two-pronged approach seems necessary if people are to be supported during crisis and further episodes of homelessness prevented, i.e.:

- The Housing First service should have enough flexibility to taper support or allow cases to stay dormant without being closed. As in the Camden example, even those who have graduated can be encouraged to get in touch, especially if they encounter a crisis or a relapse, or their tenancy is at risk.

The response to this might range from a one-off session to intensive support through a crisis, so the caseload management will need to factor in some flexibility here. Assuming that the individual had been successfully linked into other networks first time around, this support should be complementary to this, rather than a wraparound substitute for it. This policy can be supported in practice by ongoing, low-key ways of keeping in touch with ‘graduates’, these might include use of social media, texts, occasional phone calls, social events or drop-ins, the sending of Christmas and Birthday cards, etc.

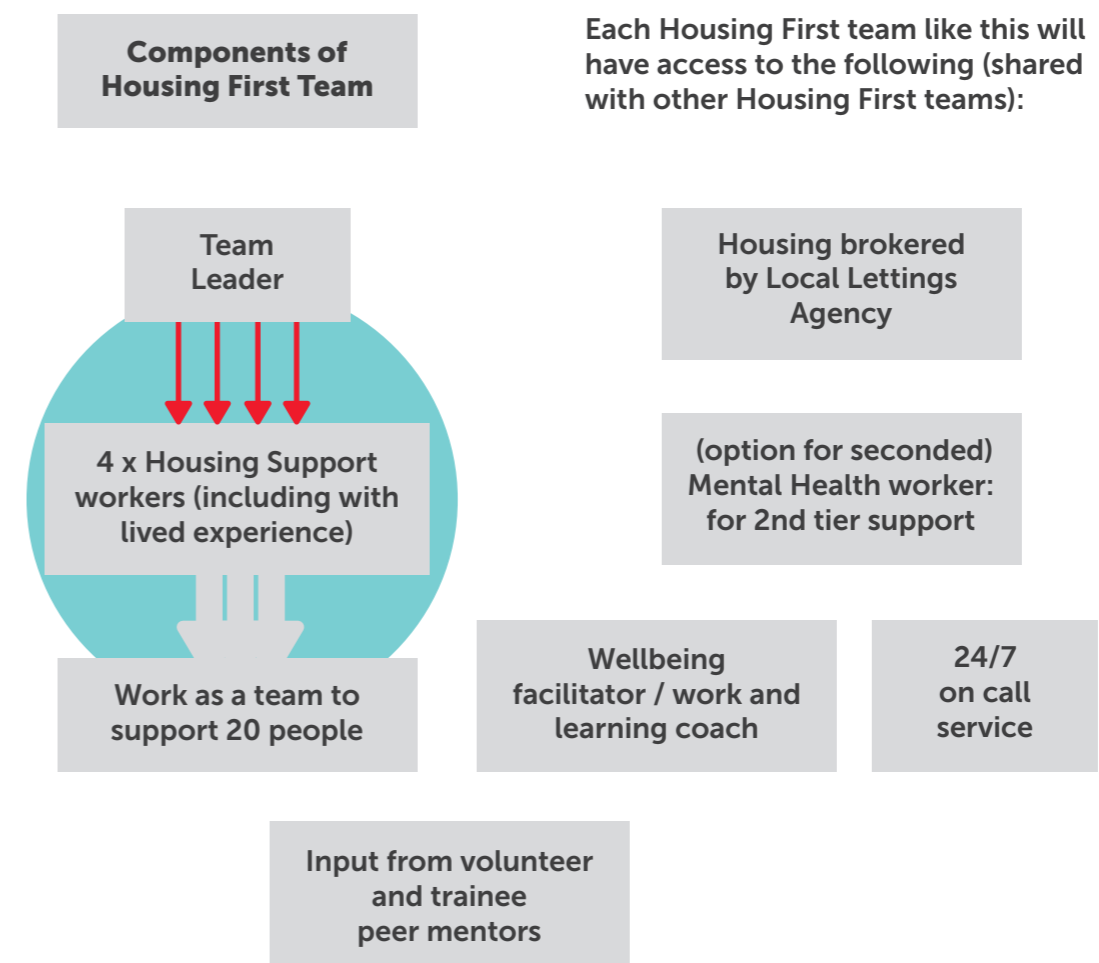
- If it is to succeed in the long term, the Housing First service must be integrated into a comprehensive preventative homelessness strategy, outlined in section 4.1. If this is working effectively and ‘graduates’ of the Housing First system have been given clear information about the access points to it, they should be able to re-enter prevention services quickly.

4.5 Team structure

As the following chart shows, we are proposing teams of four workers, supervised by one team leader and supporting between them a caseload of around 20. This reflects the caseload size in other Housing First schemes around the country and the shared team caseload approach should avoid the need for outside cover to be brought in (especially as the team leader could step in where necessary).

In our focus group of people with lived experience, it was agreed that it is better to build relationships with a few different workers (provided this small team is consistent both in terms of personnel and approach) since ‘you would get different things from each of them’. It should be noted however, that this caseload would need to be built up gradually and monitored carefully, since it is likely that people will need very intensive support in the early weeks.

The consensus from our engagement event with support providers was that, in order to recruit a team that can deliver this service according to the Housing First principles, it will be necessary to focus on values, behaviours, attitudes and aptitudes during recruitment and selection. Although there will be advantages in recruiting a team with



a range of experience, both lived and professional, and from across a number of specialisms and sectors, the ability to engage people with complex needs, to work in a strengths-based way and be open to self-reflection and development should be ranked the highest on the person specification for these posts. This reflects the evaluation of Camden Housing First (Pleace & Bretherton 2013)⁴⁵ which found that recruiting workers with the right experience and attitudes had been a key success factor. Using these criteria should also remove some of the barriers to the inclusion of people with lived experience within the Housing First team – a point we discuss in more detail in section 4.11 below.

These roles should be relatively well-paid if they are to recruit and retain the best people. We suggest costings for the model in Chapter 6, and these allow for a pay scale which is significantly higher (£27-£30K per annum) than the current market rate for homelessness support workers (£20-25K per annum according to the providers we consulted).

In addition to the standard topics (e.g. safeguarding, health & safety, equality & diversity, etc), the team(s) will need initial and ongoing training on the following:

- Psychologically informed approaches, motivational interviewing, attachment-based approaches, etc;
- Working with people with complex needs, including mental health, substance use, homelessness and offending;
- Asset-based community development and strength-based practice;

Excellent management and supervision will be essential in order to: understand and implement the Housing First ethos, vision and culture consistently,

and to manage performance and caseload effectively. To enable this, we have deliberately kept team sizes small, with each team leader line managing four paid members of staff. The team should also receive ongoing, regular team and individual clinical supervision. We anticipate that the project's 2nd tier mental health specialist (see further details in section 4.9) would facilitate case-related supervision with the team, but that external personal supervision should also be available to support staff members..

4.6 Hours of operation

We anticipate that the team would operate a flexible rota, covering early evenings and weekends between them, as and when this is felt necessary to respond to tenants' needs. The capacity to respond 24 hours a day within the community (i.e. outside of hostel settings) was felt to be a missing part of the current system by support workers providing outreach or trying to facilitate move-on from hostels into independent tenancies for people with complex needs.

Outside of normal office hours, there will be an emergency call system. A basic telecare system fitted into Housing First properties, would allow tenants to call for assistance out of hours. We expect this out of hours contract to be held by an existing call handler, working to a call protocol developed in conjunction with the Housing First staff and tenants. The call handler might contact a range of people in response to different scenarios: emergency services; a peer mentor, friend or family member; a Housing First manager who is on call (our expectation is that an on-call rota would operate across all Housing First teams in LCR); or partnerships with 24-hour crisis counselling helplines, such as Samaritans or Alcoholics Anonymous could be established,

either across the service or in individual cases.

One challenge identified by some professionals and people with lived experience was that some potential Housing First tenants might be vulnerable to exploitation, harassment or abuse from others. This might include: current or former violent partners; individuals or gangs to whom debts are owed; harassment from neighbours or local youths; or other drinkers/ drug users who might try to take advantage or invite themselves around. The Housing First service will work collaboratively with the individual pre-tenancy, on sign-up and over time to develop and implement personalised strategies, which might include:

- Selecting a property type and location to maximize safety, anonymity and distance from previous peer groups;
- Target-hardening work, which might include the installation of security equipment in some properties, perhaps to link in with the existing telecare system;
- Training people to manage access to their homes;
- Monitoring and/or responding to security challenges through a joint problem-solving approach with the tenant, drawing in the support of housing provider, police and community safety teams, etc. where necessary.

Such strategies would need to be sensitive to any concerns of the tenant (e.g. not wanting to appear to have called the Police) and aim to build their capacity to manage their own property assertively.

4.7 Access to housing

“At the moment, housing ‘brokerage’ is happening in a really ad hoc way – individual support workers are trying to build relationships with

individual housing officers; individual charities are trying to build relationships with individual PRS landlords. Everyone is spending a lot of time on this and the result is a slow inconsistent, lottery: there is no immediate cohesive system for brokering housing”.
Support provider

Efficient access to suitable housing is absolutely critical to the proposed model of a Housing First scheme embedded within a wider housing-led response to homelessness.

Initial engagement with local Registered Providers, the Liverpool Private Sector Licensing Scheme Manager and the National Housing Federation suggests there may be an appetite amongst both social and private sector landlords to support the proposed Housing First model. However, local authorities and homelessness support providers have highlighted the challenges in acquiring properties for this client group in the current climate, given the combination of welfare reform (and a lack of 1-bedroom / shared housing in some parts of LCR), and the allocations policies and ‘risk averse practice’ of many Registered Providers.

Registered Providers highlighted their need for reassurance in relation to the level, quality and ongoing nature of the support which tenants would receive and, in particular, how support around mental and other health would be levered in. We cover these points in the remaining sections of this chapter. In-depth work with prospective tenants during assessment for Housing First should also include consideration of how problems with any previous tenancies might be ‘designed out’, by location, support and personal strategies.

⁴⁵ Pleace, N. and Bretherton, J. (2013) *Camden Housing First: A Housing First experiment in London* York, Centre for Housing Policy, University of York

Learning from other Housing First projects suggests that finding housing can be extremely time-consuming for support workers and would be best done outside of (but in partnership with) the Housing First support team. One approach would be for the Housing First model to employ one or more housing brokers, who would build relationships with individual Registered Providers and private sector landlords to find properties for individuals. This approach has been successful for a number of existing projects in Liverpool, e.g. the PRS access scheme at Whitechapel, the Crisis Housing Coach, and Local Solutions in Liverpool, who told us that they had succeeded in finding around 100 tenancies for their AIMS project supporting younger homeless people (see details at the end of the chapter).

However, in order to access properties at scale for a housing-led response to homelessness, the consensus was that a different approach was needed within the system. This should include:

- A review of allocation policies of Property Pool Plus (and Under One Roof in St Helens) and eviction process in view of the negative impact which they seem to be having on this cohort;
- The development of a Local Lettings Agency⁴⁶ approach to facilitate the supply of and manage private and social tenancies for the Housing First service, for other homeless (or potentially homeless) people and for other groups of people in housing need.

In order to build a business model that draws on multiple sources of funding and cross-subsidy, the Local Lettings Agency model needs to be very flexible in terms of:

- **Where and how properties are sourced** – this could, for example,

include: commercial landlords (who are attracted by the prospect of a longer term lease with guaranteed rental income and a management agreement); institutional or individual property owners who are interested in putting properties to ethical use; owners of empty properties; or social landlords who do not have the capacity to manage properties for higher risk tenants. The SLA might also use its portfolio to attract social or private investment in order to buy some properties outright. Longer term leasing or outright ownership of properties should enable the SLA to offer greater security of tenure than the standard Assured Shorthold Tenancy.

- **The types of properties sourced** – these could, for example, include flats, small family homes, multi-occupied properties, and properties with resident landlords – the capacity to cross-subsidise by making a surplus on some market-rented properties will almost certainly be key to the business plan.
- **The groups of tenants it works with** (as well as Housing First tenants, this should include all singles, couples and families who are (potentially) homeless; and possibly other groups, such as people with disabilities, who, as our recent separate study for Liverpool City Council found, often struggle to access suitable properties within the current system; and
- **The range of packages it offers to landlords**, which might include taking on a partial or full housing management role on behalf of the owners; furnishing and maintaining the property or even – in the case of empty or sub-standard properties – improving them. The approach to housing management undertaken by the SLA would be “sympathetic” – exercising a degree of tolerance and understanding of tenant needs beyond and above what would

normally be found in the market, and working closely with either the Housing First service or other floating support services and community resources.

A larger scale agency potentially brings greater flexibility, though we are conscious that a number of local social lettings agency models are being developed by Registered Providers in LCR, so establishing a flexible partnership model to ensure coordination (rather than competition) across the region will be important. We also envisage a role for sub-contracting some services from Registered Providers – for example repairs services – or for SLAs to be provided as offshoots or wholly-owned subsidiaries of existing housing providers, with the expertise and infrastructure they bring. However, we expect that there will need to be either a central coordinating body or a partnership agreement for these across LCR.

There was strong initial support for the idea of an SLA model to improve access to properties across LCR, though a clear business model would need to be worked up separately and protocols developed to address in detail key questions about how this might work with, involve and draw properties from Registered Providers, landlords’ associations and PRS Licensing Schemes in the region.

There was some appetite to find ways to use some of the empty properties in the region within the Housing First and/or Local Lettings Agency model. One Local Authority Strategic Housing Lead explained:

“We have Empty Property Dwelling Orders on about six properties in the borough at present, at least one of which is a one-bed flat, so we hope to renovate these and bring them into a future social lettings

model. If we can make this complement the homelessness strategy, then all the better”.

Renovating empty properties could generate training and employment opportunities for Housing First tenants – or perhaps even for EU migrants who are fit for work but currently ineligible for benefits.

4.8 Types of properties to be used for Housing First

“Even if it was just 2 houses here and blend them in with the other houses, so they’re not pointing and say ‘oh that’s the estate where the people off the street live’ do you get what I’m saying?”

“Yeah but the areas, what area would you be put in – say round here is Kensington, which is renowned for its alcohol, drugs, prostitution, thieving and so if you are going to throw them all in this place, no one is going to get better”.

Interviewees with lived experience

The consensus from the engagement to inform this study was that there needed to be a flexible menu of housing options which could be drawn on to house Housing First (and others who need housing but with lower levels of support), rather than a one-size-fits-all model.

This might include:

- Individual flats or houses in different areas across LCR: for some people it will be important to stay close to existing networks; others need to get as far away as possible; some people

⁴⁶ We are using the term Local (instead of the more common Social) Lettings Agency since we anticipate both private and social rented housing being managed within this model. Crisis has produced two publications on good practice in relation to Social Lettings Agencies: see <https://www.crisis.org.uk/ending-homelessness/housing-centre/housing-centre-guides/social-lettings-agency-guide/>

are likely to achieve better outcomes in 'nicer' areas; some may find this daunting and feel more at risk of not fitting in or being rejected by neighbours;

- Housing First in mainstream sheltered tenancies might be an option for older homeless people with complex needs. Mainstay data for LCR shows that 5 people have presented for assessment following loss of sheltered tenancies and a further 59 have moved into sheltered tenancies from the hostel pathway in just under 4 years. We know from our research in Liverpool, that there can be tenancy sustainment, social integration and staff training issues here and that many schemes now have minimal warden support.
- Shared tenancies have been found to work in some cases within other Housing First projects and should not be ruled out, as they can make more desirable areas affordable within Local Housing Allowance rates and can help to counter social isolation, if tenants are well-matched (ideally by each other) and properly supported. The work of *Housing First Italia*, a consortium of Italian homelessness service providers, fio.PSD and academics, has centred on how to use shared housing (as the Italian benefits and social housing systems will not supply lone adults with self-contained housing on a predictable basis). Specific management issues arise, focusing on managing relationships with neighbours and with service users sharing the same space, but some successes have been achieved⁴⁷.
- Some people will need accessible properties.

A basic furniture package would need to be provided to Housing First tenants. However, it makes sense to create opportunities for choice and a sense of personal ownership in acquiring additional goods, such as

soft furnishings, or appliances. This might be through:

- Personal budgets: this approach has been used successfully by Camden Housing First and Local Solutions AIMS project in Liverpool, where clients have used flexible budgets to decorate their properties, buy televisions or black-out blinds;
- Support to choose or even restore furniture items through upcycling projects;
- Accessing help or resources to improve their home through a Timebanking scheme (as described in section 4.12 below).

4.9 Mental health

“We need confidence in these changes – at the moment, people are waiting 26 weeks for a mental health assessment and this makes us nervous in relation to sustainability.”

“Health and mental health has to be a significant part of the jigsaw”.

Registered Providers

Gaps in the current provision of mental health support for the potential Housing First cohort were a recurring theme in the engagement and, if not addressed, these were highlighted as key risks to the project by housing and support providers.

The proposed model responds to the often unmet need for psychologically informed emotional support for this cohort by skilling up the Housing First team, with whom individuals will already have built consistent and trusting relationships, to provide this support directly. The service will receive second tier support from a

dedicated (and possibly seconded) mental health specialist whose roles will include:

- Organising or delivering ongoing learning and development to the Housing First service in relation to psychologically informed approaches and tools;
- Supporting the team(s) to develop and implement psychologically-informed tools and strategies with individual tenants, mostly through second tier clinical supervision but with some direct assessment where this is felt to be necessary;
- Providing regular team case-based supervision (though clinical supervision for individual team members might be best brought in externally); and
- Building strong referral relationships, advising the service and assessing / advocating for tenants where there is or may be a need to access mainstream prescribing and/or secondary mental health services.

The strengths-based principles of Housing First will run through this part of its work, i.e.:

- The Housing First team will assume that all behaviour (even that which is perplexing or might be construed as 'difficult' or 'challenging') has a function and that it their job to work with the individual to seek to understand this function;
- The team will work holistically and collaboratively with the individual, drawing on both psychological tools and wider community resources and networks to help them build their resilience. This approach is designed to complement any necessary medical interventions, such as prescription medication or psychiatric assessment.

4.10 Access to health and social care

The Housing First service will operate on the general principle of supporting

people to access mainstream health services, i.e. helping them to register with and access NHS services via their local GP. Support from the team may include accompanying people to appointments, chasing up referrals, helping people to organise their prescriptions and helping them to remember and respond (according to their own wishes) to medical advice.

A significant minority of those who meet the criteria for Housing First are likely to have long term physical as well as mental health conditions⁴⁸. A recurring theme from our focus groups with local authority commissioners was that there are increasing numbers of long term homeless people with multiple health conditions, giving rise to the need for personal care. Some of this group will have care needs which are too high to be moved into an independent tenancy; congregate Housing First may work for some; other Housing First tenants are likely to develop care needs over time.

The need to be able to access (and, for many, re-access) detoxification and rehabilitation services was a recurring theme in the qualitative research with people with lived experience. Some felt they would need to do this before taking up a tenancy; but it is also possible that a supervised home detox with access to recovery communities and emotional and psychological support from the Housing First team would work well for some.

During the engagement for this study, a number of existing resources were highlighted which could potentially support the work of Housing First in accessing health and social care for its tenants. These included:

- Community Matrons: experienced, skilled nurses (accessed via GP referral) who will coordinate all the health and social care needs of

patients who suffer with complex long term conditions and currently have a very high intensity use of health care.

- **Social Care in Practice (Halton):** This project, which is jointly commissioned by Halton MBC and CCG, bases a Community Care worker in each GP surgery in Halton to identify social care needs and arrange for these to be met.
- **Occupational Therapists** – who can play a key role supporting people to live independently with mental health – as well as physical – conditions.

Feedback from professionals highlighted the learning and development needs of many health professionals in relation to working with people with complex needs.

The Brownlow Health Centre in the city centre holds the current enhanced GP service for the homeless and hostel-dwelling population in Liverpool and the practice has nurses and clinicians experienced in working with the potential Housing First cohort. In the future model for homelessness services in LCR presented here, we take the view that there is an ongoing need for the direct provision of this enhanced service, where people are on the streets or in very short-term hostel placements awaiting re-housing. However, we can also envisage a key role for Brownlow in training and development – supporting mainstream services to work with Housing First tenants and Housing First workers to provide health advocacy to those they support.

Health professionals argued that the tools of integrated care should underpin Housing First if it is to succeed in the effective case management of people with complex needs, including long term conditions. These should include: good information sharing protocols, case planning meetings and reviews, hospital avoidance plans, etc. Liverpool CCG has recently appointed an

Integrated Programme Manager with responsibility for complex needs, but more detailed mapping of relevant post holders and initiatives across LCR will need to be undertaken if this is to be achieved at the city region level.

There was also some discussion about the need for trained, specialist domiciliary care workers to support Housing First tenants who have personal care needs. There seems to be gap in the market here, which might be filled by an existing domiciliary care agency recruiting, training and developing some staff to work with people with complex needs, or by a housing or support provider with experience in the homelessness sector seeking registration with the Care Quality Commission.

4.11 Peer support

“Maybe a mentor – yeah. Somebody who’s got experience in your situation – so, if you have got an alcohol problem, somebody who can tell you, “Look, these are the things that they have had to go through to better themselves and carried on – a peer maybe like that.”

Interviewee with lived experience of homelessness

Many of those we interviewed – both those with lived and professional experience – felt that peer mentors could and should play a key role in the delivery of the Housing First service. However, others raised a number of concerns – about this being tokenistic, or poorly managed, or about the risk that some recovered addicts will take a hard line on abstinence. To respond to these concerns, we propose a model which includes:

- Positive action to encourage the recruitment of people with lived

experience into paid Housing First support worker roles. The person specification criteria, with their focus on values, attitudes, behaviours and aptitudes, rather than on formal education or professional experience, should remove some of the barriers for this group and this approach has been put into practice by Turning Point Scotland’s Housing First Service in Glasgow. Lived experience should be valued within the selection process but it should not ‘trump’ the ability to work in accordance with the Housing First principles.

- Progression routes to help people with lived experience to build confidence, and develop and demonstrate their abilities to support others are also essential if applying for and being selected for these posts is to be a realistic proposition for many people with lived experience.

Inspiring Change Manchester offers a full career development pathway for people with lived experience through its GROW traineeship programme. Many of those on the 12 month paid GROW traineeship scheme were previously working as volunteer peer mentors but, having applied and been interviewed for the highly competitive GROW placements, are now being paid to work in a range of settings, whilst receiving training, support and development opportunities. See <http://icmblog.shelter.org.uk/grows/> for further information, including a short film made by the trainees.

The Housing First service could provide volunteering and trainee placement opportunities to supplement the work of the paid support workers. This is a model used by Waves of Hope in their Peer Mentor Service - a team of trained volunteers with lived experience who are matched to a client and will support them by sharing their own experiences and coping mechanisms, as well as accompanying clients to informal activities or appointments. Both Waves

of Hope and Crisis Skylight volunteer recently established traineeship programme that could potentially provide a source of managed and supported volunteers for the Housing First programme, which would avoid the need to set up and manage an in-house programme, at least in the early phases of development.

4.12 Asset-based community development

“I don’t like my own company, so I need people around me and I also need support like emotional support, and also to go on the courses they do”.

“One of the support workers from Crisis came round to visit me weekly, and we would go out and just have a cup of coffee somewhere and each time we would go a little bit further afield. He just got me talking and socialising with other people, and that saved my life”.

Interviewees with lived experience of homelessness

Fear of isolation or rejection by the community within a Housing First model are key concerns of both people with lived experience and the professionals that support them. Several raised concerns that resettled people will drift back to town and city centres – perhaps to beg and buy drugs – but also because that is where their community is. As one professional argued:

‘Our systems tend to ignore the fact that we are social beings – so any model needs to really address this if it is to succeed’.

Over time, the Housing First service's ability to link people into alternative and mutually supporting communities and facilitate resettled homeless people to make a contribution will be a key success factor. Ideally, the Housing First team would connect with some form of asset-based community development. Local Area Coordination⁴⁹ or other Asset-based Community Development⁵⁰ is operating in some parts of the UK, working to connect individuals, not only to services, but also to each other via shared interests. There may be similar projects in LCR but this study has not discovered any. However, there are a significant number of existing enterprises offering volunteering and ETE opportunities and opportunities to become part of a recovery community. We have identified (and listed at the end of this chapter in section 4.17) some of the promising enterprises within LCR which Housing First tenants might access to help them develop their resilience and meet positive peer groups.

Flexible personalised budgets have been used successfully in other Housing First projects to allow tenants (with approval from support workers) to access a range of leisure opportunities – including camping trips, football matches, music concerts and cinema tickets.

Other models which might usefully be stimulated, provided by Housing First or commissioned to run alongside it include:

A Timebank: a Timebank (or skills exchange) allows its members to earn credits by undertaking voluntary work to assist other individuals or

organisations. People can then 'spend' these credits on activities and services provided by supporting organisations – these might range from a haircut or sports massage to guitar lessons or a ticket for a football match. This model has been used with homeless people in a number of settings, including the Broadway Timebank and a number of projects run by *Just Add Spice*⁵¹. In the evaluation of the Broadway scheme, the model was very successful in engaging flexibly with people experiencing a range of support needs, which fits alongside the ethos of Housing First (Bretherton & Pleace, 2014⁵²). A Timebank could cover Housing First tenants only, or be open more widely to those who are or were homeless, or include others from local communities. The Richmond Fellowship is developing a Timebank across Liverpool, particularly aimed at people with mental health challenges.

KeyRing: KeyRing Support Networks⁵³ have been running in the UK for 25 years. The simple model was initially designed to support people with learning disabilities living in the community, but has been adapted to other client groups, including people with mental health challenges, older people and those who have been involved in the criminal justice system. A typical network involves 10 people living in individual properties dispersed within a neighbourhood; nine of these have support needs, the tenth is a volunteer (who typically lives rent-free). The network members are supported by the volunteer but, more importantly are facilitated by them to support each other and to link in with things going on in their local communities. The model has been adapted to fit different

scenarios and budgets, so in some settings, the rent-free volunteer is replaced with a community hub.

A KeyRing might not work for Housing First tenants from the outset, but this could be a possible mechanism for organising mutual support between those tenants who want to be involved, especially if and when their need for support from the service tapers. Some version of a KeyRing network might be a way of connecting those in recovery with a mix of other local people (e.g. older people or people with disabilities) in their communities who need some support and can offer some in return.

4.13 Referral routes and assessment

If Housing First is to function efficiently as part of a wider preventative strategy and housing-led response to homelessness, excellent triage by outreach and Housing Options teams will be vital, so that people are referred appropriately for a housing-only response; a lower intensity support intervention or a Housing First service. Interviewees stressed the importance of clear referral routes to Housing First from criminal justice and health agencies, as well as from homelessness outreach and Housing Options services.

Once referrals have been made, assessments should be under-taken by the Housing First service and ideally approved by a multi-agency panel operating in each authority, so as to secure the commitment of a range of agencies to supporting this individual (and to the scheme as a whole). There are a range of existing multi-agency panels across the region, including those which consider cases of people with complex needs or other high priority/ risk housing panels, which could be used or adapted for this purpose.

It will, however, be important that entry to Housing First is not delayed by the need to await the next panel, so a mechanism for delegating authority

to key members of the panel to make decisions between meetings should be established. It should be noted that this multi-agency approval process will only be required for entry to the Housing First (intense and ongoing case management) service, not to the process of fast-tracking homeless people into tenancies with or without lower level floating support. This system aims to promote better information sharing and buy-in to Housing First, but also to protect the investment in and cost effectiveness of the more intensive service.

Learning from the Fulfilling Lives (Big Lottery) programme suggests that there are benefits in closing and reviewing the referrals process after the first 2-3 months of operation. This should allow the opportunity to check that the right people are coming into the service and to revise referral processes where necessary.

Whilst getting people into independent tenancies as soon as possible should be the service's aim, our interviews with Housing First projects in other areas and with homeless people themselves has shown the need for and importance of significant and high quality pre-tenancy engagement. To ensure continuity, the Housing First team should begin to work with someone as soon as they are referred, whether they are on the streets, in temporary accommodation, or in prison or another institution. Through this they can:

- Build a relationship;
- Help the individual to understand how Housing First works and what their options, rights and responsibilities are within it, and to make an informed decision about whether they want to do it;
- Consider the type and location of the property and other things that might help to 'design-out' any problems that have occurred with previous tenancies;
- View and choose properties.

49 See <http://lacnetwork.org> for further details

50 See <http://www.nurtureddevelopment.org/wp-content/uploads/2016/01/ND-training-offer-Recovery-Asset-Based.pdf> for further details

51 Social enterprise, *Just Add Spice* works with organisations across the UK to help them set up and run TimeBanks: their web site includes case studies and toolkits: <http://www.justaddspice.org/our-work>. The following case study is of a homeless man benefitting from a timebank: <http://www.justaddspice.org/case-study/volunteering-helps-gary-feel-confident>

52 Bretherton, J. & Pleace, N. (2014) An Evaluation of the Broadway Skills Exchange Time Bank, Centre for Housing Policy, University of York

53 See <http://www.keyring.org> for further information

Whilst entering short-term accommodation should not be a condition for assessment or for acceptance onto Housing First, short term housing will need to be provided as an option for rough sleepers, while this process is completed and properties are found. Learning from other areas suggests that this engagement and property finding period can take several months, though we would hope to speed this up with the Local Lettings Agency model. We discuss this further in Chapter 6 under transitional arrangements.

4.14 Estimating demand for the Housing First model in the LCR

There are three elements to estimating the demand for Housing First across the LCR:

- Estimating the current unmet demand for Housing First based on an analysis of Mainstay;
- Estimating the newly-arising demand for Housing First year on year using assumptions built into a recent needs assessment exercise for Liverpool City Council;
- Estimating the proportion of people who would cease to use Housing First over time based on the result of Housing First evaluations to date

This enables the estimated demand to be calculated for the number of housing units required for Housing First at any one point. The detailed method used to calculate the estimated demand for Housing First across the LCR is shown at Appendix 4. Based on the three elements set out above and the detailed method set out in Appendix 4, the estimated demand for Housing First 'units' (i.e. capacity) is shown in table 4.1.

Table 4.1. Estimated demand for Housing First 2018-2028

Year	No of Units
2018/19	310
2019/20	344
2020/21	408
2021/22	466
2022/23	518
2023/24	543
2024/25	556
2025/26	556
2026/27	541
2027/28	518
2028/29	483

Initially the numbers required reflects the significant backlog of need. Over time this dissipates as the numbers of the initial clients decreases, and after the seventh year of the programme the number of units required begins to reduce. However, this projection is dependent on the rest of the system – the prevention activities and the housing-led offer to those who do not need the more intensive Housing First support. If these are not functioning well, the demand for Housing First would increase.

4.15 The cost of the proposed Housing First model

The costs associated with Housing First in the LCR are based on the proposed model that has been developed with local stakeholders, as set out above. The key elements of the proposed model that need to be considered in terms of costing are based on the following core components:

- The core Housing First staffing team, i.e. the support service, including an allowance for the organisational overhead to support them
- A local lettings agency (LLA) to deliver access to (and potentially management of) the housing required for Housing First to operate; although it is assumed that the LLA

will serve a wider cohort than those people supported by Housing First.

The other components consist of:

- Access to 24/7 on call system with response service as necessary
- Second tier mental health support
- Wellbeing support and coaching for learning and work skills

We have sense tested the likely costs of this model, particularly in relation to staffing, with local stakeholders, including both commissioners and existing providers of housing and support for homeless people in the LCR.

From these, we have projected the overall cost for the proposed Housing First model. Based on the operating model of 20 clients per core staff team, the projected annual cost (for 20 clients) is £252,141. The assumptions and calculations are shown in full at Appendix 4. This equates to a cost per client per annum of **£12,607**.

However, if a more personalised model was subsequently introduced, for example as in some other Housing First schemes where clients have access to a 'personal budget', this would potentially be an additional cost if it was not built into the 'core' support.

4.16 How will the Housing First service link to the wider housing-led system?

In Chapter 3, we discussed the importance of the Housing First system sitting within a wider reformed system, which focuses on the prevention of homelessness and takes a housing-led response to it wherever possible. If this wider system change does not occur, then Housing First can only have limited and short term success as any capacity freed up in the system will rapidly be filled by others not receiving the appropriate access to independent accommodation. Consistency, clear pathways and good communication between the Housing

First service and the rest of this system will be key to the success of both. In this section, we propose the key components of the linkages between the two.

We have emphasised the importance of the 'high fidelity' Housing First model being effectively targeted at those with the highest needs. However, we recognise that, in practice, it is not so easy to distinguish this group from everyone else in a clear-cut way: Whilst many of the people in the homelessness system have some degree of issue with mental health, substance use, disability, offending, etc and that these needs often interact with each other and typically fluctuate over time. In addition, there are a group of people approaching services with a need for just housing related support and access. The system will need to provide a housing-led solution for them to prevent spells of insecure accommodation and rough sleeping which then, typically, lead to the development of other support needs.

If the system is to effectively engage, triage and respond flexibly to the needs of all homeless people, the following will be necessary:

- **Consistent application of the Housing First principles:** across the system, i.e. in housing-led floating support services, outreach/ Housing Options teams and in emergency accommodation/ triage. Where a timely offer of housing is seen as the requirement for anyone whose homelessness cannot be prevented regardless of their level of need for support.
- **A shared understanding of how the homelessness system works** by all those working in it, but also by relevant statutory and voluntary sector agencies across LCR: this will require the development and implementation of a clear communications strategy.
- **Minimised and well-managed**

handovers: Our research with people with lived experience has highlighted the risks and challenges in relation to referral and transition between services. The more people are 'passed' through a number of different teams and services, the less likely the system is to work. This will need to be considered carefully both in deciding how to commission services and in setting up operational policies and procedures. Sometimes it can help if workers in different parts of the system work for the same organisation, however shared vision, clear handover and information sharing protocols, joint training and regular meetings are absolutely critical if people are to be moved 'up' or 'down' smoothly between the more intensive Housing First and the less intensive Housing-led floating support services.

- **Flexible commissioning of services:** we discuss the way in which services need to be commissioned in more detail in Chapter 5. Although this is most pertinent in relation to Housing First, the commissioning and contract management of housing-led floating support will also need to be such that it can support genuine flexibility. People's need for support in order to sustain a tenancy within the housing-led services will vary both in terms of intensity and duration. The system needs to be able to respond to this so that artificial boundaries do not create perverse and ineffective referrals. For example, someone who needs relatively low level support being referred to Housing First simply because they have needed this for more than 12 months and this is the cut-off for floating support.
- **Workforce development:** Underpinned by this more flexible approach to commissioning (and staff management) staff working throughout the system – in Housing Options, housing providers, outreach, in emergency hostel provision, and in floating support, as well as in the Housing First

service will need training, ongoing professional development and performance management if they are to understand and effectively apply these principles.

- **Supply of housing:** we anticipate that the local lettings agency (or agencies) will be pivotal in supplying housing through the system: both to Housing First and housing-led clients. In order for this to deliver consistently and at scale, it will need to be flexible in relation to how it works, particularly with Registered Providers – there should not, for example, be a requirement that all requests for housing go through the agency where direct arrangements can be made with landlords. In fact, we would hope that, following a review of allocations policies more arrangements can be made through Property Pool Plus or directly with landlords. Although the lettings agency can offer housing management this is only an option for social landlords and one which can be reviewed and revised over time. For example, a Registered Provider without sufficient capacity to provide housing management for someone deemed 'high risk' might choose to 'buy' this service from the local lettings agency, but might wish to take this back in house if the person has been stable for a long time.

4.17 Examples of existing LCR resources which Housing First might support people to access

Action on Addiction has set up the first dry (non-alcoholic) bar and venue – The Brink – in the centre of Liverpool. Open during the day and into the early evening, The Brink is a social enterprise which has its roots in Liverpool's recovery community but is used by a wide cross-section of people. It runs a programme of events – from big screen football to meditation and Tai Chi, live music events, support and discussion groups, and exhibitions of local art works. <http://thebrinkliverpool.com/support.php>

Addaction works across Merseyside offering a range of services helping people overcome their problems with drugs and alcohol through specialised support and advice. Support can also be offered around employment, housing, debt and family relationships. <https://www.addaction.org.uk/>

Central Liverpool Credit Union is a non-profit making, financial co-operative that exists solely for the benefit of its members. It provides members with banking services, affordable loans, help with money management and aims to encourage regular savings and provide financial assistance as required. <http://www.centralcu.co.uk/index.asp>

Crisis Skylight Centre works across Merseyside, offering housing, education, work and life coaching; educational, vocational and recreational courses; volunteer and paid trainee opportunities for people who are homeless or have experienced homelessness. <https://www.crisis.org.uk/get-help/merseyside/services/how-we-can-help-you-at-crisis-skylight-merseyside/>

Local Solutions runs the AIMS (Accommodation, Intense Mentoring, Skills) to support young homeless people (aged 18-24) in Liverpool and Knowsley to transform their lives. From its hub on the North side of the city centre, AIMS runs skills training programmes (offering a £5 daily attendance allowance and travel expenses), access to leisure activities, holistic support from mentors, access to internet/ IT, washing machines, breakfast and a positive environment in which to relax, socialise and get things done.

Everton in the Community provides sports and other social activities across Merseyside. There are a range of projects to get involved in with a focus on health, sports, employment and education. <http://www.evertonfc.com/community>

PSS runs wellbeing activities and recovery focused courses at its three hubs across Liverpool. These include courses on self-management, creative arts, digital technology, physical health and peer support. <http://www.psspeople.com/how-pss-can-help/look-after-my-health/and-help-me-change-the-way-i-think>

The Spider Project is a creative arts, health and well-being recovery project based on the Wirral. The project supports people recovering from substance misuse and/or mental health problems. <https://www.spiderproject.org.uk/>

Tomorrow's Women Wirral is a charity-run community centre for women – some of whom are serving community sentences, but many of whom have referred themselves because of social isolation, low self-esteem or simply to find a new direction in life. The centre offers a non-judgemental mutually supportive community; a range of courses, activities and access to specialist help; and a beautiful garden tended by its members. <http://www.tomorrowswomen.org.uk/home/about-us>

YMCA Liverpool's Dutch Farm is an urban farm project which engages service users in therapeutic and meaningful activity, growing organic vegetables and keeping chickens. <http://www.liverpoolymca.org.uk/about-us/dutch-farm/>

St Helens Gateway is a community hub of information, bringing together all health, social care and wellbeing information into one central place. It is an independent, confidential and free service provided by the Millennium Centre and is available online, by email, over the phone and face-to-face. <http://www.sthelensgateway.info/about-us/>

What will it cost?

Chapter 5: Financial and Commissioning Implications

In this chapter, we suggest the implementation arrangements for the most feasible approach to establishing the proposed Housing First model across the LCR as part of an integrated strategy for preventing homelessness.

Housing First is intended to support that strategy through meeting the requirements of a pool of high need people stuck in the existing systems, providing more comprehensive coverage for high need groups and largely paying for itself by allowing hostel provision to be significantly reduced over time, whilst recognising that some emergency and specialist services still might be required.

5.1. Housing First: Commissioning approach

What needs to be commissioned?

We have identified what will need to be commissioned to establish the proposed Housing First model, and the potential commissioning arrangements required to implement this model

across the LCR. This is based on work with a wide range of stakeholders to develop the proposed Housing First operating model and the likely size and nature of the potential cohort intended to benefit from Housing First.

In considering what needs to be commissioned and how, it is also necessary to 'contextualise' the proposed approach to Housing First as part of wider 'housing led' strategy to preventing and managing homelessness, as set out in Chapter 3. The key changes envisaged to the current system include:

- A comprehensive approach to homelessness prevention by local authorities with their partners
- The adoption of a 'housing led'

approach, i.e. seeking to make available housing with support to people who are homeless or at risk of homelessness

- Housing First as a discrete but integrated component of this 'housing led' approach
- A reduction in the provision of 24/7 hostel type supported housing for homeless people with residual provision of this type of supported housing as the service model for people for whom none of the other options suit their needs
- Some retained supported housing without 24/7 cover.

The proposed model for Housing First has been used as the basis for establishing *what* may need to be commissioned to realise the model in practice. The key elements of the Housing First model that have been identified as necessary to deliver the model consist of:

- The core Housing First staffing component consisting of a Team Leader with 4 Housing Support Workers (for every 20 people supported by Housing First), including an allowance for the organisational overhead to support this team.
- Access to housing and potentially the management of such housing through a local lettings agency.
- Access to 24/7 on call system and response.
- 2nd tier mental health support.
- Wellbeing support and work/learning coaching.

It is possible to view the Housing First model as a discrete service consisting of all the elements listed above, however, some of these elements are also part of supporting the wider system. For example, we expect that the local lettings agency would broker access to housing for the wider housing-led system and potentially for other client groups, such as people with disabilities. The provision of a 24/7 on-call service and response

for Housing First could be based on an existing service but with bespoke response protocols developed specifically for Housing First clients.

2nd tier mental health support could be provided in different ways, including seconding a role from NHS services to support the core Housing First staff team or including this element alongside the 'core' Housing First team as part of what needs to be commissioned.

Similarly, the provision of wellbeing support and work/learning coaching could be provided as part of existing services supporting homeless people or alongside the 'core' Housing First team. Based on the evidence from discussions with local stakeholders and from other Housing First services the *minimum requirements* of the model that will need to be commissioned are:

- The core Housing First staffing team, i.e. the support service that is part of Housing First, including an allowance for the organisational overhead to support them.
- A local lettings agency to deliver access to (and potentially the management of) housing (although as noted this will be of use to a wider cohort).

Whether the other elements that support the Housing First model will need to be commissioned alongside these two primary components will depend on whether, and the degree to which, they can be drawn from and/or based on existing service provision.

Evidence from other Housing First services and studies

Existing research has shown that Housing First pilots in the UK can be vulnerable to insecure funding streams when they are run as experiments, rather than as an integral part of a coordinated homelessness strategy. To secure funding, Housing First must be making a clear contribution to tackling long-term and recurrent

homelessness, facilitating savings in existing hostel and temporary supported housing provision which can be redeployed to support increased preventative activity and to support Housing First itself⁵⁴.

Commissioning arrangements and options

It is necessary to appraise the commissioning options for a Housing First model across the LCR to determine the most feasible option. Based on feedback from a range of stakeholders, the following commissioning options have been identified:

- Commissioning by each of the six local authorities separately but to an agreed Housing First model.
- Commissioning by 'groups' of local authorities, e.g. across two groups of three local authorities or another combination.
- Jointly commissioned by all six local authorities across the whole LCR.

All these options assume that local authorities will be the 'lead' commissioners of the proposed Housing First model, but that this will be done in close partnership with NHS, criminal justice and other partners.

Key drivers and pressures

As we saw in Chapter 1, there are a number of key drivers and pressures facing LCR local authority commissioners and their partners in considering the commissioning options for a Housing First model. These include:

- Increasing levels of homelessness including rough sleeping;
- The high numbers of people with complex needs, who tend to get the poorest outcomes from the system, often moving around a 'revolving door' for years.

- The strong consensus amongst local stakeholders that the current homelessness system is not working well, especially for this group; and that a more strategic and innovative approach involving working across agency and authorities boundaries is needed.
- The significant changes proposed by Government to the future funding of supported housing, which includes existing hostel provision, within a relatively short timescale, by April 2019.
- Concerns about both the availability of and access to 1-bed self-contained housing for people who are homeless.

In this context, the potential commissioning options for implementing a Housing First model, and their implications, are set out below. These options are presented to differentiate the approaches that could be adopted; and are not intended to be exhaustive. Table 5.1 summarises the implications of each option.

Table 5.1 Potential commissioning options for implementing Housing First

Option	Summary Description	Implications
1	Commissioning by each of the six local authorities separately but to an agreed Housing First model. In effect, this would mean a Housing First model being commissioned by each local authority for its area	<ul style="list-style-type: none"> • Local control over commissioning arrangements • Unlikely to be sufficient demand in all six local authority areas for the proposed model • Risk of lack of consistency in how the Housing First model is commissioned and delivered across the LCR with potential for people to 'gravitate' to those authorities with greater Housing First provision. • Less likely to address strategic cross-boundary issues affecting homelessness that have been identified by stakeholders • Partner organisations, mental health services, drug/alcohol services, criminal justice agencies, would need to work with a locally commissioned Housing First service in each local authority area • Access to and the provision of suitable housing would need to be managed within each local authority area • Local connection within the LCR would remain a barrier • Ability to personalise the delivery of the service to clients may be easier at local level • Very limited scope for economies of scale
2	Commissioning by 'groups' of local authorities, e.g. across two groups of 3 local authorities or another combination In effect, a degree of commissioning of a Housing First model across local authority boundaries	<ul style="list-style-type: none"> • This is a way of commissioning an agreed Housing First model across 2 or 3 cross-local authority areas to deliver a greater degree of consistency • There is scope to better address and manage variations in demand across different local authority areas • There is greater scope to commission and configure Housing First to better align with partner organisations, i.e. mental health services, drug/alcohol services, criminal justice agencies • There are different cross local authority boundary 'permutations' that may be possible for commissioning purposes (e.g. Liverpool, Knowsley and Sefton) but no established existing model for such commissioning • Although this approach would better address strategic cross-boundary issues affecting homelessness, it would not necessarily provide a consistent pan-LCR approach
3	Jointly commissioned by all six local authorities across the whole LCR. In effect, a single Housing First approach covering the entire LCR, commissioned by or on behalf of all LCR authorities	<ul style="list-style-type: none"> • Commissioning an agreed Housing First model pan LCR would deliver a consistent approach which could still be 'tailored' to suit local requirements • This approach would enable a Housing First service to be flexible in adapting to differing levels of need across different local authority areas • It would require pan LCR governance arrangements but this would need to allow for local flexibility and responsiveness • Some local authorities may be concerned about loss of control if the joint governance arrangements are not robust • More likely to address strategic cross-boundary issues affecting homelessness that have been identified by stakeholders • Provides a more consistent and coherent approach to securing engagement of partner organisations, i.e. mental health services, drug/alcohol services, criminal justice agencies • Provides a better opportunity to align the approach to commissioning and implementing Housing First with the potential for additional powers being devolved to the LCR Combined Authority • Access to and the provision of suitable housing would need to be managed across the LCR; this could be challenging but could also provide economies of scale for a local lettings agency model • Would need to consider how to ensure the service is still personalised to individuals within a pan LCR commissioned approach. • May take time to establish the necessary pan LCR commissioning arrangements

Option 1. Whilst this may result in a version of an agreed Housing First model being commissioned in each of the six local authority areas, this approach is less likely to provide a strategic pan-LCR approach to addressing the key drivers and pressures facing LCR local authority commissioners. It is less likely to be effective in securing partner organisation engagement (mental health services, criminal justice, etc) where these agencies will need to deal with six separate Housing First 'offers' across the LCR.

Option 2 addresses some of the limitations of Option 1. There is more scope to address the variations in local demand for Housing First and there is greater scope to commission and configure Housing First to better align with partner organisations. The key challenge for Option 2 is which cross local authority partnerships would best support the delivery of an agreed Housing First Model, e.g. two groups of three local authorities or three groups of two local authorities.

Option 3 seeks to address the limitation of Options 1 and 2 in terms of delivering a consistent approach to Housing First, being able to flexibly manage variations in demand and demand across local authority areas whilst also offering a single coherent model for partner organisations that works across local boundaries within the LCR.

Although these options are not exhaustive and some degree of 'mix and match' is possible, Option 3 on balance, is likely to provide the most realistic and feasible opportunity to implement the proposed Housing First model in a consistent way across local authority boundaries within the LCR and address the key pressures facing local authority commissioners. However, the consequences of adopting Option 3 should not be underestimated in terms of the commissioning capacity resources required.

Considerations

Service delivery and outcomes

Option 3 means the commissioning of the proposed Housing First model jointly by the six local authorities so there is a consistent approach across the LCR. Based on the evidence of the nature and complexity of client need, there would need to be sufficient flexibility to allow for local sensitivity and responsiveness to differing client requirements. In addition, it does not necessarily mean a single Housing First service or service provider, rather that the authorities can determine jointly how it will be delivered, i.e. the number of service providers that may be recruited to operate Housing First and whether this is done through working with existing providers to develop the model or through a more traditional procurement approach.

Having a larger scale approach to Housing First does allow variations in local need to be balanced and makes it more feasible to move a wider 'housing led' approach with less or reducing use of existing hostel based accommodation. The primary outcome measure would be successful tenancy sustainment.

Personalisation

Housing First is intended to offer highly personalised, flexible and open-ended support alongside access to housing. By its very nature, Housing First is a 'personalised' intervention. However whichever approach to commissioning is adopted, there is scope to consider ways to 'deepen' and extend this personalised approach, for example through making available some of the funding for support in the form of 'personalised' budgets where an individual exercises control over how that element of the budget is used to best meet their support requirements. It is beyond the scope of the feasibility study to determine such approaches in detail, however a phased approach to implementation offers the opportunity for the local authorities in the LCR

to test out wider approaches to personalising Housing First.

Governance implications

A commissioning approach as outlined in Option 3 would require pan-LCR governance arrangements to be established, not solely for the purposes of implementing Housing First, but also to deliver the wider homelessness prevention strategy. This is likely to mean either a pan-LCR commissioning 'board' for homelessness prevention and services or the use of a pre-existing pan-LCR group for this purpose; possibly with one local authority taking responsibility for undertaking any procurement activity on behalf of all the LCR authorities.

Commissioning for a culture change

Developing Housing First 'at scale' will require not only smart systems thinking, determined partnership working and the implementation of new models of service delivery but a very real change in the *culture* of services. The current dominant culture in services is shaped by political discourse, national and local policy and it will be challenging to change it.

Neale (in Burrows et al 1997, p.36⁵⁵) argues that, "Where homelessness has been interpreted as a function of structural factors beyond individual control, homeless people have often been considered deserving of assistance. Conversely, where individuals have been deemed responsible for their homelessness, they have frequently been considered less worthy of support."

In the qualitative interviews, we heard about and observed some of the political discourse around the 'deserving' and the 'undeserving' within the way policies and cultures operate in the homelessness system. As one professional explained:

"There is this huge political discourse – and it's particularly prevalent in the NHS - around compliance – that people with complex needs have 'brought it on themselves' and are therefore 'undeserving'. This is combined with the fact that housing is now a 'market' and something to be 'earned', not a basic human need or right which has to be provided".

Another professional explained that the allocation policies for social housing (through the Property Pool Plus system in five of the six authorities in LCR) "won't reward bad behaviour". People with lived experience told us about having to 'play the game' to demonstrate that they are deserving of help. Meanwhile, those in homelessness services often talk about 'those who are willing to help themselves' and those who have 'made a lifestyle choice': 'tough love' was said to work for some; for others, living in a hostel was felt to be 'the best it will ever get for them'.

We have seen in chapters 3 and 4 that Housing First proposes a very different way of working with people: a rights-based, non-judgemental, strengths-based approach that emphasises citizenship and builds resilience.

In order to commission this very different approach, it will be necessary to:

- Work in partnership and through dialogue with providers and people with lived experience to develop the specifications for these services – the value of hearing the perspectives of frontline workers, people with lived experience (at different stages of their homelessness journeys) and a range of professionals has been a

55 Neale, J. 'Theorising Homelessness: contemporary sociological and feminist perspectives' in Burrows, R., Preece, N. & Quilgars, D. (Eds) (2013) *Homelessness and Social Policy*, Routledge

key process finding from this study;

- Train staff at all levels and across sectors to work in a strengths-based way; recruit and develop housing support staff on the basis of their ability to work in this way, as discussed in Chapter 4, and look to set up communities of practice as a way of building and embedding culture change.
- Take a flexible approach to contract monitoring: both the commissioner and the provider of the LB Camden Housing First service spoke about the importance of building a close and trusting relationship between commissioners and providers, in order to move away a focus on monitoring outputs.
- Set out clear shared values at the outset and ensure there is proper multi-agency governance around these.
- Build a 'coalition of the willing'; a 'tribe' of Housing First champions so that change comes from a number of levels, not just top-down.

“Commissioning would need to be really flexible – commissioners would need to be quite open-minded and really buy-into the whole vision. At the moment, it’s all about units, move-on, throughput, so this would need to change”.

“It’s almost about ‘de-commissioning’!.....KPIs can really get in the way if you’re not careful.”

“There needs to be a load of dialogue before procurement (or whatever model you use) – ideally, like today with people from a range of roles – frontline, operational, strategic, lived experience”.

Quotes from the provider focus group

5.2. Financial Implications: Potential for cashable savings and efficiencies from implementing Housing First

This section sets out:

- The cost evidence from other Housing First services to provide context
- An analysis of the extent to which Housing First as part of a housing-led system may provide cashable savings
- An analysis of the extent to which Housing First may provide improved value for money compared with current types of provision

Cost evidence from other Housing First services

Research on nine Housing First pilots in England in 2014/15 reported that the total costs of providing one hour of Housing First support, including administrative costs and salaries, ranged between approximately £26 an hour and £40 an hour. These data were based on actual operating costs shared by the pilot Housing First services. The report estimated that, from discussions with Housing First service providers, over time, typical contact might average at something like three hours a week over one year. This was based on the assumption that support would be more intensive at first, enter a steady state and then tail off, eventually become infrequent or effectively dormant. In other words, during initial use of the service someone might be seen every day for several weeks, but that contact might then drop to once a week and eventually to less frequent meetings as independence grew.

The following table compares the mid-range of Housing First costs from these pilots (i.e. £34 an hour at 2014/15 prices, at six hours contact per week over one year, making a total of £10,608 per annum) with the actual running costs of low/ medium/ high intensity supported housing. ‘High’ intensity refers to hostels with 24 hour cover; ‘low’ where there is little more than food, a bed and minimal staff cover.

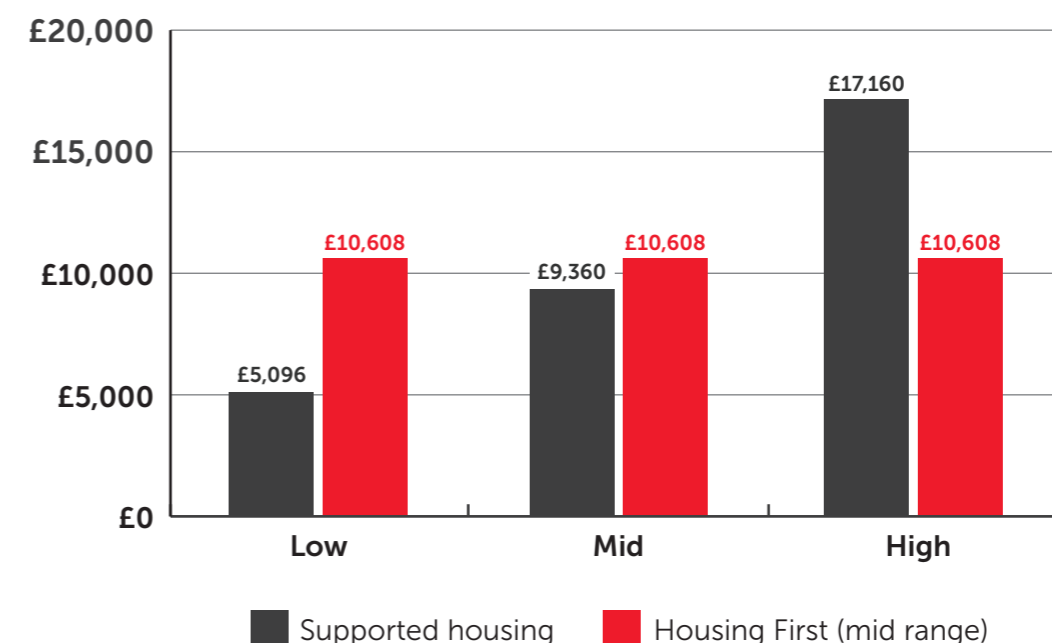
Whilst the original study based the Housing First support costs on three hours, these were small pilot services sometimes operating with limited budgets. The average of three-hours of contact per week over a year may have reflected operational constraints, rather than have been what would be regarded as the optimal level of support. Second, these were average costs from a small number of pilots in a small number of areas and the costs for supported housing were also averages taken from a limited number of areas, i.e. actual operating costs will vary from these figures. Finally, it is important to note that the operational reality of Housing First may be quite different from what were pilot services, there may be additional costs, i.e. there may be a need for more contact hours as a Housing First service engages with a greater range and number of homeless people with high and complex needs. The costs reflected in the table have therefore increased the number of support hours to six to reflect these factors.

It is also worth noting the findings of American research in this field. This has suggested that Housing First and similar models may not be inherently cheaper than single site supported housing with on-site staffing, but that results are better with respect to providing a sustainable end to homelessness. In other words, while Housing First may cost a similar amount, or even slightly more, it represents a much more cost effective use of public money because homelessness is ended more efficiently and more sustainably.

The support costs of Housing First are significantly lower than the support costs of homeless hostels with 24 hour cover.

Housing costs were not included in this analysis, and it should be noted that rents in supported housing may be higher than for one-bedroomed self-contained accommodation in the social rented and private rented sectors.

Figure 5.1. Costs of Housing First relative to supported housing based on the 2014/15 Evaluation of nine Housing First pilots in England (support costs for one year)



Source: Based on Bretherton, J. and Pleace, N. (2015) *Housing First in England: An Evaluation of Nine Services* York: Homeless Link/Changing Lives (analysis by original authors). The original support costs were based on an average of three hours a week over the course of a year. The graph above is based on costs of six hours a week over the course of a year. See further explanation in section 5.2.

Potential for cashable savings

In this section, we model two different scenarios for the development of Housing First, both of which include the development of Housing First units to the level we have assessed as being needed.

In scenario 1, despite reductions to fund Housing First, there is significant ongoing investment in supported housing. We have assumed that the majority of this might be non-24/7 since, with Housing First in place, it should be supporting people with lower levels of needs.

In the second scenario, all of the non-24/7 supported housing has been decommissioned and replaced with a 'housing led' approach, as envisaged by the model we proposed in chapter 3. Our modelling suggests that this approach could potentially generate much larger savings than the first scenario; however, this approach hinges on the capacity to supply significant amounts of housing. Other scenarios, somewhere along the continuum between these two, could be modelled.

Table 5.2. Projected need for Housing First and other service provision

Service Type	Current Level of need	Calculated Need for 2023/24 (housing units)
Housing First	0	543
Emergency & specialist housing – 24 hour cover	1060	355
Emergency & specialist housing – other	451	561
Housing-led – access to housing	N/a	3184

A summary of the method used for assessing the potential for Housing First to deliver cashable savings is presented. The full method used and associated calculations are shown at Appendix 5.

To project the likely costs of implementing the proposed model it is necessary to make use of the estimated demand within the LCR that could be met by Housing First alongside the predicted costs of the model in practice. Chapter 4 identifies the estimated demand for Housing First across the LCR in terms of the number of housing units required over the period 2018 – 2028.

A complex modelling of estimated need for Housing First alongside the other forms of provision (see Appendix 5) identified as part of the housing-led system (section 3.5) was undertaken to compare current need with estimated need by 2023/24.

The need for other forms of provision and for Housing First in 2023/24 and in comparison to current levels of provision is shown in table 5.2

The estimated residual need for supported housing with 24-hour cover is the current level of need, reflecting the need that is being met by Housing First; this will include access to emergency short term 24/7 supported housing.

The residual need for other non 24-hour forms of supported housing is driven by relatively high levels of need for housing and support more widely across the LCR. However, it should be noted that these estimates of need for supported housing are based on a complex model and, for example, increased effectiveness of other homelessness prevention activity (as set out in our idea pathways map in section 3.5) may result in reductions in these levels of estimated need.

In order to test whether the modelled estimate of need is affordable, benchmark costs are assumed for each of the service options identified in the explanation of the Housing Led strategy (section 3.5). The cost assumptions used are shown in table 5.3.

Table 5.3. Service cost assumptions

Service Type	Benchmark Cost (£ per unit per annum)
Housing First	12607
Supported housing (including emergency provision) – 24-hour cover	17523
Supported housing – non 24-hour cover	9000
Housing-led – access to housing	385

The cost of Housing First is set out in Chapter 4. The figures for supported housing are based on the costs of a sample of current LCR supported housing schemes. This includes both the support funding currently paid by local authorities and the excess in rental income over the LHA level. The figure for housing-led provision is based on the calculated cross-subsidy for the Local Letting Agency, set out in the costing of the Housing First model (but with the additional assumption that only possibly half the units will actually be secured through this route). This is the cost of providing access to alternative mainstream housing for people not included in the other categories (who may or may not need additional floating support).

Using the projected need (table 5.2) and the service cost assumptions (table 5.3) enables a projection of current and projected costs to be made (table 5.4).

Table 5.4 Cost comparison – current system and costs vs proposed system and costs

Service Type	Current Costs (£m)	Projected Cost (£m)
Housing First	n/a	6.85
Emergency & specialist housing – 24 hour cover	18.57	6.21
Emergency & specialist housing – other	4.06	5.05
Housing-led – access to housing		1.23
Total	22.63	19.34

Based on these relatively conservative assumptions this would indicate that, a Housing First/housing-led system could generate savings of approximately £3.29m by 2023/24.

In practice, the length of time taken to implement Housing First to match projected demand will be influenced by the degree of effectiveness of the Housing First model, the pace at which commissioners wish to implement a Housing First model and the resources that are available to fund this approach. To achieve greater savings will require commissioners to proactively reduce further the use of supported housing which is likely to be significantly dependent on successfully scaling up the prevention activity of Housing Options teams, increasing access to mainstream housing with a floating support offer as an alternative to the non-24 hour supported housing and/or increasing the numbers of people using Housing First as an

alternative to 24-hour supported housing.

On this basis, a more ambitious financial outcome by 2023/24 may for example be based on offering all those who in Table 5.4 who were housed in non-24 hour cover supported housing a combined package of access to mainstream housing and a more intensive floating support service⁵⁶.

This would require within 5 years an access to an additional 1122 properties per year, which would represent a significant challenge.

Table 5.5. shows the potential effect of modelling this scenario.

Table 5.5. Cost comparison – current system and costs vs proposed system and costs

Service Type	Current Costs (£m)	Calculated Need for 2023/24 (housing units)	Projected Cost 2023/24 (£m)
Housing First	n/a	543	6.85
Emergency & specialist housing – 24 hour cover	18.57	355	6.22
Housing-led – access to housing	4.06	4406	4.56
Total	22.63		17.63

Based on these more ambitious assumptions (table 5.5), this would indicate that a Housing First/Housing Led system could generate savings of approximately £5m by 2023/24.

Value for money analysis

A cost effectiveness analysis methodology has been used to assess the potential value for money offered by the proposed Housing First model in comparison to existing forms of provision. The full rationale and method for this approach is shown at

Appendix 7. There are four elements to the proposed cost effectiveness calculation:

- The proportion of people receiving the intervention who will achieve the specified outcome;
- The proportion of people receiving

the comparator intervention who will achieve the specified outcome;

- The cost of the intervention being evaluated;
- The cost of the comparator intervention.

We look at each of these in turn. The calculation is based on a notional scenario of 100 clients receiving Housing First and 100 continuing to receive services as of now. It should be stressed that this analysis is by definition, therefore, looking at the people who have most difficulty getting the help they need through current services, as it is these people that Housing First seeks to target. Measures of effectiveness discussed here are therefore not to be taken to be reflective of the effectiveness of homelessness services generally.

The “specified outcome” in this instance is achieving a sustained tenancy in mainstream independent housing. For the purposes of this exercise it was assumed that this was indicated by maintaining the tenancy for at least 6 months.

We were therefore looking for a way to estimate how many of the clients in our 2 notional scenarios are likely to have been in sustained tenancies for at least 6 months at the end of a 2-year period. We then calculate how much it is likely to cost per successful outcome under each scenario and this generates a cost effectiveness ratio.

Achieving the specified outcome with Housing First:

The Housing First evaluations cited in chapter 3 (and Appendix 7), have indicated that between 70% and 90% of clients placed in housing were still in settled independent housing after 12 months, with a tendency to be at the higher end of this scale. For this exercise, therefore we will take a conservative assumption and assume that 80% of the Housing First clients are likely to have been in settled housing for at least 6 months at the end of 2 years.

Achieving the specified outcome with existing homelessness services: In our analysis of Mainstay, we found that, out of 100 people who met the basic criteria for a Housing First intervention in March 2015, 8 had moved into independent accommodation in the following 12 months and 13 in the following 12 months. At the end of the 2-year period 15% of these people overall had been in settled independent housing for at least 6 months. We therefore use this as our guide for this scenario.

Cost of Housing First: The calculated cost of Housing First, including the estimated subsidy to a Local Lettings Agency, is £12,607 per year. For the purposes of this exercise we therefore assume that the housing and support intervention for the 80 clients who are sustained successfully for the full 24 months will cost twice this amount. However, the costs of those who do not succeed in meeting the outcome also need to be taken into account as costs of the intervention. By definition this is not for the full 2 years. Elsewhere, we have estimated that the breakdown of tenancies occurs on average after 9 months, so we also assume this here and therefore for each of the clients who do not meet the outcome, the assumed costs are £12,607 x 0.75 plus the average costs of homelessness services for the remaining 15 months.

Costs of Existing Homelessness Services:

This is complicated by the reality of service usage. Almost by definition the cohort that Housing First is aimed at, dip in and out of services – sometimes living in hostels, sometimes living on the streets or in other temporary settings, while using outreach or day centre-type services on a sporadic basis. The research by Pleace and Culhane⁵⁶, based on interviews with 86 homeless people, made an attempt to track this based on analysis of the services that this sample of 86 had consumed over a 90-day period. This was then grossed

⁵⁶ A more intensive floating support service might for example be based on an average of 5 hours per week at £18 per hour for an average of 6 months (not necessarily consecutively) plus the extra Local Lettings Agency charge in 50% of cases

up to produce an annual cost of £14,808 per person. However, this is potentially misleading because the hostel element of the costs included the full rental payment and most Housing First clients will be equally dependent on benefits to meet their rental payments (up to the LHA level). In order, therefore to ensure that we can discount this element of the rental from both sides of the equation we have therefore deducted the LHA rate of £90 per week for the estimated 60% of users in the Pleace and Culhane study who made use of a hostel during the set period. This reduces the estimated annual cost by £2,808, producing a total of £12,000. This will amount to £24,000 over 2 years.

For the clients who do secure mainstream accommodation we assume that there are no service costs after they move in to this accommodation – but because this happens during the 2-year period we have used the same Mainstay analysis to assume that on average this takes 437 days – during which they are consuming other homelessness services.

Putting these assumptions together we produce the following results:

This produces a result which suggests that Housing First is around five times as cost effective as the current range of homelessness services for this particular group of people.

Further analysis of Mainstay suggests that in fact all 21 people from the selected cohort who were housed at the end of the 2-year period were in fact able to subsequently sustain their tenancy, and if this number was used instead, Housing First would be around 3 times as cost effective.

The end result therefor can be said to be that Housing First is 3 to 5 times as cost-effective in delivering sustained tenancies for this cohort.

5.3. Housing First Implementation: Potential transitional and phasing arrangements

The outline implementation arrangements are set out covering the phasing over 10 years:

- Phase 1: period covering first 2 years including initial transitional arrangements
- Phase 2: period covering 2-5 years including the completion of transitional arrangements
- Phase 3: period covering 5-10 years.

Phase 1 (years 1-2): summary of key elements

- Develop and implement new prevention protocols using extended brief for Housing Options teams if necessary
- Implementation for initial 50 Housing First service users in year 1 and 100 service users in year 2
- Evaluation of these first waves of Housing First clients, especially since this gives us an opportunity for a naturally-occurring control group of people who will continue to be supported within the current system.
- Would operate alongside existing homelessness supported housing provision
- Establish Local Lettings Agency

(or specification / template for Agencies); may be possible to secure initial housing units from housing providers including housing associations

- Establish cross LCR commissioning and governance arrangements for Housing First and wider provision of services for preventing homelessness
- Set up costs for implementing this phase of Housing First (section 6.2) would be a minimum of £0.63m per annum based on 50 service users in year 1 and £1.26m per annum based on 100 service users in year 2 (based on £12,607 cost per service user per annum). These effectively represent double running costs whilst existing supported housing provision remains unchanged.
- Additional 'pump priming' funding for this phase will be required for it to be feasible
- Initial delivery focus possibly over 2-3 local authority areas in year 1 and over all local authority areas by end of year 2
- Necessary to produce a detailed commissioning plan for scaling up of Housing First implementation beyond year 2 and reconfiguring existing supported housing provision and associated support services. Commissioning plan needs to identify contractual notice periods as applicable (i.e. contracts for existing supported housing services due to be reconfigured).

Phase 2 (years 2-5): summary of key elements

- Commence implementation of full pan-LCR Housing First commissioning plan as part of wider LCR approach to homelessness prevention
- Commissioning of between 400 and 519 Housing First supported tenancies by year 5 accompanied by an equivalent decrease in 24/7 supported housing provision
- The cost of providing for 400 Housing First service users is estimated to be £5.04m per annum;

the cost of delivering for 519 Housing First service users is estimated to be £6.54m per annum (based on an assumed cost per service user per annum of £12,607).

- For this level of Housing First service users to be feasible it would be necessary to reconfigure (i.e. decommission) existing 24/7 supported housing services by between 287 units and 373 units (based on an assumed average cost per unit per annum of £17,523).

Phase 3 (years 5–10): summary of key elements

- Full implementation of Housing First commissioning plan to meet projected demand
- Full implementation of reconfiguration of existing supported housing services across the LCR
- The cost of delivering up to 480 Housing First service users is estimated to be £6.05m per annum (based on an assumed cost per service user per annum of £12,607).
- For this level of Housing First service users to be feasible, it would be necessary to reconfigure (i.e. decommission) 345 units existing 24/7 supported housing services (based on an assumed average cost per unit per annum of £17,523).

Reconfiguring existing supported housing services: implications for commissioners and providers

Phase 1 envisages up to 100 Housing First service users, operating alongside existing supported housing provision. However, during this phase, a detailed commissioning plan is required for scaling up of Housing First implementation for Phase 2 including reconfiguring existing supported housing provision and associated support services.

In practice, this will mean LCR commissioners specifically:

- Identifying existing 24/7 and non-24/7 supported housing provision

Table 5.6. Cost of Housing First compared to existing homelessness services

	Housing First	Existing Homelessness Services
Cost of Service	(£25,214 x 80) + (£12,607 x 0.75 x 20) + (£12,000 x 1.25 x 20) = £2,506,225	(£24,000 x 79) + (£12,000*21*1.197) = £2,197,710
Achieving sustained tenancy for more than 6 months	80	15
Cost per successful outcome	£31,328	£145,514

that will either be remodelled or decommissioned as Housing First is rolled out as part of a wider 'housing led' approach.

- Undertaking an assessment of the needs of individuals who are using this supported housing provision to identify the proportion of service users who can be supported through Housing First and the proportion of service users who may need an alternative, e.g. independent housing without the same degree of intensive support.
- Aligning the increase in capacity of Housing First sufficiently to accommodate people who were living in or were at risk of moving to existing 24/7 supported housing provision.
- Agreeing with providers of existing provision a phased approach to remodelling and/or decommissioning in line with the roll out of Housing First.

The implications for supported housing providers operating hostels during this transition process are likely to be:

- Utilising and building on the skills of current support workers and applying them to a housing led system
- Transitioning from supported housing to a housing led model.
- Identifying a different cohort for whom existing properties are suitable.
- Selling hostel buildings and using the capital receipts to purchase housing that can be used by Housing First service users.

To ensure that these changes are implemented in a way that benefits service users, will require that commissioners and providers agree how providers will make the transition in a carefully managed way as Housing First is implemented.

Case studies

As an example of a 'case study' for options (a) or (b) above, providers would need to undertake or use

existing assessments of service users to identify alternative housing and support requirements for those service users who do not require a Housing First reponse. This will require identifying and putting in place the necessary housing, potentially through the proposed LLA, and support as appropriate, before a provider proceeds with either option (a) or (b).

As an example of a 'case study' for option (c) above and what this could mean for hostel providers, in Glasgow, Big Society Capital is seeking to work with hostel providers to make available short-term loans (over 2-3 years) which enable housing providers to purchase self-contained properties that are suitable for accommodating Housing First service users, with the loan being repaid once the hostels are no longer in use and the receipt from the sale of the hostel property being used to repay the loan. This may be based on sales of several hostel properties reflecting differing sites and sales values. This loan funding can also be used to meet non-capital transitional cost incurred by housing providers. The purpose of the funding from Big Society Capital is to make available capital that facilitates this 'system change' in a manageable way for housing providers.

Implementation considerations including risks and mitigation

Key risks are likely to include:

Figure 5.7. Risks and mitigations of implementing Housing First

Risk	Mitigation
Avoiding loss of supported housing service capacity before Housing First model is established and demonstrated to be effective.	Phase 1 is intended to provide for initial double running of Housing First with existing level of 24/7 supported housing provision to allow sufficient time for Housing First to become operational and effective
Avoiding loss of skilled staff during the transition phase	Phase 1 is intended to provide for initial double running of Housing First with existing level of 24/7 supported housing provision to allow sufficient time for Housing First to become operational and effective and for commissioners to agree a detailed commissioning plan including consultation with providers
Ensuing levels of homelessness, particularly rough sleeping, decline as Housing First is implemented	It will be necessary to agree common monitoring arrangements across the LCR to assess levels of homelessness and rough sleeping specifically.
Insufficient 1-bed housing units are available to ensure the Housing First model can be delivered.	The commissioning of a Local Lettings Agency is intended to provide a mechanism to source and manage housing to be used by Housing First service users and others. During phase 1 there may also be scope to source housing directly from housing providers including housing associations when the numbers of service users is relatively low
Commissioning plan for phases 2 and/or 3 is not delivered.	It will be necessary to put in place robust governance arrangements that include all the LCR local authorities and other commissioning partners to agree a detailed commissioning plan and an implementation programme beyond phase 1.

Policy context

Chapter 6: Policy Context

In this chapter, we consider the policy context – and the key drivers and potential barriers and enablers to the approach we have approached here. We begin by considering the local strategic context in relation to homelessness in LCR, then move on to considering different relevant themes in relation to the national policy context, teasing out the potential implications of these for Housing First.

6.1 The current strategic context on homelessness in LCR

The local authorities from the LCR have homelessness strategies, as well as other relevant plans such as '2020' strategies, which cover different timeframes and have differing emphases. However, they all to differing degrees create a supportive policy environment within the LCR to establish and implement a Housing First model as part of a comprehensive approach to eradicating homelessness.

Liverpool City Council homelessness strategy (2016-20) has three key priorities, all of which fit with the model of Housing First set within a

wider preventative and housing-led system. They are:

- Adopt an early prevention and intervention approach directed particularly towards single people and childless couples
- Develop and encourage economic resilience, including through access to affordable settled housing
- Address the needs of people who are homeless and have complex needs.

Halton Borough Council

homelessness strategy 2013-2018 sets out its approach to collaborative and integrated commissioning to deliver improved outcomes for people

experiencing homelessness. Key priorities include to:

- Develop and co-ordinate services to deliver a comprehensive approach towards homelessness and prevention.
- Respond to and prevent rough sleeping.
- Ensure that homelessness is recognised as a priority for action within the Health and Wellbeing Board.
- Develop a business case to formalise a single practice approach to address the housing and health care needs of vulnerable homeless people.

Knowsley Metropolitan Borough Council homelessness strategy (2016-21) aims to:

- Reduce levels of homelessness
- Prioritise the prevention of homelessness;
- Ensure sufficient accommodation is available for homeless people (the focus here seems to be on access to mainstream housing)

It focuses on the importance of effective information, advice and advocacy and satisfactory resources to tackle homelessness. There are a number of actions within the council's five year action plan which could potentially support the implementation of our proposed Housing First strategy. For example: assessing the effectiveness of services aimed at single homeless people, continuing but maximising the efficiency of floating support services, and exploring the feasibility of a local lettings agency.

Sefton Metropolitan Borough Council

Homelessness Strategy 2013-18 sets out the objectives and the actions that will be taken to tackle homelessness. The strategy recognises that there is a diverse range of community-based services for street homeless people and single homeless persons, albeit that many are located in the neighbouring local authority, or

elsewhere in Merseyside. The council's priorities include:

- Review and revise the current service offer for people sleeping rough.
- Review the provision of all supported accommodation which will include those for single to identify shortfalls and gaps in current service provision for women and single young people.
- Joint working with neighbouring local authorities across the Merseyside region; in particular, efforts will be made to extend existing collaborations to end rough sleeping across the region.

The **St. Helens Council** Plan 2017/2020 sets out the key objectives the council aims to achieve over the next three years. The council's priorities include:

- Ensuring the best possible outcomes for children, families and vulnerable adults.
- Work to sustain improvements in health and reduce health inequalities.
- Supporting communities to feel safe and resilient, particularly children and vulnerable adults.
- Work to increase the range, choice and quality of housing provision.

Wirral Council Homelessness Strategy

2013-18 focuses on homeless prevention, but acknowledges that there will be instances where homelessness cannot be prevented and there is a requirement to ensure that appropriate housing and support is available to respond to this. The homelessness strategy is intended to 'fit' within a wider policy framework across Wirral and the wider Merseyside area. The council's priorities include:

- Strengthening collaboration with other councils to ensure that the housing and support needs of more challenging client groups are met when homelessness cannot be prevented including working together to end rough sleeping.
- Plans to respond to a number of issues including personalising responses for the needs of people

- who are regularly sleeping rough.
- Improving access to the private rented sector as a solution for those who are homeless.
- Taking a strategic commissioning approach to homelessness which will increase multi-agency partnership working.

Key overarching points on LCR homelessness strategies

- There is significant variation regarding the level of strategic development across LCR: some authorities have commissioned external reviews and consultations and have current homelessness strategies with accompanying action plans; others have not had the resources to revise their strategies.
- Most of the homelessness strategies aim to focus on early prevention and intervention, and the need to improve access to mainstream housing (including both PRS and social housing) for homeless people. These are all key tenets of the model proposed here.
- Supported housing is clearly a means of delivering councils' current response to single homelessness (and some councils have made significant capital investment in some of the schemes they commission, which will need to be considered as these assets are reviewed), however, it is not an integral part of these strategies, many of which refer to the need to review the effectiveness of the current service offer.
- There is a general trend in most authorities towards locality-based models and hubs – for access to and co-location of council services (e.g. Sefton), for the delivery of integrated health and social care (e.g. Knowsley), or floating support (Liverpool). This trend may support the implementation of a housing-led model, both as a multi-disciplinary point of access to services, but also in terms of supporting homeless people who have been resettled.

- There is an established precedent for cross-LCR collaboration in relation to homelessness and housing – ie. No Second Night Out, Mainstay and Property Pool Plus (though it should be noted that St Helen's has its own choice-based lettings system, Under One Roof) and some strategies (for example, Knowsley's) explicitly mention the possibility of joint commissioning with neighbouring authorities and the desirability of securing devolved control of homelessness policy through a future Merseyside Homelessness Commission. A tripartite agreement is already being developed between Liverpool, Sefton and Knowsley in relation to joint commissioning and the sharing of information systems.

6.2 The Role of Housing First in the Context of the Homelessness Reduction Act

The Homelessness Reduction Act

The Homelessness Reduction Act alters the nature of the homelessness legislation in England. While the original 1977 Act has undergone a number of significant changes as a result of later legislation, England has, unlike Scotland and Wales, not experienced a legal change on this scale before.

Single homeless people have tended to face greater barriers to the statutory system in England than has been the case for homeless families. One reason for this is the resource level available to local authorities, both to implement the legislation and because of often limited access to affordable, adequate housing. To qualify for the main duty, which in England is technically a responsibility to provide temporary accommodation until settled housing becomes available, a single adult must demonstrate they are homeless, i.e. have no accommodation they can reasonably be expected to occupy, are not intentionally homeless and are in priority need. In most instances,

priority need for a single adult is determined through the concept of 'vulnerability'.

Pressures on the statutory homelessness system and a broad social policy focus on attempting to prevent sustained or recurrent experience of social and economic exclusion, brought a major reorientation towards homelessness prevention in English homelessness policy during the early 2000s. Local authorities were required to produce homelessness strategies with a preventative emphasis, employing a Housing Options Team model that aimed to stop homelessness before it occurred and rapidly rehouse those who had become homeless.

Levels of statutory homelessness, i.e. households found to be owed the main duty in England, fell very sharply from 2003/4 onwards, and while those levels have increased in recent years, they have not yet approached the levels seen prior to the preventative shift in English homelessness policy⁵⁷. While the preventative shift reduced overall levels of statutory homelessness, it was not clear that preventative services were sufficiently accessible or adequate to meet the needs of single homeless people and there were concerns that 'prevention' was being used as gatekeeping for the statutory system⁵⁸.

The Homelessness Reduction Act, which centres on formalising homelessness prevention within the statutory system, was developed with support from an independent panel convened by Crisis⁵⁹.

The Act draws heavily on the policy established by the Housing (Wales) Act (2014), which requires Welsh local authorities to extend homelessness

prevention and relief duties to all eligible households, regardless of priority need status. New, universal, homelessness prevention and relief duties are placed on English local (housing) authorities, extending the requirement to assist someone at risk of homelessness within 28 days to 56 days. In Wales, this shift to prevention involved a major change in what local authorities did in response to homelessness. In England, because of the earlier adoption of homelessness prevention from 2003/4 onwards, the change is less radical, but it is still significant. The Act is also designed to enhance referrals to preventative services, creating duties for public services to make a referral to local authorities if they think someone is at risk of homelessness.

The homelessness relief duties in the Act are also important. Anyone who is homeless is entitled to assistance to secure accommodation (the entitlement is to assistance, not a duty to provide housing). This includes provision of interim accommodation, if necessary, when an individual or household is found to be in priority need. The duty lasts for up to 56 days.

The Act and Housing First

The implications of the Homelessness Reduction Act for Housing First are linked to the wider points made in this report about the fundamental importance of *strategic integration* of Housing First services into the homelessness strategy for the Liverpool City Region. Housing First must play a clearly defined role in the wider homelessness strategy for investment in Housing First services to make logistical and financial sense. Integration is also, as is discussed elsewhere, a prerequisite for Housing First services if they are to access relatively secure and sustainable

57 <https://www.gov.uk/government/collections/homelessness-statistics>

58 Dobie, S., Sanders, B. & Teixeira, L. (2014) *Turned Away: The treatment of single homeless people by local authority homelessness services in England*. London: Crisis.

59 Crisis (2016) *The homelessness legislation: an independent review of the legal duties owed to homeless people* London: Crisis.

funding streams and be part of the networks providing the treatment and other support that Housing First service users will require. The roles of Housing First in the context of the Act centre on three core functions:

- Providing homelessness prevention for individuals and households assessed as being at high risk of sustained and recurrent homelessness. The prediction of who will experience these forms of homelessness is far from being a precise science. However, where for example someone has a history of homelessness and high and complex support needs, assessment for Housing First – as a *preventative* intervention – makes sense. In the context where prevention is the core of homelessness policy and strategy, restricting Housing First to a role of resettlement following homelessness, when there is scope to employ the intensive case management to prevent homelessness, seems illogical. The manual for the Pathways Housing First model (which is the basis for the Canadian and French national strategies) notes:

Client referrals are often received from drop-in centers [sic], soup kitchens, shelters, hospital emergency rooms and other programs [sic] that aid the homeless. In recent years the range of referrals has expanded to include people who are homeless and currently in long-stay psychiatric hospitals or who are incarcerated. PHF [Pathways Housing First] also receives referrals from the mental health courts that use PHF as an alternative to incarceration.⁶⁰

60 Tsemberis, S. (2010) *Housing First: The Pathways Model to End Homelessness for People with Mental Illness and Addiction* Hazelden: Minnesota, p. 36.

61 Busch-Geertsema, V.; Edgar, W.; O'Sullivan, E. and Pleace, N. (2010) *Homelessness and Homeless Policies in Europe: Lessons from Research*, Brussels: Directorate-General for Employment, Social Affairs and Equal Opportunities.

62 Bretherton, J. and Pleace, N. (2015) *Housing First in England: An Evaluation of Nine Services* York: University of York/Homeless Link.

- When someone is experiencing living rough on a recurrent or sustained basis, the evidence indicates that they are likely to have high and complex support needs⁶¹. While Housing First should not be the sole response for anyone sleeping rough, providing a clear track to Housing First as the main intervention to be employed when someone with high support needs is living rough appears logical, based on current evidence⁶². Technically, authorities in the LCR might choose to employ Housing First only where a rough sleeper has been found to be in priority need, but there is a case for direct referral – without a statutory assessment – where needs and a history of living rough are clearly established.
- Providing a route to resettlement and tenancy sustainment for 'vulnerable' individuals found to be owed the main duty under the Act, where referral and assessment procedures indicate this is the best option.

Housing First can be employed within the new operational context created by the Act as a preventative service in its own right, as a potential fast-track response to sustained and recurrent rough sleeping and as the service provided to statutorily homeless people whose support needs are best met by the Housing First model. The focus of Housing First, as discussed elsewhere in this report, is on homeless people with high and complex needs, so it is not practical (or economic) to provide a full Housing First intervention to any lone adult at risk of homelessness or who has become homeless.

Here, the importance of ensuring Housing First is properly integrated into the wider homelessness strategy

for the LCR authorities is again evident, when Housing First is not suitable for someone, there must be clarity around what their other options are. This again links to the need to consider how Housing First will interrelate to lower intensity tenancy sustainment/housing-led floating support services and single-site congregate/communal supported housing, defining a clear role for Housing First services within the wider, strongly preventative, homelessness strategy for LCR.

6.3 Welfare Reform and Housing First

The Benefit System

The benefit system is experiencing the introduction of Universal Credit at the time of writing. A number of new restrictions on the accessibility and level of benefit paid to people with limiting illness or disabilities have been introduced and there are restrictions on benefit to meet housing costs. Universal Credit is a work-orientated welfare policy that requires individuals to seek work, operating within a wider benefit system with the same orientation, using sanctions when someone is assessed as not making sufficient effort to seek work. The welfare system has been widely criticised for defining people as 'work ready' when this would not necessarily be the opinion of medical professionals, with government data showing that over 40,000 people had died within a year of being tested to see if they were 'fit for work', by the benefits system⁶³. Equally, when someone has support or treatment needs, but is assessed as able to work, they may be sanctioned (i.e. lose benefit for a set period) where, a few years ago, they would have been assessed as unable to work because of support needs.

63 DWP (2015) *Mortality Statistics: Employment and Support Allowance, Incapacity Benefit or Severe Disablement Allowance* London: DWP. Data refer to a period between May 2010 and February 2013.

64 Beatty, C., Foden, M., McCarthy, L. & Reeve, K. (2015) *Benefit sanctions and homelessness: a scoping report*. Sheffield: Sheffield Hallam University

65 DWP HB/CTB A12/2011(Revised).

Previous research has shown sometimes harsh treatment of single homeless people by the benefits system and drawn associations between benefit sanctions (removal of benefit for not seeking work actively enough) and homelessness⁶⁴. One potential impact on Housing First is that both the accessibility and level of welfare benefit support available to Housing First service users is reducing, i.e. it has become harder to claim a relatively smaller amount of money. This means challenges in relation to meeting living costs and coping with limiting illness or disability may be greater than was the case when more money was available on a more open basis.

Restrictions on support with housing costs are also potentially significant. The removal of the spare room subsidy has made it unaffordable for households to occupy a property which is larger than they are assessed as needing: we heard that this is a particular challenge for those who are seeking to be reunited with their children, for example, following a stay in prison. There are further age restrictions here: most adults aged under 35, without a partner and/or children can only secure enough support to rent a room in a shared house, or will be 'taxed' for having a two or more bedrooms if they are in social housing. Partial exemptions are made for homeless people who have experience of living in a hostel or temporary supported housing for at least three months, removing the requirement to share private rented housing if under 35, but potential Housing First service users may not have accumulated this amount of time in hostels⁶⁵.

The requirements in relation to sharing housing if aged under 35 are likely

to be extended to new social rented tenants. This is alongside a series of changes that will reduce the security of tenure in the social rented sector and bring social rented tenants into the same position as people renting privately. The UK private rented sector offers poor security of tenure and is amongst the least affordable in Europe⁶⁶.

The Housing First model is built on the idea that resettlement and reintegration into society following homelessness is centred around providing someone with their own, settled ordinary home. Being required to share with others, particularly when someone may well have high treatment and support needs if rehoused in the private rented sector, or having to subsidise rent costs with welfare benefits designed to pay for food and fuel, if living alone in social rented housing with two bedrooms, potentially undermines the Housing First model. Housing First forms the backbone of the Canadian and French strategies to tackle recurrent and repeated single homelessness associated with severe mental illness⁶⁷, strategies that would not have been attempted if there were doubt that service users would have enough income to meet the housing and subsistence costs. In the original model of Housing First in New York, referral criteria had to centre on eligibility for a specific Federally provided welfare benefit, conditional on having a psychiatric diagnosis, to ensure service users had enough money to contribute towards the rent and to live on⁶⁸.

66 Kenna, P., Benjaminsen, L., Busch-Geertsema, V. and Nasarre-Aznar, S. (2016) *Pilot project – Promoting protection of the right to housing – Homelessness prevention in the context of evictions* Brussels: European Union

67 Pleace, N. (2016) *Housing First Guide Europe* Brussels: FEANTSA.

68 Tsemberis, S. (2010) Op. Cit.

69 Gaetz, S. (2014) Can Housing First Work for Youth? *European Journal of Homelessness* 8 (2) pp.159-175.

The restrictions on benefit support with meeting the costs of renting housing potentially undermine the effectiveness of Housing First in LCR. There are limits to what the local authorities can do in response to these restrictions, one alternative is to provide supplementary funding to compensate for the limitations of the benefit system, which obviously adds to the cost of Housing First. The other is to combine with other interested parties and lobby for exemptions around the bedroom 'tax' in social rented housing and limiting benefits to a room in a shared house if under 35, when someone has been assessed as eligible for a Housing First service.

The viability of Housing First as a strategic level response to single homelessness and rough sleeping, is brought into question when many potential service users face benefit restrictions that will not enable them to live independently in their own home.

The restriction of the housing cost element of Universal Credit for 18-21 year-olds also has a potential impact on Housing First. While there are exemptions for 18-21 year-olds - which include experience of homelessness - the main criteria centre on a young person not being able to live with their parent or parents. Debates about the appropriateness of using Housing First for young people are ongoing⁶⁹, but clearly, further benefit restrictions are not helpful. As with the exemptions for adults aged 22-34, requirements for *experience* of homelessness potentially undermines the use of Housing First as a preventative intervention.

Benefit System Payments for Rent in Supported Housing

The benefit reforms which will reduce the amount of rent paid to supported housing tenants, i.e. living in congregate or communal settings, or in core and cluster schemes were first proposed in 2011, becoming more specific in 2016⁷⁰. Supported housing often charges an additional premium on rent to help cover operating costs which are higher than in general needs housing. Technically, since the short-lived Supporting People reforms in England, funding for support and housing costs (rent and service charges) have been separated, but in reality part of the funding for allowing supported housing to function has come from the housing benefit system paying higher rents and service charges.

The reforms, at the time of writing, are scheduled to come into effect in April 2019, reducing payments to the levels awarded to eligible tenants in the private rented sector, i.e. at applicable local housing allowance (LHA) rates, which are generally lower than the current rent levels for much supported housing. Supported housing will however be exempt from the requirements for people aged under 35 to share housing and from the restrictions to claiming welfare benefits to meet ordinary housing costs, being applied to 18-21 year-olds⁷¹.

Homelessness service providers operating supported housing, alongside those social landlords and charities providing rented sheltered and supported housing for older people and people with disabilities, have voiced concerns about this change⁷². It is important to note that

funding will be reallocated in the first instance, with local authorities receiving an amount that is supposedly equivalent to the extra benefit payments that covered the total cost of supported housing rents. This will allow local authorities to 'top up' the benefit system payments (equivalent to the accepted level of private rented sector rent) when they assess supported housing schemes as requiring an additional rental payment.

Government proposal for this model of 'top-up' funding have indicated 'ring fencing' of these funds to meet the additional cost of supported housing. However a concern is that this form of change has been experienced before. Enhanced rates of benefit paid to people in supported housing, which covered both housing and support costs, were replaced in 2003. Rent was paid by the benefit system and a separate 'Supporting People' budget, to cover support costs, was created. This Supporting People budget nominally made the same amount of funding available (again administered by local authorities) to pay support costs, previously paid for by the benefit system. The Supporting People budget, which still exists in Wales and Northern Ireland, was first cut significantly and then, effectively, abolished in England⁷³ when the 'ring fencing' was removed. Cuts to supported housing provision for homeless people followed⁷⁴. Theoretically, this exercise could follow the same pattern, the 'premium' paid for supported housing rents at first being separated as a distinct budget and then subjected to cuts, possibly ceasing to exist as a specific funding stream at some point thereafter.

70 <https://www.gov.uk/government/consultations/funding-for-supported-housing>

71 Wilson, W. (2016) *Paying for Supported Housing* House of Commons Library Briefing Paper Number 6080, 28 December 2016.

72 National Housing Federation (2016) *Submission: A proposal for a strong and sustainable future for supported and sheltered housing* London: National Housing Federation.

73 Pleace, N. (2008) *Changing Supporting People funding in England: Results from a pilot exercise*, London: Communities and Local Government

74 See the Annual Reviews of single homelessness support in England compiled by Homeless Link <http://www.homeless.org.uk/facts/our-research/annual-review-of-single-homelessness-support-in-england>

These changes are a potential driver for the development of Housing First across the UK. It is possible that at least some single-site supported housing provision will close, while some planned schemes may no longer be developed. Housing First, which uses ordinary housing and does not meet operational costs by charging an enhanced rent, may become a more economically viable model than some forms of higher intensity supported housing for homeless and potentially homeless people with complex needs. Alongside this, lower intensity housing-led and tenancy sustainment teams, also using floating support and ordinary housing, may become more commonly used than existing low and medium intensity supported housing models.

In addition, when local authorities in the LCR receive the supported housing 'top up' funding from April 2019, effectively the difference between the applicable 1-bed LHA rate and the actual rent and service charges in supported housing schemes, commissioners will be receiving this funding for, in some circumstances, supported housing that has never been formally commissioned. This is typically HMO provision that has used the current specified accommodation housing benefit regulations to claim far higher rates of benefit than would be paid under LHA. Commissioners from April 2019 will be in a position to decide whether to continue to fund this type of 'non-commissioned' supported housing they will become responsible for funding, or to redirect this funding into more attractive models such as Housing First.

The financial pressures across the benefit system are unlikely to go away. Housing First services may become more economically attractive and be seen increasingly as the only alternative to any supported housing

75 Pleace, N. (2016) Op. Cit.

76 Bretherton, J. and Pleace, N. (2015) Op. Cit.

which has become economically defunct due to the changes to the welfare system. However, the general pressure to drive down costs may create a context in which there is pressure to dilute Housing First, or remove certain elements from the service model, and there is a need for caution here. Low fidelity Housing First, that does not offer intensive, flexible support to people with high and complex needs, tends to be less effective⁷⁵.

6.4 Housing First in Combined Authorities

A combined authority (CA) comprises two or more elected local authorities that collaborate and take collective decisions. Alongside LCR, there is the nearby Greater Manchester Combined Authority, Sheffield City Region and the West Midlands Combined Authority. CAs are not necessarily confined to cities, but tend to contain large urban areas, an example of a mixed urban and rural CA is the West of England Combined Authority. Several CAs have directly elected mayors, with some executive and policy making powers across the whole of their area, LCR is one example, the Manchester Combined Authority is another.

Housing First can, as previous research in England has demonstrated, be run on a relatively small scale and at a relatively low cost⁷⁶, but at the same time, it is a service model that can potentially benefit from economies of scale. The key issue here is that Housing First is not a service for the bulk of homeless people, it is a service model built for those potentially and formerly homeless people whose needs are high and complex, who require comparatively intensive support for what can be longer periods than are offered by other models of homelessness service.

To build Housing First into a service, which can offer the full range of potential support, including peer support, perhaps some specific mental health and addiction services and have the time and space to secure housing supply and build networks to ensure packages of support are in place, a certain level of resource is needed. However, Housing First can be effectively delivered, literally, by a couple of skilled workers with a small caseload⁷⁷.

Much of the experience of Housing First in the UK in 2017 is confined to small, quite recently developed pilot services and small scale evaluations of those services. There are exceptions, Changing Lives⁷⁸ has been running a Housing First service in Newcastle since 2012, which is now commissioned by Newcastle City Council. Turning Point Scotland who developed the first working Housing First service in the UK, has firmly established Housing First in Glasgow⁷⁹ and other small scale pilots, like the first service run in London, Camden Housing First⁸⁰, have been scaled up. Work is also underway in other CAs. Two Housing First services, one run by Threshold and concentrating on homeless women with high and complex needs⁸¹, the other by Inspiring Change Manchester⁸², concentrating on homeless people with the most complex needs are operating within the Manchester Combined Authority.

However, some Housing First pilot services have closed or been remodelled. Cuts to local authority commissioning budgets and uncertainties in relation to the future availability of funding have caused some Housing First pilots to close.

77 Pleace, N. and Bretherton, J. (2013) *Camden Housing First: A Housing First experiment in London* York, University of York.

78 <http://www.changing-lives.org.uk>

79 <http://www.turningpointscotland.com/what-we-do/homelessness/glasgow-housing-first/>

80 Pleace, N. and Bretherton, J. (2013) Op. Cit.

81 <http://thp.org.uk/services/HousingFirst>

82 <http://icmblog.shelter.org.uk/housing-first/>

LCR, along with other CAs, provides a context in which Housing First can potentially flourish and in which it can make a real and positive difference to long-term and recurrent homelessness and stopping potential homelessness among people with high and complex treatment and support needs. There are several reasons for this:

- Combined authorities cover large populations and contain sufficient numbers of homeless and potentially homeless people with high and complex needs to make a clear case for the development of a Housing First service. There is a clear rationale, based on existing work around cost effectiveness and the ongoing analysis (some of which is contained in this report) for using Housing First to maximise efficiency in the use of local authority resources in preventing and reducing homelessness. Housing First has the potential to stop high cost, high risk forms of homelessness from occurring and to reduce the sometimes very high costs when people, whose needs could be met by Housing First, get caught in a revolving door of expensive, sustained and ultimately ineffectual use of services that cannot meet their needs in the same way. To a CA, like LCR, there is considerable evidence to suggest that Housing First makes financial and strategic sense.
- Collectively, a combined authority can bring together the resources to fund Housing First in a way that might be challenging for an individual local authority. The cost of delivering Housing First can be shared, providing there is a clear benefit in homelessness prevention and reduction for each participating

local authority. Combining to build and deliver an integrated homelessness strategy, or at least to develop shared initiatives of mutual benefit across coordinated homelessness strategies, such as Housing First, has many advantages. In countries such as Finland and the Netherlands, cities and other local authorities have combined resources to extend and enhance their responses to homelessness. In the Finnish context, coordination was led by central government, but in the Netherlands, the process was initiated by the four largest cities, the G4, combining resources.

- From a service provider perspective, the two most immediate risks in investing in Housing First are that sufficient funding to make the service work properly will not be available and that funding will not be sustained. Housing First, in England in 2017, is too frequently a case of small services with limited capacity whose sustainability is in doubt. If there is the option to develop a service that can take on more cases, offer more services and which has a future, at least in the medium term, moving into Housing First or expanding existing services becomes more viable.
- The coordination possible in a CA also creates opportunities in respect of access to suitable housing supply. In reality, a Housing First service will face challenges in finding enough adequate, affordable housing, with a reasonable security of tenure, with sufficient speed to ensure housing really is delivered quickly to service users. Affordable housing supply is inadequate across most of England. When authorities combine housing resources, in terms of housing advice, local lettings schemes for the private rented sector and choice-based lettings and other shared social housing allocation schemes, the possibilities in terms of finding suitable housing will increase.

Operationally, practically and in terms of cost-effectiveness and viability, Housing First benefits from working on a bigger canvas. Housing First can be run, as small-scale services, by individual authorities and there are a few local authorities that are big enough and have sufficient spending power to run medium-sized Housing First services of their own. But these small services will often be working with restricted budgets, not able to engage with very many people at once and can be constrained in what they are able to offer service users, particularly if the offer is to extend beyond comparably intensive forms of case management. There may also be issues in securing housing supply, indeed there almost certainly will be, if operating within a relatively small area. The potential precariousness of funding where Housing First is a small-scale, specialist service supported by a single local authority is also a concern, both in terms of ensuring Housing First plays a clear role within integrated homelessness strategies, and in terms of service providers taking the risk in developing and running Housing First to begin with.

6.5 Housing First and Health and Social Care Policy

Within the NHS, the key policy driving strategic and operational change is the Five Year Forward View (FYFV)⁸³. All the LCR Clinical Commissioning Groups (CCGs) are implementing plans based on the national FYFV. The potentially relevant linkages at a local level between these health plans and the implementation of Housing First include:

- The need for a radical upgrade in prevention and public health
- When people do need health services, patients will gain far greater control of their own care – including the option of shared budgets combining health and social care
- The NHS will become a better

partner to local communities and voluntary organisations

- More care should be delivered locally within multi-speciality structures and integrated with social care: a shift in investment from acute to primary and community-based care.

Under the Health and Social Care Act 2012, reducing health inequalities is a requirement. CCGs have a duty to provide services for all patients in their locality, whether registered or not, including services for homeless people. Those who are homeless face extra barriers to accessing healthcare and have health needs often different to those of the general population.

The Merseyside Directors of Public Health commissioned Liverpool Public Health Observatory to undertake a homelessness health needs assessment across the Liverpool City region⁸⁴, published in May 2014. Liverpool City Council's Homelessness Review (2015) reflects the concerns highlighted by the Merseyside homeless health assessment and audit: substance misuse issues amongst the single homeless population constitute a significant homelessness risk and physical health problems are considerably more prevalent amongst Liverpool's homeless population than comparable national data.

Across Liverpool City Region, specialist healthcare for homeless people is provided in Liverpool, St. Helens and Wirral. There is no specialist homeless healthcare in Halton, Knowsley and Sefton. This demonstrates the importance of implementing Housing First based on the comprehensive model proposed (Chapter 4), including the suggested specialist health input, in order to effectively address the significant health inequalities and health risks experienced by the cohort for whom Housing First is the intended response.

As part of the commissioning arrangements for Housing First across LCR it will be necessary to ensure that commissioned health services are appropriately targeted at the Housing First cohort.

There is considerable interest across the UK in 'strengths-based' approaches to care and support. The Care Act 2014 requires English local authorities to 'consider the person's own strengths and capabilities, and what support might be available from their wider support network or within the community to help'. This approach is consistent with the proposed Housing First model.

The current approach to health and social care integration across the LCR, with oversight by pan-LCR governance structures, provides a consistent basis for aligning a LCR wide approach to Housing First specifically and managing homelessness more generally, within a supportive health and social care policy context.

Following endorsement of the LCR Devolution Agreement in June 2015, health and social care leaders across the LCR have been pursuing greater collaboration and potentially devolution of health and social care. The LCR local authorities have already started to put in place cross boundary approaches to integrating health and social care. In order to progress and develop integration opportunities further, Knowsley, Liverpool and Sefton have begun to work together to support the process of integration and development of a place based system of care. The proposal includes building upon the locality based delivery models which are built around the key principle of organisations working together to manage common resources to improve the health and wellbeing of a geographically defined population. The proposed locality delivery model of care is designed to

radically alter the way that residents access social care.

Prevention will be at the heart of the model, with a focus on early intervention and support at the point where it is the most beneficial to individual, family or community. This type of model of integrated health and social care services based on defined localities with a preventative focus, will be better able to provide a coherent local health and social care response to individuals housed and supported through Housing First. For example, Knowsley CCG is developing a 'Neighbourhub' model which will create primary health and social care teams delivering locality based physical and mental health and social care for the population including prevention and lifestyle focused interventions through integration with community, voluntary and other services. The integrated model will deliver same day access appointment(s) and home visits giving patients a responsive, flexible service 8am until 8pm, five days a week and extended access at weekends through a variety of modes.

6.6 Housing First and Criminal Justice Sector Policy

The links between homelessness and offending are well-established in literature, with about a third of offenders being without a home either before or after imprisonment⁸⁵.

Housing has been recognised for some time as one of the key factors that can reduce re-offending and was identified as one of the seven Reducing Re-Offending Pathways established by the Reducing Re-Offending National Action Plan in 2004. This is still used as the basis for much intervention with offenders.

Transforming Rehabilitation (TR) was rolled out by the Ministry of Justice/

National Offender Management Service (NOMS) between 2013 and 2016, following the white paper of the same name, issued in May 2013. TR is concerned with the supervision and rehabilitation of offenders in England and Wales, and covers work in prisons and in the community.

TR's ambitious reforms, intended to reduce reoffending, replaced the previous 35 individual Probation Trusts with a single National Probation Service, responsible for the management of high risk offenders, and 21 outsourced Community Rehabilitation Companies (CRCs). The CRCs are responsible for low-to-medium risk offenders and, following an extension to their duties under the Offender Rehabilitation Act 2014, are also responsible for the supervision of prisoners on release from short-sentences (less than 12 months in prison). Another key aspect of the TR reforms was that offenders serving short sentences and those with less than three months to serve should be held in 'resettlement prisons', in or linked to the area where they would be released. CRCs are expected to help offenders address their offending related needs including housing and education, training and employment.

Access to housing

However, a government review of TR in September 2016⁸⁶ concluded that the reforms are 'far from complete'. Specifically, it found:

- Wide variation in the quality of arrangements to provide continuity between rehabilitation within prison and the community.
- One of the biggest challenges lies in accessing services outside the direct control of NOMS and the CRCs, such as housing. The report recommends that CRCs will need to influence partner organisations to address

needs such as housing for offenders.

These findings are reflected in the National Audit Office's (2016)⁸⁷ analysis of survey data from across four CRCs: they found that user dissatisfaction was highest in relation to: obtaining help with housing; having to repeat information to different people; the level of support that supervisors provided to offenders; and help with finding employment.

An earlier review, conducted in 2014 by the HM Inspectorates of Prisons and Probations to inform the development of TR, followed a cohort of 80 offenders from prison through the gate into the community and identifies their accommodation and occupation status shortly before release, on release and one and six months later. This review concluded that:

"Shortages of affordable rented accommodation, references, a lack of resources to pay deposits and rent in advance, and the practical problems of arranging accommodation from inside prison, meant that rented accommodation in the private or social housing sectors was not an option for any of the offenders we followed. Often offenders were able to move in with family/friends on release, even if just as a temporary measure; the three in our sample who did not have this option were forced to rely on emergency shelter immediately after release".

As presented in chapter 1, very similar themes emerged from our conversations with both professionals and users within the criminal justice system in LCR. These included: the structural barriers for offenders and

prison leavers accessing housing, resulting from allocation and homelessness policies; and the very limited implementation to date of 'Through the Gate' initiatives in LCR, which were intended to promote continuity between prison and community.

The recent Supported Accommodation Review commissioned by the Departments of Work and Pensions and Communities and Local Government (Blood, Copeman & Finlay 2016 a) identified limited funding for housing-related support from the Criminal Justice System. The Ministry of Justice funds the Bail Accommodation Support Services contract which provides accommodation for those who do not have suitable accommodation to which they can be bailed or sentenced to Home Detention Curfew orders. The National Probation Service manages a small estate of Approved Premises, focused on higher risk offenders. Cantley⁸⁸ argues that, where criminal justice-funded supported accommodation was originally driven primarily by social and housing needs this has, since 2001 shifted to a much stronger focus on risk management. One professional interviewee described the emergence of a two tier system in which there are far fewer housing options for CRC than NPS clients.

The Supported Accommodation Review⁸⁹ found that, although some local authorities are still commissioning specialist supporting housing schemes for offenders (with an estimated 4,500 units in total across England); many have withdrawn or reduced these contracts in the wake of local authority cuts. In that study, one national provider felt that some local authorities had expressed a hope that these contracts might be picked up by CRCs, however, in their experience,

85 Accommodation for ex-offenders: Third sector housing advice and provision - Third Sector Research Centre - Working Paper 77, Dina Gojkovic, Alice Mills and Rosie Meek, March 2012

86 Report on Transforming Rehabilitation to the House of Commons Public Accounts Committee from 12th September 2016.

87 National Audit Office, Transforming Rehabilitation, April 2016

88 Cantley, L (2015) The Role and Purpose of Independent Approved Premises, NAPA

89 Blood, I., Copeman, I., and Finlay, S. (2016) Supported accommodation review: The scale, scope and cost of the supported housing sector. DWP/DCLG

the commissioning of supported housing is 'not even on CRCs' radars yet'. Despite this national strategic shift, Liverpool City Council has continued to commission support within a number of specialist housing schemes for offenders, which offer a total of 74 bed spaces in a mixture of 24-7 supported schemes and dispersed properties.

What might this mean for the implementation of a housing-led system?

Many of those who are repeat offenders, often on a series of short prison sentences for low to medium risk offences, will fall within the target group for Housing First. Mainstay data suggests that 61 per cent of those who have been accessing hostels and other homelessness services in LCR for 12 months or more have some level of need in relation to offending. Housing First – integrated within a wider housing-led strategy could fill the current housing and support gap for this low to medium risk cohort and create efficiencies down the line for local authorities and their criminal justice sector partners: police, rehabilitation services, courts, and prisons where long term housing stability is achieved.

There is international evidence of the impact which Housing First can have on offending. For example:

- There are reports of the successful use of Housing First to reintegrate former offenders into the community. In Calgary, Canada, the Adult Housing Reintegration Program (AHRP) uses a Housing First model and has reported successes in housing sustainment and reductions in recidivism⁹⁰.
- In the Netherlands, a core function of the Housing First programme was

to reduce street crime and anti-social behaviour and successes have been reported⁹¹.

- The Threshold Housing First service, which is rolling out across the Manchester Combined Authority over the course of 2017-2020, has reported positive early results in reducing recidivism and promoting housing stability among homeless women with complex needs and a history of offending behaviour, the programme having originally been developed in collaboration with Cheshire & Greater Manchester Community Rehabilitation Company⁹².

The ongoing implementation of TR – particularly the supervision of prisoners on short sentences in and on release from prison by CRC workers – should create opportunities for referral and preparation for Housing First or other housing-led options. However, it will be vital to establish a shared ethos for this work – as one interviewee with lived experience pointed out, '[Housing First] mustn't feel like a continuation of prison'.

The huge barriers for offenders in relation to social housing allocation policies remind us of the importance of Housing First being not just an addition to the current system for a minority of people but part of wider system change. Underpinning this must be a recognition of the importance of housing in enabling the rehabilitation of offenders, and a cultural shift from seeing housing as something to be earned or deserved to a fundamental human right.

6.7 International Lessons

Implementation of Housing First in Europe has not been consistent. At one extreme, there is the French national programme, *Un chez - soi d'abord*, which involved a full scale

randomised control trial across four cities. This major exercise was focused on the use of Housing First to reduce homelessness among people with a severe mental illness, with a specific goal to bring down the costs of this form of homelessness for public health services. Led by DIHAL, the French interministerial body for national homelessness strategy, *Un chez-soi d'abord*, achieved 85 per cent tenancy sustainment for the 703 homeless people with complex needs using Housing First over two years⁹³. Following the successful results from the pilot, the programme is now being extended across France. At the other extreme, in Portugal there is a small, but highly vocal Housing First movement centred around the *Casa Primeiro* (Housing First) project in Lisbon⁹⁴.

In Italy, *Housing First Italia* is a collaboration between the homelessness sector and academics, working collectively to promote Housing First in a context where finding resources to prevent and reduce homelessness can be a real challenge. Annual conferences and summer schools share experiences and information and Housing First is becoming an operational reality across the Italian homelessness sector⁹⁵. In Sweden too, Housing First development is being led by a collaboration involving service providers, local government and Lund University⁹⁶, from the ground up, rather than development being led by central government. Elsewhere, as in Spain, Housing First is being developed on the basis of joint work between individual homelessness service providers and individual cities. The RAIS Fundación has been developing

services in Malaga, Barcelona and Madrid⁹⁷.

Collaboration between central government, local government, social landlords and the homelessness sector is highly developed within the Finnish National Homelessness Strategy. Here, Housing First is part of a networked strategic response that includes preventative services and an array of supported housing, housing-led and other homelessness services. Finland has, through this multidimensional, integrated response to all forms of homelessness, in which Housing First has a clearly defined role in tackling 'long-term' homelessness (effectively homelessness among people with high support needs), reached a point where eradication of homelessness is a realistic goal⁹⁸. In Denmark too, integration of Housing First into homelessness strategies has been effective⁹⁹.

The core lessons from European experience highlight the value in regarding Housing First as a strategic response to homelessness within a wider, integrated, homelessness strategy. Where Housing First has been most successful, for example in Finland, it has been used as a core component of wider strategy, not developed on an ad hoc basis with precarious funding. The innovative development of Housing First in Italy, Portugal, Spain and Sweden is inherently less secure and has covered less distance, because it has yet to be integrated into wider policy, with the political support and, crucially, the funding streams that such integration delivers. In England and the wider UK too, Housing First is in some senses

90 <https://www.calgaryjohnhoward.org/AdultServices/AHRP.html>

91 Wewerinke, D., Al Shamma, S., Dries, L., and Wolf, J. (2013) Housing First in Nederland. Onderzoek naar opzet en uitvoering [Housing First in the Netherlands. Research on Design and Implementation]. (Nijmegen: Netherlands Centre for Social Care Research, UMC St Radboud Nijmegen)

92 <http://thp.org.uk/services/HousingFirst>

93 <http://www.home-eu.org/85-percent-homeless-persons-france-keep-home-two-years/>

94 http://faciam.org/wp-content/uploads/2015/01/PRESENTACION_M.-Teresa-Duarte-de-AEIPS.pdf

95 <http://www.housingfirstitalia.org/en/>

96 <http://www.soch.lu.se/en/research/research-groups/housing-first>

97 https://www.raisfundacion.org/en/what_we_do/habitat

98 Pleace, N.; Knutagård, M.; Culhane, D.P. and Granfelt, R. (2016) 'The Strategic Response to Homelessness in Finland: Exploring Innovation and Coordination within a National Plan to Reduce and Prevent Homelessness' in Nichols, N. Doberstein, C. (eds) *Exploring Effective Systems Responses to Homelessness* Toronto: Canadian Observatory on Homelessness.

99 <https://www.slideshare.net/FEANTSA/evaluation-of-the-danish-homelessness-strategy-mixed-results>

still in a relatively fragile position, because it remains outside mainstream policy and is, with only a handful of exceptions, not really operating on any sort of scale with at best somewhat precarious funding arrangements.

Even where Housing First is very well funded and being delivered on some scale, the French *Un chez- soi d'abord* programme being an example, wider strategic integration is still an issue. Housing First is present in France, but resistance from elements of the homelessness sector to its mainstreaming, makes it vulnerable¹⁰⁰. This vulnerability is political in the French context, because it may mean that if the secure and extensive financial support Housing First has in place disappears, or is reduced, there may not be a broad constituency to fall back on for political and financial support. As long as Housing First is isolated from wider policy – operating as a small service on the side or as something at one remove from broader homelessness strategy – long term survival of the model in England is not guaranteed.

The other risk, which is where the example of the United States is useful, is in what might be termed uncontrolled policy integration. This essentially means rebranding and reclassifying responses to homelessness as 'Housing First', so that entire homelessness strategies supposedly become led by what was only ever intended to be a specific response for a clearly defined and relatively small group of people with complex needs. The key concern here is loss of fidelity, so that far less intensive services, those not following the core philosophy of Housing First or working with the same group of people rebrand themselves as 'Housing First' and begin – inevitably

– to generate inconsistent and potentially poor results, undermining the credibility of the model as a whole and causing serious questions to be asked about the viability of Housing First¹⁰¹.

This report explores how Housing First can be developed, designed and integrated by several local authorities working together, it is an examination of the shape Housing First can take and how it can fit into wider strategy. There are political considerations, there are practical ones and while aspects of the work are specific to the English or the wider UK context, this report does provide an exploration of the questions around how Housing First should work in complex context of a developed welfare regime. More broadly, the report explores how Housing First can be developed in a context where support from central government is restricted and local government finance has to be used.

100 Houard, N. (2011) The French Homelessness Strategy: Reforming Temporary Accommodation, and Access to Housing to deliver 'Housing First': Continuum or Clean Break? *European Journal of Homelessness* 5 (2).

101 Pleace, N. (2011) 'The Ambiguities, Limits and Risks of Housing First from a European Perspective' *European Journal of Homelessness* 5, 2, pp. 113-127.

Conclusions

Chapter 7: Conclusions

This feasibility study has identified and tested the evidence of how a Housing First model can be developed and implemented effectively across the LCR. The conclusions that can be drawn from this evidence are set out here.

We have presented evidence in this report as to why change is needed and how Housing First can play a key role in achieving this change, if and only if it is part of a wider transformation to a 'housing-led' system for the prevention of and response to homelessness.

This wider system needs to include:

- A consistent approach to accessing mainstream housing for those experiencing or threatened with homelessness: we suggest this might be through a local lettings approach, however, a wider review of allocations policies in the region will also be needed;
- Significant investment in prevention services, which meet the requirements of the Homelessness Reduction Act and are inclusive of all those experiencing or threatened with homelessness, regardless of legal status;
- Sustained or renewed investment in floating support services, which fit with the basic principles of Housing First in terms of ethos and approach;

- The development of clear pathways between the criminal justice system and NHS provision and the system for preventing and responding to homelessness.

In order to achieve the required change in systems and culture, detailed implementation planning needs to emerge from dialogue and collective problem-solving involving:

- Local authority commissioners (including social care and housing strategy as well as homelessness and housing-related support officers);
- Providers of existing homelessness services, including staff as well as managers;
- Landlords – both registered providers and private sector landlords and the bodies that represent them;
- People with lived experience;
- Health (including mental health and substance use) professionals, providers and commissioners; and
- Criminal justice professionals, including rehabilitation workers (CRC and NPS), prisons, police and courts.

A high-fidelity Housing First model needs to be accurately and fully costed and funded in order to deliver an approach that is likely to be most effective in eradicating homelessness amongst the target cohort. The evidence from this study and other Housing First evaluations suggest that the costing approach needs to take account of:

- A skilled, well trained and supported core staff team;
- A responsive and flexible on-call service;
- The costs of securing and managing housing used by Housing First service users;
- Access to 2nd tier mental health support; and
- Access to learning and work coaching.

The proposed Housing First model for the LCR is most likely to be feasible and deliverable at the scale required to meet the identified demand if it is jointly commissioned by all six local authorities across the whole LCR. The evidence is that this:

- Would deliver a consistent Housing First approach which could still be 'tailored' to suit local requirements;
- Would require pan LCR governance arrangements but that also allow for local flexibility and responsiveness;
- Would provide a more consistent and coherent approach to securing the engagement of partner organisations, i.e. mental health services, drug/alcohol services, criminal justice agencies; and
- Would require the provision of suitable housing to be managed across the LCR; this could be challenging but could also provide economies of scale for a local lettings agency model.

To implement and deliver the proposed Housing First model at scale across a large area such as the LCR will require a carefully planned and managed phased approach:

- A first phase for up to 2 years involving:
 - Establishing cross LCR commissioning and governance arrangements for Housing First and wider provision of services for preventing homelessness;
 - Implementing Housing First for an initial cohort of service users whilst operating alongside existing homelessness supported housing provision;
 - Securing 'pump priming' funding for this phase for it to be feasible and to bridge the transition to subsequent phases; and
 - Producing a detailed commissioning plan for scaling up of Housing First implementation beyond year 2 and reconfiguring existing supported housing provision and associated support services.
- Subsequent phases involving:
 - Full implementation of Housing First commissioning plan to meet projected demand; and
 - Reconfiguration of supported housing services across the LCR.
- Managing effectively the implications of such an approach including:
 - Identifying existing 24/7 and non-24/7 supported housing provision that will either be remodelled or decommissioned as Housing First is rolled out as part of a wider 'housing led' approach;
 - Aligning the increase in capacity of Housing First sufficiently to accommodate people who were living in or were at risk of moving to existing 24/7 supported housing provision; and
 - Agreeing with providers of existing provision a phased approach to remodelling and/or decommissioning in line with the roll out of Housing First.

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Liverpool YMCA
LMH
Local Government Association
Local Solutions
Magenta Living
One Vision Housing
Plus Dane
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SHAP
Shelter
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St Helens Council
St Helens YMCA
St Mungo's
Transforming Choice
Waves of Hope
Whitechapel Centre
Wirral Ark
Wirral Council
Wirral YMCA
Your Housing

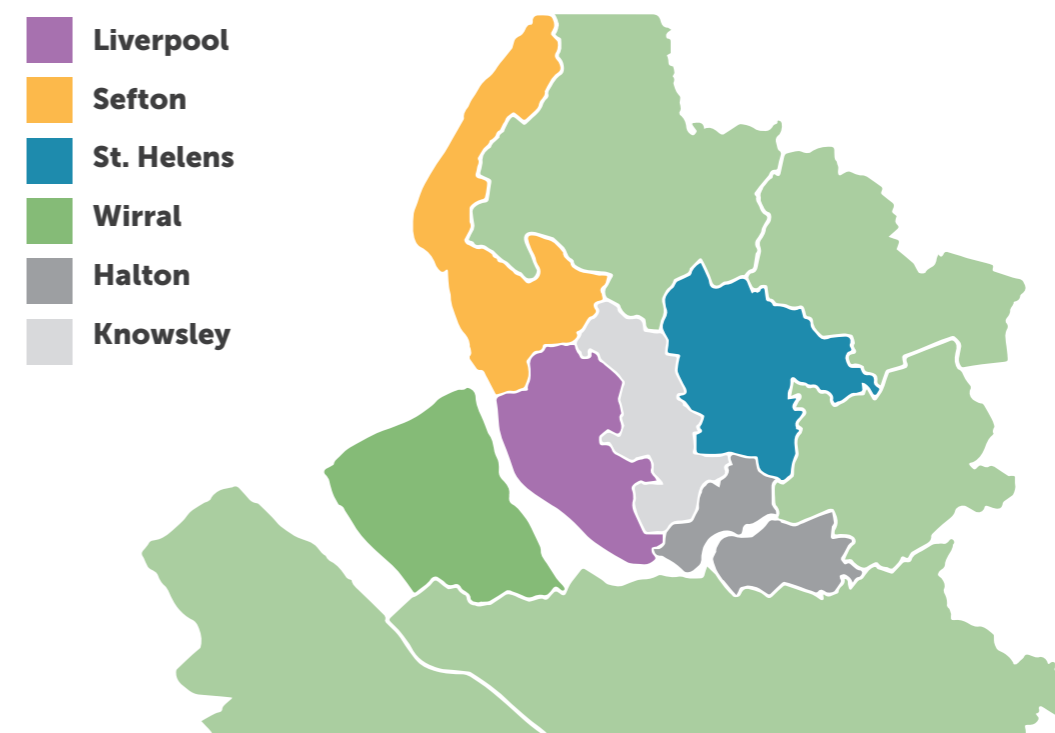
Appendix 1: Overview of Liverpool City Region

Liverpool City Region Demographic Overview

The area and governance

The Liverpool City Region (LCR) is located on the coast of North West England, nearing the border to North Wales within the counties of Cheshire and Lancashire and is approximately 30 miles east of the City of Manchester. LCR consists of six local authorities

which make up the Liverpool City Region Combined Authority: Liverpool City Centre, Sefton, St. Helens, Wirral, Halton and Knowsley. On the 4th May 2017, LCR elected Steve Rotheram MP as the first Metropolitan Mayor as part of the Cities and Local Government Devolution Act 2016¹⁰²

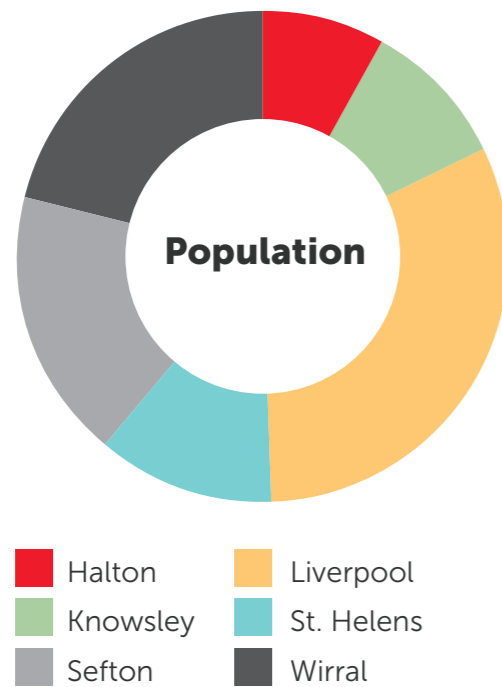


Population and ethnic diversity

Population

Population data 2016¹⁰³ for the Liverpool City Region stands at a total population of **1,533,350**. For illustration purposes, this is broken down across the six local authorities as follows:

LCR Population by local authority Chart 1



LCR Population by local authority Table 1

LA	Number	%
Halton	126,903	8.27%
Knowsley	147,915	9.64%
Liverpool	484,578	31.60%
St. Helens	178,455	11.63%
Sefton	274,261	17.88%
Wirral	321,238	20.95%

Source: Liverpool City Council, 2016, Population Statistics

103 Office for National Statistics licensed under the Open Government Licence, Liverpool City Council, <http://liverpool.gov.uk/council/key-statistics-and-data/data/population/>
 104 Liverpool City Council, 2014, 'Table P5'. Source: Office for National Statistics, 2011 Census, Crown Copyright available <http://liverpool.gov.uk/council/key-statistics-and-data/data/population/>

Ethnicity

According to population data extracted from the UK 2011 Census¹⁰⁴, LCR's ethnicity in rounded percentage terms is shown in the following table:

Ethnicity Table 2

Description of Ethnicity	% of population for LCR
White (incl. British, Irish and Other)	94.1%
Mixed	1.5%
Asian / Asian British (incl. Indian, Pakistani, Bangladeshi, Chinese, Other)	2.1%
Black / Black British (incl. Black African, Black Caribbean, Other)	1%
Other (incl. Arab, Other Ethnic Group)	0.6%

Source: Liverpool City Council, Table P5, 2014

Economic deprivation

LCR as a whole has a local economy worth around £20 billion¹⁰⁵. The index of Multiple Deprivation (IMD) 2015¹⁰⁶ states that LCR (sharing geographic parity with the region's Local Enterprise Partnership (LEP)) is the most deprived of England's 39 LEP areas for Income, Employment and Health & Disability indices. IMD 2015 rank of average scores per local authority, list Knowsley and Liverpool in the top 5 most deprived local authorities in England with Knowsley being 2nd and Liverpool being 4th. All other areas of LCR come within the top 100 in England with Halton ranked at 27, St. Helens at 36, Sefton at 76 and Wirral ranked at 66. LCR has above the national average for people claiming benefits.¹⁰⁷

Housing

Housing Stock

The following table outlines the supply for affordable housing lettings in LCR between 2015 and 2016¹⁰⁸.

Affordable Housing supply by property type Table 3

Property Type	Halton	Knowsley	Liverpool	St Helens	Sefton	Wirral	Total
Bedsit	1	0	24	n/a	14	4	43
1 bed flat	288	264	753	n/a	350	219	1874
2+bed flat	20	95	294	n/a	280	206	895
1 bed house	0	0	6	n/a	0	2	8
2 bed house	191	183	573	n/a	121	139	1207
3 bed house	268	280	671	n/a	297	297	1795
4+ bed house	31	47	58	n/a	39	21	196
Bungalow	432	89	91	n/a	80	29	721
Total	1231	958	2470	n/a	1181	899	6739

Source: Liverpool City Region Housing Strategy, 2016

105 Liverpool City Region, 2016, 'Liverpool City Region Context', *Liverpool City Region Housing Strategy*, Liverpool City Region <http://www.knowsley.gov.uk/knowsleycouncil/media/Documents/LCR-tenancy-strategy.pdf>
 106 <http://liverpool.gov.uk/media/10001/1-imd-2015-executive-summary.pdf>
 107 Liverpool City Region, 2016, 'Appendix A: Liverpool City Region key housing trends', *Liverpool City Region Housing Strategy*, Liverpool City Region <http://www.knowsley.gov.uk/knowsleycouncil/media/Documents/LCR-tenancy-strategy.pdf>
 108 Liverpool City Region, 2016, 'Appendix A: Liverpool City Region key housing trends', *Liverpool City Region Housing Strategy*, Liverpool City Region <http://www.knowsley.gov.uk/knowsleycouncil/media/Documents/LCR-tenancy-strategy.pdf>

Housing Tenure

Liverpool City Region released its Housing Strategy for 2016-2019¹⁰⁹ presenting the region's key housing trends. 680,000 dwellings make up the regions total with 78 per cent in private ownership and 22 per cent for social rent. LCR is below the national average for the share of total housing stock but above the national average share available for social rent. Private renting levels are much higher in Liverpool at 23 per cent compared to St Helens, Knowsley and Halton at 10 per cent. The proportion of social renting accounts for 28 per cent in Liverpool, 27 per cent in Knowsley and 15 per cent in Sefton.

Tenure (%) Table 4

Local Authority	Owned Outright	Owned with mortgage	Shared ownership	Social rented	Private rented	Other	Total
Halton	27.08%	36.31%	0.60%	25.21%	9.78%	1.01%	100%
Knowsley	26.14%	35.65%	0.51%	26.63%	9.75%	1.30%	100%
Liverpool	21.21%	25.73%	0.53%	27.84%	23.38%	1.31%	100%
St Helens	33.29%	33.98%	0.56%	20.59%	10.21%	1.35%	100%
Sefton	35.90%	34.60%	0.56%	14.47%	13.40%	1.07%	100%
Wirral	33.29%	34.17%	0.51%	15.17%	15.84%	1.01%	100%
Total	28.78%	31.88%	0.54%	21.55%	16.07%	1.18%	100%
North West	31.04%	33.48%	0.52%	18.29%	15.38%	1.29%	100%
England	30.57%	32.77%	0.79%	17.69%	16.84%	1.34%	100%

Source: Liverpool City Region Housing Strategy, 2016

109 Liverpool City Region, 2016, 'Appendix A: Liverpool City Region key housing trends', *Liverpool City Region Housing Strategy*, Liverpool City Region <http://www.knowsley.gov.uk/knowsleycouncil/media/Documents/LCR-tenancy-strategy.pdf>

Average House Price

According to the UK House Price Index England: April 2017¹¹⁰, the average house price in England stands at £236,519. By comparison, the 6 local authorities making up LCR has an average house price of £134,096. Notably, Knowsley saw an average house price increase over the last year of 10.4 per cent, almost double the average price change for England which stands at 5.7 per cent. Average house prices by local authority are as follows:

Average House price by Local Authority Table 5

Local Authority	Avg. House price
Halton	£135,367
Knowsley	£123,178
Liverpool	£123,811
Sefton	£152,719
St. Helens	£118,904
Wirral	£150,599

Source: HM Land Registry, 2017

110 HM Land Registry, 2017, *Official Statistics: UK House Price Index England: April 2017*, <https://www.gov.uk/government/publications/uk-house-price-index-england-april-2017/uk-house-price-index-england-april-2017>

Appendix 2: The Research Team

Imogen Blood (IBA) has been the Director of Imogen Blood & Associates for 8 years. She is a qualified social worker who began her career working in hostels and then in prisons as a drug and alcohol worker. Imogen has seventeen years' experience designing and delivering research, evaluation and consultancy projects across the public and not-for-profit sectors and she has led and contributed to a wide range of high profile research projects. These include the recent Supported Accommodation Review (for Department of Work & Pensions/ Department of Communities & Local Government); EU Joint Action on Dementia: Evidence Review on Dementia Friendly Communities (for the Department of Health); Hearing the Voices of Older People in Wales (for Social Services Improvement Agency); and A Better Life (Joseph Rowntree Foundation). Imogen is particularly interested in inclusion, strengths-based practice and how systems respond to people with multiple and/or high support needs.

Imogen managed the project team, led on the development and evaluation of the model, conducted the professional stakeholder research, peer researcher training and some of the 'outreach' interviews with rough sleepers; contributed to the policy review, and edited the report.

Ian Copeman is Director of Housing & Support Partnership. He has over 10 years experience of undertaking research and consultancy working for Government, local authorities, supported housing providers, housing associations, voluntary organisations and has led and contributed a wide range of projects. Recent and current examples include Supported Accommodation Review (for DWP/ DCLG); Housing our ageing population: Learning from councils

meeting the housing need of our ageing population (for LGA); Hearing the Voices of Older People in Wales (for Social Services Improvement Agency); Evaluation of housing brokerage for adults with visual impairment (for Thomas Pocklington Trust).

Ian was responsible for the determining the costing approach, commissioning arrangements, implementation and phasing options, overview of the financial elements and contributed to the policy review.

Mark Goldup (HGO Consultancy) Mark has been a freelance consultant specialising in housing, care and support for 19 years. He has a long history of developing models for undertaking needs assessments and developed a generic methodology that was used by around a third of local authorities under the old Supporting People regime. He recently refreshed this approach for the National Housing Federation, and is now building on this with them by identifying the cost consequences of the gap in provision.

Mark has led on the quantitative data analysis, cohort size and cost effectiveness/ value for money modelling for the study.

Nicholas Pleace (University of York, Centre for Housing Policy) is currently Deputy Director of the Centre for Housing Policy. Nicholas has been working on the resettlement and tenancy sustainment of homelessness people with complex needs since the mid 1990s. He is a member of the core research team for the European Observatory on Homelessness, operating under the auspices of FEANTSA, the European Federation of Homelessness Organisations and is the author of the *Housing First Guide Europe* housingfirstguide.eu. He

undertaken work research on Housing First for the Finnish and French Governments, Simon Community of Ireland and Homeless Link. He is currently evaluating the Threshold Housing First and Inspiring Change Manchester Housing First projects, with Deborah Quilgars.

Joanne Bretherton (University of York, Centre for Housing Policy) led the *Housing First England* study on nine Housing First pilots during 2014 and was co-author of the report on the first service to become operational in London, *Camden Housing First* which is now one of the more established Housing First services in the UK. She has also undertaken research on the introduction of Housing First in the Republic of Ireland. Joanne is an expert in the evaluation of services for homeless people with complex needs. She co-directs the Women's Homelessness in Europe Network, a collaboration between the University of York and Trinity College, Dublin.

Nicholas and Joanne played an advisory role, reviewing and presenting relevant evidence on Housing First from elsewhere and contributing to the review of the wider policy context.

Shelly Dulson (IBA Research Assistant) transcribed and analysed the data from people with lived experience, produced case studies, and collated the overview of the LCR.

Lyndsay McAteer (IBA Researcher) carried out qualitative interviews with people with lived experience, alongside our team of

Peer researchers: Dave, Mohamad, Richard and Rose conducted interviews with people with lived experience and contributed to the analysis of key themes.

Paul Connery (Crisis): supported the LCR fieldwork by identifying and engaging key stakeholders, organising and co-facilitating some of the group discussions and supporting the peer researcher/ lived experience research.

David Pugh (YMCA) and his colleagues interrogated Mainstay to produce a series of detailed quantitative reports.

Lizzie Peters (IBA) provided input on Criminal Justice policy.

Appendix 3: Methodology

Lived experience data collection

At the outset, we met with a group of 7 people with lived experience of homelessness, who are currently working as volunteers either for Crisis or Waves of Hope. Our intention was to share the Housing First model with them, and seek their advice on where we might gather the views of homeless people in LCR on this model. However, once they had heard about and discussed the model, they became so enthusiastic about it, they told us they would like to be more actively involved in this aspect of the study.

We delivered a half day training session for those who wanted to be involved and four peer researchers then worked alongside Lyndsay McAteer, Imogen Blood and Paul Connery to conduct the remaining interviews. The group gave feedback on the research tools – topic guides, demographic questionnaires, and consent forms. We met at the end of the fieldwork period to identify key themes from the data as a group.

The questions used in the lived experience research were:

Your story

- Tell us how you became homeless. What were the things that led to your current situation?
- What has been the biggest hurdle/barrier so far, in terms of accessing homelessness services and access to a home?
- How are things for you now?

Your views about services/ Housing First

- What have been your experiences of homelessness services?
- How do you view homelessness services?

- What has been/would be helpful in relation to these services?
- What has not been helpful?
- Explain the Housing First model: could this work for you/other people?
- What would need to happen to make it work?
- What would you need to make it work for you (now or in the past)?

Paul Connery (Crisis) contacted support providers across LCR and identified opportunities for us to engage people with lived experience in different settings. We worked in small teams – including professional and peer researchers – for safety and support. We gave interviewees a £10 shopping voucher to thank them for their input and, for each session they attended, the peer researchers received a £20 voucher and refreshments.

We spoke to **79** people: 14 completed a short questionnaire and the remaining 65 took place as in-depth one-to-one interviews carried out at LCR hostels, a day centre, a treatment centre and in public spaces with outreach services. Of the 65 one-to-one interviews, 57 were recorded and 8 were written up as notes by the lead researcher.

Given limited time and resources, summary (rather than full verbatim) transcriptions and coding of these transcripts and notes under five basic nodes was undertaken by Shelly Dulson. The node headings were:

- Current provision is working
- Current provision is not working
- What would be needed to make Housing First work
- Backstories: what is causing homelessness
- Access to health/ mental health services

Profile of the respondents

1. Location of interview:

Location type	No.
Hostel	27
Day Centre	22
Outreach	21
Rehabilitation and Treatment Centre	9
Total	79

2. Gender:

Men	Women	Trans	Total	Blank / DNA
57	18	1	76	3

4. Age:

Age range	No.
19 – 30	14
31 – 40	22
41 – 50	30
51 – 60	5
Over 60	5
Total	76
Blanks / DNA	3

5. Ethnicity:

Identity	No.
African	1
Black African	1
Black British	3
British	2
English	1
Mixed British	1
Mixed Race	2
Scottish	1
Sudan-Africa	1
White British	55
White Irish	1
White Polish	3
White / British Arab	1
Total	73
Blanks / DNA	6

6. Sexuality:

Sexuality	No.
Bisexual	2
Heterosexual / straight	70
Lesbian / gay	1
Prefer not to say	2
Total	75
Blanks / DNA	4

7. Health and disability:

Do you have a health condition or disability?	No.
YES	40
NO	34
Total	74
Blank / DNA	5

8. Descriptions of health conditions and disability:

Health & disability descriptions	No.
Mentions of: mental health, depression, anxiety, PTSD, self-harm	21
ADHD	2
Asperger's Syndrome	2
Bipolar	3
Epilepsy	2
OCD	1
Learning Difficulties	3
Mentions of mobility issues including arthritis, back problems and MS	7
Type 2 diabetes	1
Single sided deafness	1
Heart and lung condition	3
Liver or Kidney disease	1
Addiction or drug and alcohol related	3
Blanks / DNA	45

9. Interviewees were asked where they were staying at the time of the interview:

Staying / living:	No.
Housing association tenancy	4
In a hostel	28
In emergency accommodation / sit-up	9
On the streets	12
Other / Rehabilitation Centre / programme	5
Other / Supported Accommodation	4
Other / Asylum seeker accommodation	1
Other short stay / flat	3
Staying with friends / family	3
Private rented tenancy	5
Total	74
Blanks / DNA	5

10. To draw out a long term view of time spent in homelessness, interviewees were asked how long they had been homeless in total:

Range	No.
Less than a month	8
More than a month but less than a year	23
1-2 years	18
2-5 years	15
5-10 years	7
More than 10 years	3
Total	74
Blanks / DNA	5

11. Interviews asked how long they had been staying or living in the place they are currently staying. We present a selection of these breakdowns here, where numbers are sufficient:

In a Hostel	
Stay range	No.
Less than a week	1
More than a week but less than a month	5
1-3 months	14
3-6 months	4
6-12 months	3
1-2 years	1
More than 2 years	0
Total	28
Blanks / DNA	0

On the streets	
Stay range	No.
Less than a week	3
More than a week but less than a month	2
1-3 months	4
3-6 months	2
6-12 months	1
1-2 years	0
More than 2 years	0
Total	12
Blanks / DNA	0

Professional Interviews

We interviewed a total of 95 professionals within LCR, and a further 8 from outside of LCR, through a mixture of focus groups, phone and face-to-face interviews. 18 were interviewed, either face-to-face or by phone. The IBA team were working on a parallel commission for Liverpool City Council on the Future of Supported Housing and some of these interviews covered topics for both projects. The remainder of professional participants attended one of 12 group discussions:

- A 3-hour workshop for supported housing providers across LCR
- 6 x focus group discussions with local authorities (one in each of the 6 LAs)
- A 3-hour workshop for Registered Providers
- A focus group for health professionals, organised by Liverpool Clinical Commissioning Group
- A group discussion within a CRISS (City Region Intensive Support Service) team meeting
- A focus group with Crisis Skylight team
- A group discussion at the Outreach providers' forum

The breakdown of these professionals by sector is shown in the following table:

Sector	No. participants
Local authority officers (Housing and Social Care)	25
Housing and/or supported housing providers	38
Complex needs/ outreach workers (CRISS, Waves, Outreach Forum, Crisis)	21
Health	7
Criminal Justice Sector (Probation, Police, Prisons)	5
Other UK Housing First projects	4
National policy officers	4

Mainstay Analysis

Mainstay was originally developed for LCC as an assessment and referral gateway for commissioned homelessness accommodation and floating support services: it went live in the city on the 01/07/13. Outcome and support planning data was subsequently added for both of these services: a full dataset for both services has been recorded since October 2016. Knowsley started using in full in Oct 2015, St Helens in July 2014, Halton in Oct 2014, Sefton in Dec 2014, and Wirral in Jan 2015

We asked the YMCA, who are commissioned to manage the Mainstay system, to undertake to four levels of analysis on the Mainstay system on our behalf.

1. An analysis of the overall flows within the homelessness system as a whole including

- Number of unique individuals receiving an Assessment
- Numbers of individuals with 1, 2, 3 or 3+ Assessments in the.
- Number of Assessments by Reason for Assessment and by Housing Status awarded
- Number of Placements.
- Number of unique individuals receiving a placement in the period
- Number of placements by last known accommodation
- Numbers of placements by numbers of previous placements on the system.
- Number of First Assessments that do not lead to a Placement
- Number of placements in 2013-14, 2014-15, 2015-16 still in a placement at current date
- Number of departures by end reason
- Average length of stay
- Number who move in a planned or unplanned way
- Number of departures by what type of accommodation they move to

2. An analysis of specific sub-groups in terms of the level of need and risks that they presented

The sub-groups were with an explanation for their selection:

Sample Group	Reason
Clients assessed but not placed	The primary concern is to try and get more information about this group so that a judgement can be made as to the extent to which if some people are taken out of the homelessness system they will not just be replaced by this group.
Clients re-housed to mainstream accommodation	The concern here is to identify the characteristics of those people who do seem to be benefitting most obviously from the current accommodation system, and therefore to inform judgements about the future role of the existing provision within the overall new service configuration.
Clients in receipt of floating support	The interest here is to get a sense about the level of needs being met by floating support – again to inform considerations of the future balance of provision within a new service configuration
Clients living in 24 hour cover services or being supported by rough sleeper outreach at the end of the period, who have been on the system for at least 12 months	One of the bases for defining the cohort for Housing First is the length of time homeless. 12 months known to the Mainstay system was taken as the proxy basis for identifying “long-term” homeless. It was further assumed that being in 24 hour cover accommodation was more likely to be connected to higher levels of need or risk, and therefore it was right to split this group into 2 sub-groups. Those currently being supported by rough sleeper outreach services were subsequently added to this group, as it was felt logical to include them within this cohort
Clients living in 9-5 cover services at the end of the period, who have been on the system for at least 12 months	See above
Clients meeting the basic Waves of Hope criteria for referral – people scored as having high need in 2 out of 3 domains (mental health, offending, substance misuse).	The alternative way of identifying the cohort for Housing First is to use some kind of needs based measure. In this instance we decided to use the criteria for referral to Waves. It is not possible to use the additional criteria on Needs Index scores – so this group is not the same as those who would be eligible for a waves-type service. The next stage of the analysis looks in further detail at those people who were actual Waves clients and therefore met the additional Needs Index score criteria.

3. A more detailed analysis of 2 of the sub-groups. Those who:

- Had been using 24 hour hostel or outreach services for at least 12 months
- Had been assessed as having a high level of need in 2 out of 3 domains (mental health, substance misuse or offending)

These were initially regarded as possible proxies for a defined Housing First cohort

The data included

- Presenting Needs
- Agency Contacts
- Events recorded
- NDT scores
- Services accessed
- Support Plan details

4. A more targeted set of queries intended to support estimates of

- The numbers of people currently in the system who could be targeted for Housing First
- The numbers of people who were possibly misplaced in supported housing because their need levels were not really high enough

Appendix 4: Costing of proposed Housing First Model

All of the costs components set out in 4.15 are used to build a projected overall cost for the proposed Housing First model based on the operating model of 20 clients per core staff team. This is shown in full in the table below.

Cost assumptions associated with proposed Housing First model.

Model component	Cost assumptions	Projected cost per 20 Housing First clients (per annum)
The 'core' Housing First staffing team	Housing Support Worker role £33.6k p/a @ 4 posts Team Leader role £45.4k p/a @ 1 post Organisational overhead allowance charged at 15%	£33,600 x 4 = £134,400 £45,400 Subtotal = 179,800 Total including 15% overheads = £206,770
A social lettings agency	Assumed to be a cost of £777 per annum per unit	£777/52 weeks = £14.94 per unit p/w £17.94 x 20 units x 52 weeks = £15,540 p/a
Access to 24/7 on call system	Telecare package - £5 p/w per client Response service - 4 hours p/w at £17.46 per hour	£5 x 20 units x 52 weeks = £5,200 p/a 4 hours x £17.46 x 52 weeks = £3,631 p/a
2 nd tier mental health support	£40k p/a @ 0.3 FTE	£12,000 p/a
Wellbeing support and work/learning coaching	£30k p/a @ 0.3 FTE	£9,000 p/a
Total		£252,141 p/a

The basis for the costings for the proposed Housing First model as set out in the table above:

- The 'core' Housing First staffing team, including an allowance for the organisational overhead to support this 'core' team. Housing Support Worker costs are assumed locally to cost above current market rates for such roles due to the complexity of the Housing First clients. Annual costs are assumed to be £33.6k¹¹¹ per post FTE per annum including on-costs. A Team Leader role is assumed to cost £45.4k¹¹² FTE per annum including on-costs. It is assumed that management/organisational overheads of 15% are applied to these staff costs.
- A local lettings agency (LLA) to deliver access to housing and potentially the management of such housing. It is anticipated that will be of use to a wider cohort. The costs of the LLA are based on a number of variables and assumptions that are set out below.
- Access to 24/7 on call system. It is assumed that an existing 24/7 on call system would be used with a response service provided either by an existing service provider or by the core Housing First staff team on a rota basis once sufficient scale has been achieved. Assumed costs are £5 per week¹¹³ per client for provision of a basic telecare service (based on costs of similar services locally) and an assumed on call response of up to 4 hours per week per 20 clients this will need to be tested and refined in practice) at the core staff team cost of £17.46 per hour (Housing Support Worker assumed cost expressed as an hourly rate).
- 2nd tier mental health support. Local stakeholder feedback has suggested that the core Housing First team will be trained to be sufficiently skilled in supporting clients with mental health needs and that this element

of the model could be provided on a 'seconded' basis from other services on the basis of 0.3 FTE role per 20 clients (drawing on evidence from a related service for rough sleepers in Liverpool and based on discussion with local stakeholders) The assumed cost of this seconded role is £40,000 per annum FTE including on-costs.

- Wellbeing support and work/learning coaching. Feedback from local stakeholders has been that the provision of wellbeing support and work/learning coaching could be provided as part of existing services supporting homeless people alongside the core Housing First team. The assumptions used for costing is on the basis of 0.3 FTE role per 20 clients (based on discussion with local stakeholders). The assumed cost of this role is £30,000 per annum FTE including on-costs (based on other services working with homeless people in Liverpool).

Costing a local lettings agency model.

For the purposes of modelling the level of subsidy that might be required the social lettings agency is assumed to have the following features:

- A balanced portfolio of properties, with some market-rented but more affordable.
- A size that could only be achieved after the project has been operational for some time
- A portfolio of properties which includes 1 bed flats, small 2 bed family homes and 4 bed multi-occupied properties (It is not assumed that the latter will be used by Housing First)
- All properties are managed on behalf of the owner. Affordable properties are fully managed including all day to day maintenance, furnishing & equipping, servicing of equipment

- etc. Market rent properties are provided with a housing management service - the other costs are borne by the owner.
- It is possible that some housing units for Housing First clients are provided directly by social landlords and therefore these costs may represent a prudent and marginal overestimate.

The following variables and assumptions are used.

Property Portfolio

Affordable	One Bed Flats	100
	Small family Homes	40
	Multi-Occupied Units	280
Market	One Bed Flats	50
	Small family Homes	25
	Multi-Occupied Units	100

Other assumptions include:

Rental Levels	Affordable set at LHA level. Market set with reference to Home.co.uk website
Management Fees	25% for Affordable 15% for Market
Voids and Bad Debts	10% across all properties
Housing Management	0.7 hours per unit per week for affordable 0.25 hours per unit per week for market (This is based on a previous piece of work undertaken)
Service & Maintenance Costs for Affordable Properties	Maintenance - £350 per property Servicing Costs - £265 per unit Furniture & Equipment - £110 per unit
Additional staffing (the costs are total costs of employing the staff including not just standard on-costs but also office, equipment, training costs etc)	Includes the following additional staffing: CEO @ £54,017 2 x Housing Supervisor @ £38,398 each Finance Manager @ £41,522 Property Finder @ £38,398 Comms Manager @ £38,398 All staffing costs include allowance for travel, equipment, office costs, office space

111 £28.5k annual salary plus 18% on costs

112 £38.5k annual salary plus 18% on costs

113 Riverside telecare cost from £3 per week

This produces the following costs:

Fee Income		£479,612	
Housing management Costs	£298,185		
Other Property Costs	£231,000		
Infrastructure Costs	£277,081		
Shortfall			£326,654
Cost Per Affordable Unit			£777 per year

Appendix 5: Detailed Calculations of Sizing the Cohort for Housing First

There are three elements to this process:

- Estimating the current unmet demand for Housing First based on an analysis of Mainstay
- Estimating the newly-arising demand for Housing First year on year using assumptions built into a recent needs assessment exercise in Liverpool City
- Estimating the proportion of people who would cease to use their Housing First over time based on the result of Housing First evaluations to date

1. Estimating the current unmet demand

An analysis of Mainstay was carried out as to ascertain the number of individuals who met the following criteria:

Criterion 1: People who have presented at least four separate times for accommodation assessments since the Mainstay system began
AND

Criterion 2: Those whose most recent Assessment is less than 12 months ago
AND

Criterion 3: Those who were, in their most recent assessment, assessed as having a *high-level* need in relation to at least one of the following:

- Physical Health
- Emotional and Mental Health
- Offending
- Drugs and Alcohol misuse
- Social Networks

This is then assumed to be the basis for the calculation of the people currently in the system who would

benefit straight away from a Housing First offer. It is acknowledged that this is probably an under-count because it does not take account of people who for a number of reasons do not present themselves for a Mainstay assessment and effectively are "hidden homeless". We have not however found any reliable basis to take this into account in the numbers modelled and so at the moment these people are not counted in the sizing of the cohort.

This produced a total of 234 separate individuals.

As one of the key criteria is also that the individual is sufficiently engaged with services at that point in time to accept the offer of Housing First it is reasonable to discount this number on the basis that say 10 per cent of the individuals will not over a year ever get to a point where they would be able to accept an offer. This is an estimate which would need to be validated once Housing First had been operational for some time. The idea would be to maintain contact with these people and build a relationship such that ultimately, they may accept an offer.

With this assumption, it gives an estimate of the inherited potential cohort for Housing First of 211 **people**.

2. Estimating newly arising need

We have recently undertaken a full needs assessment exercise for housing support services for Liverpool City Council. As part of this we already made an estimate that, in Liverpool, 61 new people next year falling to 51 per year within 5 years and 38 per year within 10 years would meet the criteria

for housing with ongoing long-term associated support (i.e. Housing First). Some of these people would be part of the 10 per cent assumed to be unable at the moment to respond positively to an offer of a Housing First place.

The projected annual reduction reflects an assumption that numbers would fall as other interventions become more effective and less people fall into the trap of long-term homelessness. We have then assumed that, in line with the analysis already done, that maybe 90 per cent might be prepared to accept a Housing First offer during that year (and have therefore multiplied these figures by 0.9).

If we use the number of Liverpool clients known to Mainstay between 2015 and 2017 as a proportion of the total number of LCR clients within the same period (whether placed or not) as the basis for a multiplier for the LCR as a whole this would involve multiplying the above figures by 1.8.

Across the LCR this would mean that the estimates of numbers of HF units needed for newly arising (or newly presenting) need would be as follows:

Next Year	61*0.9*1.8 = 99
in 5 Years	51*0.9*1.8 = 83 per year
In 10 Years	38*0.9*1.8 = 62 per year

For the purposes of modelling we assume that these numbers change on a consistent basis so for example the number of new cases for the first 6 years is assumed to be as follows:

Year	Number of new cases
2018-19	99
2019-20	96
2020-21	93
2021-22	90
2022-23	87
2023-24	83

3. Estimating Cumulative Need

The cumulative need is the number of housing units required for Housing First at any one point. This is cumulative because, as this is not a time-limited service, each year the total number increases, unless some other factor intervenes.

In reality other factors do have to be taken into account, and the calculation of cumulative need does need to take into account not only the numbers of new Housing First arrangements coming on-stream, but also the number of arrangements that would cease to be active support cases.

This would include people who ceased to receive the service because they:

- withdrew from the Housing First service as they no longer wished to receive it
- OR
- no longer needed the intensive support package offered because of changes in their circumstances / capacities – though these people will still need an ‘open door’ and/or follow-up lower intensity floating support.
- OR
- were deceased or whose health deteriorated to the point where they needed to move to an enhanced health or care facility

An estimate of the proportions of Housing First clients who are in these categories and the average duration of service for these groups have been modelled as follows:

Sub-Groups	Estimated % of customers	Average time
People who withdraw from the Housing First	20%	9 months
People who no longer need the intensive support package offered because of changes in their circumstances	20%	5 years
People whose health deteriorates to the point where they have to move to an enhanced care facility – or they pass away	10%	3 years
People who continue to need the support offered	50%	10 years

These assumptions are based on the results of the largest UK evaluation of Housing First, which was of the Depaul service in Northern Ireland¹¹⁴.

Based on these assumptions in practice the numbers of Housing First arrangements assumed to be operational at the end of Year 1 is reduced by 20 per cent, at the end of Year 3 is reduced by a further 10 per cent, and at the end of Year 5 by a further 20 per cent.

By the end of Year 10 for modelling purposes it is assumed that all the initial arrangements have ceased, although in reality some may go on for longer – this is an average length of service. This would mean that for the initial cohort of Housing First (the people already in the system) the numbers of service arrangements that would be in place at the beginning of each year would be as follows:

114 Boyle, F., Palmer, J. & Ahmed, S. (2016) The Efficiency and Effectiveness of the Housing Support Service piloted by Depaul in Belfast, funded by Supporting People: An SROI Evaluation: Final Report, North Harbour Consulting

Year	No of Units
2018	211
2019	169
2020	162
2021	155
2022	148
2023	127
2024	106
2025	85
2026	64
2027	43
2028	22

This exercise is then completed for each of the cohorts that arise from the newly emerging need and this allows a calculation to be done for the total number of units needed in each year as follows

Based on these assumptions the cumulative need for Housing First Units has been calculated as follows:

Year	No of Units
2018	310
2019	344
2020	408
2021	466
2022	518
2023	543
2024	556
2025	556
2026	541
2027	518
2028	483

To explain this further the numbers of units required in 2023 is made up of (the numbers starting in 2018*50%) +(the numbers starting in 2019*70%) = (the numbers starting in 2020*70%) +(the numbers starting in 2021 *80%)+(the numbers starting in 2022*80%) +(the numbers starting in 2023)

For each new year-cohort the numbers using a Housing First service are reduced by 20% by the end of Year 1, 10 per cent after Year 3, 20 per cent after Year 5, and finally by 50 per cent after Year 10 (this is to reflect the proportions of HF customers leaving the service for different reasons as explained in the earlier table). Between each of these milestones the number receiving the Housing First service is adjusted so that the number reduces at a steady rate.

Initially the numbers required reflects the significant backlog of need. Over time this dissipates as the number of the initial clients decreases, and after the seventh year of the programme the number of units required begins to reduce. At some point in the future this will reach a plateau. – a state of equilibrium – but projecting more than 10 years is unlikely to be realistic.

Appendix 6: Method for assessing potential for cashable savings and efficiencies from implementing Housing First

Potential for cashable savings

In order to project the likely costs of implementing the proposed model it is necessary to make use of the estimated demand within the LCR that could be met by Housing First alongside the predicted costs of the model in practice. Projected future demand is covered in detail in Chapter 4 so only the relevant elements for costing the model are shown here. Chapter 4 identifies the estimated demand for Housing First across the LCR in terms of the number of service users over the period 2018 – 2028. This is based on:

1. Estimating the current unmet demand for Housing First based on an analysis of Mainstay
2. Estimating the newly-arising demand for Housing First year on year
3. Estimating the proportion of people who would cease to use their Housing First over time based on the result of Housing First evaluations to date

Assumptions also need to be made about the implementation and take-up of Housing First in practice, particularly during the earlier phases of implementation. For the purposes of costing the model over the period 2018 – 2028 it has been assumed, based on discussion with local stakeholders, that:

- It may take up to 5 years for a Housing First response to be scaled up to meet projected demand;
- There will be year-on-year increases in the capacity of Housing First over the first 5 years.

In practice, the length of time taken to implement Housing First to match projected demand will be influenced by the degree of effectiveness of the Housing First model, the pace at which commissioners wish to implement a Housing First model and the resources that are available to fund this approach.

The table below illustrates the cost implications of seeking to meet the projected demand for Housing First based on a phased implementation over 5 years and using the estimated cost of the proposed Housing First model per client per annum.

Cost implications of meeting estimated demand for Housing First in the LCR 2018-2028

Year	Projected demand for Housing First (no of service users)	Projected build-up of Housing First capacity (no of service users)	Projected cost of Housing First per annum (£m)
2018/19	310	60	0.76
2019/20	344	130	1.64
2020/21	408	210	2.65
2021/22	466	300	3.78
2022/23	518	400	5.04
2023/24	543	543	6.85
2024/25	556	556	7.00
2025/26	556	556	7.00
2026/27	541	541	6.82
2027/28	518	518	6.53
2028/29	483	483	6.09

Note: no allowance for cost inflation is built into the projected costs

This indicates that the cost in year 1 (2018/19) would be £0.76m. The cost would then rise proportionately as modelled until supply and demand are in equilibrium by year 6 in 2023/24, when the annualised cost is projected to be £6.85m.

From this point the projected cost fluctuates reflecting changes in estimated demand. However, in reality service costs do not typically fluctuate in this way as the actual cost is based on the metric of 20 service user of Housing First (per core staff team) so any increase/decrease in scale and costs will tend to reflect changes based on this metric.

In order to test whether the modelled reconfiguration of services in support of Housing First is affordable and will sustain this additional expenditure on Housing First we have to assume a benchmark cost for each of the service options identified in the explanation of the housing-led strategy in Chapter 3. The following is a proposed set of assumptions.

Service Type	Benchmark Cost (£ per unit per annum)
Housing First	12607
Emergency & Specialist Congregate Housing – 24 Hour Cover	17523
Emergency & Specialist Congregate Housing – Other	9000
Housing-led – access to housing	385

The cost of Housing First is set out in Chapter 4.

The figures for Emergency & Specialist Congregate Housing are based on a sample of current LCR schemes. This includes both the support funding currently paid by local authorities and the excess in rental income over the LHA level.

The figure for housing-led provision is based on the calculated cross-subsidy for the LLA, set out in the costing of the Housing First model (but with the additional assumption that only maybe half the units will actually be secured through this route).

It is an important part of the overall strategy to include the provision of floating support to facilitate the prevention of people losing their accommodation, people moving into alternative accommodation, and people moving on from the residual congregate accommodation. At the moment however we do not have unit cost information for these services. However instead we provide a cross-check below which indicates as to whether this model presumes an increase in floating support provision or not as we do have figures for total usage across the LCR.

We have modelled a possible service configuration as at 2023/24, as this is the point where we suggest Housing First should be meeting the identified need. We have used as our starting point a recent study undertaken for

Liverpool City Council on the need for housing support services. We have grossed up the results of this for the LCR by using a multiplier of 1.8. This is based on the fact that the total number of users of the current accommodation services in the LCR is 1.8 times those of Liverpool alone.

This model uses the following assumptions.

- The total number of people at risk of homelessness across the LCR is assumed to be 9477 in 2023/24, of which 85 per cent are anticipated will present for assistance (this is based on a complex modelling of a wide number of pathways into homelessness).
- The various interventions proposed are anticipated will have an 80 per cent success rate in terms of ending people's homelessness (this generates a number of re-presentations for assistance of which it is assumed that 30 per cent of people will come back into the system through the congregate emergency and specialist housing initially)
- The average length of stay in emergency and specialist housing may be up to 6 months depending on client need.
- 41 per cent of people needing some additional support with their housing will be able to have their need met in mainstream accommodation with time-limited floating support. This is based on an analysis of support plan scores on Mainstay – 41 per cent of

people housed in supported housing actually had an assessed level of support need no greater than the average for floating support users.

- 38 per cent of people in need of some short-term emergency & specialist housing will need 24 hour cover. This is based on an analysis of the risk levels assessed for people using supported housing services currently.

The modelling projects the following:

	Total	Number requiring floating support to achieve this
People whose housing can be sustained with prevention interventions	3545	1582

To help interpret the achievability of these assumptions we have compared these numbers to the recorded numbers of prevention of homelessness by helping people stay in their accommodation that local authorities are already achieving. Across the LCR in 2015/16 the six authorities in the LCR recorded 1510 cases in which they achieved this.

The remaining need for other forms of provision in 2023/24 according to this model and in comparison to current levels of provision was as follows:

Service Type	Current Level	Calculated Need for 2023/24 (housing units not people)
Housing First	0	543
Emergency & Specialist Housing – 24 Hour Cover	1060	355
Emergency & Specialist Housing – Other	451	561
Housing-led – access to housing	N/A	3184

It should be noted that it is not easy to compare the need for access to housing under Housing Led arrangements, because currently the six LCR local authorities are already very successful in finding alternative accommodation as a way to avoid homelessness. In 2015-16 there were 3,684 recorded cases of this across the LCR. How much this work overlaps with what is projected above is quite difficult to ascertain, but there is probably a large degree of this.

The model also estimates that around 905 of those people would benefit from a floating support service to help them settle in to that alternative accommodation. Using the benchmarks already explained to translate this into total costs produces the following results.

Service Type	Current Costs (£m)	Projected Cost (£m)
Housing First	n/a	6.85
Emergency & Specialist Housing – 24 Hour Cover	18.57	6.21
Emergency & Specialist Housing – Other	4.06	5.05
Housing-led – access to housing	N/A	1.23
Total	22.63	19.34

As a cross-check we have also estimated the assumed level of floating support that this might indicate. This is made up of 3 elements as follows:

Circumstance	Number of People
Preventing homelessness	1582
Assisting resettlement straight into mainstream housing	905
Assisting resettlement from emergency & specialist housing (50% of users moving on)	673
Total	3159

This should be compared in total to the 5,942 users of floating support recorded on Mainstay between 2015 and 2017, and would thus only represent a small increase, and therefore without significant budgetary implications.

Overall this would indicate that with all these assumptions a Housing First/ housing-led system could generate savings.

It is however significantly dependent on being able to successfully scale up the prevention activity of Housing Options teams, and without the capacity to do that the whole strategy is likely to unravel. This will obviously itself require additional resource, which is more difficult to estimate, but within the above modelling results there would appear to be some scope to dedicate resource to this.

One final note of caution should be struck. This modelling does assume that money that is currently paid to

supported housing schemes through Housing Benefit above the one bed LHA rate will be recycled to local authorities through some version of the supported housing funding reforms. It makes no such assumption, however, about non-commissioned supported housing currently receiving above LHA rates of rent.

Notes covering calculation of Potential for Cashable Savings

The Potential for Cashable Savings was based on calculations as at 2023/24 in the following way:

Initially the conclusions from the Liverpool City Council Housing Needs Assessment were captured. This divided those who were calculated to be at risk of homelessness into proportions in terms of the required service responses (this is represented as a global figure but was made up of a number of different potential pathways into homelessness – these were described as the populations at risk).

The percentages needing the following service responses in this analysis was as follows

Service Intervention	Global % of the at risk population
Prevention intervention to preserve existing housing	20.7%
Prevention with associated floating support	16.7%
Access to alternative housing without additional support	23.8%
Access to housing with support (all types)	23.99%
Assumed not to present for assistance	15.5%

This was then amended by taking into account the fact that the average support plan score of people currently receiving a supported housing service was equal to or higher (i.e. lower level of support needs) than the floating support average score in 41 per cent of cases. It was therefore assumed that only 59 per cent of the 23.99% needing access to housing with support actually needed congregate supported housing, while the other 41 per cent could manage with direct access to alternative mainstream housing and a time-limited floating support package. This resulted in the revised percentages used for modelling purposes.

Service Intervention	Global % of the at risk population
Prevention intervention to preserve existing housing with or without floating support	20.7 + 16.7 = 37.4%
Access to alternative housing with or without without additional floating support	23.8 + (23.99*0.41) = 33.6%
Access to housing with support (all types)	23.99 * 0.59 = 14.2%
Assumed not to present for assistance	15.5%

We calculated that the total numbers of people at risk of homelessness across the LCR would be 9477 (based on the number in Liverpool x 1.8) the multiplier reflected the proportion of total mainstay placements that were made in Liverpool City. The numbers requiring the above interventions is therefore calculated as follows:

Service Intervention	Global numbers in need of this intervention
Prevention intervention to preserve existing housing with or without floating support	37.4% * 9477 = 3544
Access to alternative housing with or without additional floating support	33.6% * 9477 = 3184
Access to housing with support (all types)	14.2% * 9477 = 1346
Assumed not to present for assistance	15.5% * 9477 = 1,468

We then assumed that 20 per cent of all interventions failed to achieve their objective of stabilising people's housing situation and that 30 per cent of those people as a result re-presented for some form of housing with support intervention. This means that in addition a further 6 per cent of the total at risk population would in fact end up in Housing with Support based on the calculation 0.2×0.3 .

The total percentage in need of a housing with support option is therefore $14.2 + 6 = 20.2$ per cent. This amounts to a total of 1914 people.

This is the number of new people who present in this year who need a housing for support service. We have already assumed that 82 of these people will need a Housing First response.

Service Type	Benchmark Cost (£ per unit per annum)
Housing First	12607
Emergency & Specialist Congregate Housing – 24 Hour Cover	17523
Emergency & Specialist Congregate Housing – Other	9000
Housing-led – access to housing	335

This leaves a further 1832 people in need of an intervention.

If we assume an average length of stay of 6 months then this means that a total number of 916 housing units are needed for these people.

We then make a calculation as to what percentage of these units should be 24 Hour Cover. This is based on the fact that 55.4 per cent of the current units are 24 Hour Cover but a finding from Mainstay was that only 70 per cent of current users had a high risk rating. The percentage that should be 24 Hour Cover was therefore calculated as 0.554×0.7 which was rounded up to 38 per cent.

The cost per unit for the different interventions was assumed to be

The figure for Housing First is explained in Chapter 4. The figures for Emergency & Specialist Congregate Housing are based on a sample of current LCR schemes. This includes both the support funding currently paid by local authorities and the excess in rental income over the LHA level.

The figure for housing-led provision is based on the calculated cross-subsidy for the LLA, set out in the costing of the Housing First model (but with the additional assumption that only maybe half the units will actually be secured through this route

The total number of units required and projected cost was therefore calculated as

Service Type	Projected Cost (£m)
Housing First	6.85
Emergency & Specialist Housing – 24 Hour Cover	6.21
Emergency & Specialist Housing – Other	5.05
Housing-led – access to housing	1.23
Total	19.34

Appendix 7: Potential for efficiencies: Value for money analysis

There are two main types of analysis that demonstrate the value for money that can be generated by a particular form of service intervention. These are:

- Cost Effectiveness Analysis
- Cost Benefit Analysis

A cost-effectiveness analysis is intended to calculate the cost of achieving a certain specified outcome e.g. effectively breaking the cycle of homelessness and enabling someone to sustain their tenancy. It is intended to compare different ways of approaching the same objective and thereby comparing the value for money of two (or more) different interventions aiming to achieve this or a new intervention in comparison to the "business as usual" of existing services. The output is a relative cost per successful outcome – it does not take into account any potential savings generated elsewhere by the intervention – although these can be alluded to. Importantly, the intervention that is most successful in achieving the desired objective may not be the most cost effective if it is the most expensive e.g. if it is twice as effective in achieving the objective but three times as expensive per head it will be *less* cost effective. It is also important to note that stating that an intervention is more cost effective is not the same as saying it is cheaper (than the alternative).

A cost benefit analysis involves comparing the costs of the new service intervention with the costs of the "business as usual" alternatives, and then comparing this to the value of the benefits achieved or the dis-benefits avoided to the extent to which these

can be monetised. These benefits, and thereby the potential savings, can accrue to a range of agencies, or in some models to the individuals, and will probably not all accrue to the agencies shouldering the cost of the intervention. This potentially undermines the impact of the analysis. There is also the question as to whether the savings are "cashable" – will it result in other budgets actually being reduced or not increasing as much as they would otherwise. The number of individuals involved generally have to be significant in order for this to be the case unless the costs being saved are something like savings in benefits payable, where there is a direct relationship between the individual and the total money expended.

Most research about the costs of homelessness indicate that the main savings involved in reducing homelessness generally arise from the homelessness services themselves e.g. the research used in this analysis subsequently – *Better than Cure? Testing the case for Enhancing Prevention of Single Homelessness in England*, Pleace and Culhane, 2016, found that the cost of homelessness services itself constituted 43% of the total costs identified for the 86 homeless people interviewed for the study, and that the net savings across the consumption of homelessness, NHS, criminal justice, mental health and drug and alcohol services by the 86 people is actually less than the costs of homelessness services alone. This just serves to confirm that the cost effectiveness analysis illustrated here is by far the most effective way to demonstrate the value for money of

Housing First to the state as a whole. A cost-benefit analysis would consider a wide range of cost implications, but a range of research would suggest in the short or medium term some of these would actually increase as a result of Housing First achieving its secondary objectives of helping people engage with services more effectively, and in particular address their serious health problems more effectively. In the short to medium term, use of mental health and other planned health / social care services is very likely to increase if Housing First works as it should. It is probable that treatment costs and engagement with substance misuse services will also increase in short term but then reduce. Some other costs such as the use of emergency services (A&E, ambulance service, etc) and criminal justice cost resulting from offences committed should, based on other research¹¹⁵ reduce in the short-term as well as the long-term.

A recent study for the National Housing Federation on the cost consequences of a shortfall in housing support services¹¹⁶, showed that the greatest costs long term that impact on the cost benefit calculation in relation to the public purse are associated with time spent in psychiatric inpatient care. Housing First in the short term is quite likely to increase this as people more effectively engage with services, although the resulting improvement in health and well-being is likely to reduce long-term costs, but this typically represents 'cost avoidance' for other publicly funded services as distinct from cashable savings.

Generally, the evaluations of Housing First in the UK and elsewhere to date have shown a significant success rate in helping formerly homeless

people to maintain a tenancy, but have been more mixed in terms of other impacts on service usage¹¹⁷. However, as already stated, it is important to recognise that the principal objective of a Housing First programme is ending long-term homelessness, and tenancy sustainment is the principal indicator against which the effectiveness of the programme should be judged.

For these reasons, the most appropriate way to demonstrate the value for money provided by investment in Housing First is to undertake a cost effectiveness exercise, rather than a cost benefit exercise. This involves calculating the cost per successful outcome from Housing First and comparing it to the cost per successful outcome from the current set of homelessness services i.e. "business as usual". These services include emergency shelters, hostel and other supported accommodation, as well as outreach and day centre services.

To illustrate the value of a cost effectiveness analysis we have undertaken an "ex-ante" analysis i.e. based on forecasts rather than actual results. This is therefore designed to estimate, based on the best available evidence, the effectiveness of Housing First as opposed to the current range of homelessness services. It is therefore predictive and not based on the actual effectiveness or costs of a set of services. However, for the "ex-ante" analysis to be of value, it has to be based on evidence - in this case we make use of the extensive research base for the impact of Housing First in the UK and elsewhere, and also a bespoke analysis undertaken on the Mainstay system in Merseyside. This is

¹¹⁵ For example one of the findings from Boyle, F., Palmer, J. & Ahmed, S. (2016) The Efficiency and Effectiveness of the Housing Support Service piloted by Depaul in Belfast, funded by Supporting People: An SROI Evaluation: Final Report, North Harbour Consulting

¹¹⁶ Goldup, M (2016), Strengthening the Case for Supported Housing, National Housing Federation

¹¹⁷ For example Greenwood, M (2015), Evaluation of Dublin Housing First Demonstration Project: Summary Findings, University of Limerick

set out in more detail below.

An “ex-post” analysis i.e. one based on what has actually happened, would obviously be more powerful in its conclusions. This would involve tracking actual Housing First cases and comparing these results to those of a closely-defined and monitored comparator group receiving other services.

The cost effectiveness that is being measured is the cost per successful outcome, which is sustaining independent housing. Importantly, this outcome is more than just being placed / moving into independent housing, and is usually assessed by whether the person succeeds in sustaining that housing for a specified period of time. Most of the evaluations of Housing First use a period of 12 months as the indicator that independent housing is sustained, but for pragmatic reasons explained below we suggest an elapsed time of 6 months instead as an indicator of sustained housing for the purposes of this analysis.

One of the key issues that has to be resolved is over what time frame cost effectiveness is assessed. A fixed point needs to be set after which elapsed time the proportion of clients achieving the primary objective of a sustained tenancy for the 2 “interventions” is estimated. Ideally this would be over the anticipated lifetime of a Housing First placement, but the evidence base does not exist at the moment to inform such a long-term assessment. For this analysis, we have taken this fixed point to be after 2 years and therefore we have looked at the likely cost of the intervention over 2 years and similarly the likely cost of the alternative pattern of services over the same period, and assessed the chances that at the end of this period the individuals will have been in their own settled housing for a period of at least 6 months.

If it were possible to reproduce this exercise over a longer-time period, it may well produce a different result – as there may be a drop-off in the numbers of sustained tenancies with Housing First – although there is no evidence to suggest this. It may also be the case that the “business as usual” range of services may over time become more successful at helping people “sustain independent housing”. This was supported by the Mainstay analysis, where the proportion of the cohort helped into independent housing increased over time.

These caveats should be borne in mind in interpreting the results of the cost effectiveness analysis. There are 4 principal elements to the cost effectiveness calculation:

- The proportion of people receiving the intervention who will achieve the specified outcome.
- The proportion of people receiving the comparator intervention who will achieve the specified outcome.
- The cost of the intervention being analysed.
- The cost of the comparator intervention

We will now look at each of these 4 principal elements in turn, and explain how we have used this evidence to construct a cost-effectiveness calculation, based on a notional scenario of what is likely to happen to 100 clients receiving Housing First and what would happen to the same or similar 100 clients continuing to receive services as of now. It is therefore looking at the cost effectiveness of Housing First for this specific group, and not the homeless population as a whole. This is the group that is by definition the one that has most difficulty receiving assistance through current services. The exercise is not as such assessing the cost-effectiveness of the homelessness services as a whole

Achieving the specified outcome with Housing First

Various Housing First evaluations have assessed the proportion of service users who are assisted to successfully sustain a tenancy. These include:

*Glasgow*¹¹⁸ - Of the 17 people allocated a tenancy under Housing First, 15 were in a tenancy 12 months later (88%) – 9 were in a tenancy 2 years later – but the other 6 simply had not been housed for long enough to count – 2 people housed had lost their tenancy. 4 people were never housed. 1 person died so they are excluded from the above calculation.

*Belfast*¹¹⁹ - Of the 19 people housed by Housing First in 2014, 17 were still in a tenancy at the end of the year (89%). This is ignoring the 3 who died during the year. This is not the same as saying that they had been in a tenancy for at least 12 months however.

*UK Research*¹²⁰ - Changing Lives, CRI Brighton, St Mungos and 2 SHP schemes had 80 clients on their books in December 2014 – of which 59 had been housed for at least 12 months (74%) – but this is not to say that the other 21 had lost their housing – some may simply have been in place for less than 12 months.

*European Research (as quoted by Housing First Guide Europe)*¹²¹ - Amsterdam – 97% of users still in tenancy 12 months later. Copenhagen – 94% of users still in tenancy 12 months later. Lisbon – 79% of users still in tenancy 12 months later. France (Un Chez-Soi d’abord) – 80% of users still in tenancy 12 months later. Vienna – at the end of 2 year programme 98% of service users were still in apartments.

From this range of evidence of the effectiveness of Housing First we have made a conservative assumption that

80 (out of 100) Housing First clients would have been in settled housing for at least 6 months at the end of 2 years. We assume that the remaining 20 all fail to sustain their independent housing.

Achieving the specified outcome with existing homelessness services

The analysis that was undertaken was as follows:

A cohort of people was identified that met the criteria for a Housing First service as explained in Appendix 5. There were 151 such individuals known to Mainstay in March 2015. We then tried to track what happened to them over the next 2 years.

For a number of people, it was not possible to ascertain with a sufficient degree of confidence what actually happened to them. So, if they did not fall into one of the following categories they were excluded from the subsequent calculations:

- Known to have moved into independent accommodation within the period.
- Known to be still receiving some form of homelessness service or known to be homeless at the end of the period.
- Having been assessed within the last 3 months of the period.
- Having received homelessness services for at least 6 months in both years.

There were 51 people who did not fall into one of these groups, and therefore the sample size was taken to be 100.

8 of these people had been placed into independent housing by March 2016. A further 13 were placed into independent housing by March

118 Johnsen, S, Turning Point Scotland’s Housing First Evaluation: Final Report, Turning Point (Scotland)
119 Boyle, F., Palmer, J. & Ahmed, S. (2016) The Efficiency and Effectiveness of the Housing Support Service piloted by Depaul in Belfast, funded by Supporting People: An SROI Evaluation: Final Report, North Harbour Consulting
120 Pleace, N and Bretherton, J (2015), Housing First in England: An Evaluation of Nine Services, centre for Housing Policy
121 Pleace, N (2015), Housing First Guide Europe, FEANTSA

2017. Nevertheless, this meant that only 8 people had been in sustained independent housing for 12 months by the end of the 2-year period. This was considered to be potentially misleading however, as 21 had been placed by the end of the second year. However, the outcome being assessed is not “being placed in” but rather “sustaining” independent housing. Therefore, a compromise position has been assumed which uses 6 months as the criteria for sustainment – and 15 out of 100 of those in the Mainstay analysis met this criterion.

For the purposes of this analysis therefore we projected that 15 of the 100 would achieve a sustained tenancy of at least 6 months under ‘business as usual’ arrangements at the end of 2 years.

Cost of Housing First

The calculated cost of Housing First, including the estimated subsidy to a Local Lettings Agency, is £12,607 per year.

For the purposes of this exercise we therefore assume that the 80 clients who are sustained successfully for the full 24 months will cost 2 x £12,607 = £25,214. This is on the basis that the cost of the service starts from when they are accepted rather than from when they are housed because the support is available while the property is being sourced.

The costs of those who do not succeed in meeting the outcome also need to be taken into account as costs of the intervention. However, by definition this is not for the full 2 years. Elsewhere we have estimated that initial failures to maintain settled housing may take place on average after 9 months, so we also assume this here and therefore for each of the clients who do not meet the outcome the assumed costs are £12,607

x 0.75, plus the cost of receiving homelessness services for on average the remaining part of the 2 years.

Costs of Existing Homelessness Services

This is complicated by the reality of service usage. Almost by definition the cohort that Housing First is aimed at, dip in and out of services – sometimes living in hostels, sometimes living on the streets or in other temporary settings, while using outreach or day centre-type services on a sporadic basis. The research by Pleace and Culhane, based on interviews with 86 homeless people, made an attempt to track this based on analysis of the services that this sample of 86 had ‘consumed’ over a 90-day period. This found, for example, that 54% of people used a hostel only, 23% used a day centre only, and 5% used a combination of a day centre, outreach and shelter services. Overall only 65% of the sample used any hostel services during the period.

The cost of the services used was then grossed up by Pleace and Culhane to produce an annual cost of £14,808 per person. This is potentially misleading however because the hostel element of the costs included the full rental payment and most Housing First clients will be equally dependent on benefits to meet their rental payments (up to the LHA level). In order to discount this element of the rental from both sides of the equation we have deducted the LHA rate of £90.90¹²² per week for the estimated 60% of users in the Pleace and Culhane study who made use of a hostel during the set period. This reduces the estimated annual cost by £2,808, producing an average total annual cost per person of £12,000.

The actual costs take into account the results of the Mainstay analysis which also produced data about the

length of time that people placed in independent housing had spent as homeless since the beginning of the period and before they moved in to independent housing. For the 21 people placed in independent housing the average time spent in homelessness services was 437 days.

The cost of ‘business as usual’ services is therefore taken to be 79 x £24,000 for those who remain homeless for the whole period, and 21¹²³ x £24,000 x (437/365 i.e. 1.197) for those who move into independent housing.

For the purposes of the exercise, it is assumed that once the person moves into independent housing there is no ongoing service usage (although in reality this is unlikely to be the case).

Putting these assumptions together produces the following results:

	Housing First	Existing Homelessness Services
Cost of Service	(£25,214 x 80) + (£12,607 x 0.75 x 20) + (£12,000 x 1.25 x 20) = £2,506,225	(£24,000 x 79) + (£12,000*21*1.197) = £2,197,710
Achieving sustained tenancy	80	15
Cost per successful outcome	£31,328	£146,514

This means that on these parameters, over 2 years, and for this specific client group Housing First as an intervention is predicted to be approximately 5 times as cost effective as the “business as usual” range of homelessness services.

Further analysis of Mainstay suggests that in fact all 21 people from the selected cohort who were housed at the end of the 2-year period were in fact able to subsequently sustain their tenancy, and if this number was used instead, Housing First would be around 3 times as cost effective.

The end result therefore can be said to be that Housing First is 3 to 5 times as cost-effective in delivering sustained tenancies for this cohort.

122 This is the 1-bed Local Housing Allowance rate for the Greater Liverpool Broad Rental Market Area (BRMA)

123 This is based on the number of people in the Mainstay analysis who had by the end of 2 years succeeded in moving into independent accommodation

Crisis is the national charity for homeless people. We are committed to ending homelessness. Every day we see the devastating impact homelessness has on people's lives. Every year we work side by side with thousands of people, to help them rebuild their lives and leave homelessness behind for good.

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