



# Housing First England

## Investigating the **current and future funding** of Housing First in England

Exploring innovation and identifying opportunities to sustain and expand Housing First services

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# 1 Executive summary

## 1.1 Introduction

- This investigation explores the current funding landscape for Housing First, innovation in funding approaches, and potential sources of funding for the future. This work forms part of Homeless Link's Housing First England project, which aims to create and support a national movement of Housing First services to improve the lives of, and support for, some of society's most excluded people.
- Since 2010 Housing First services have generally been characterised by small-scale projects responding to local needs. Research undertaken by Homeless Link in 2017 identified 32 Housing First services across England. In some areas pilot projects have developed into part of mainstream commissioning; in others, Housing First is still at the pilot stage. Projects have been widely considered successful by their funders.

## 1.2 Funding landscape

- This investigation focusses on funding for the support provided to individuals living in Housing First services, rather than rental costs which are provided via Housing Benefit and fall outside the scope of this project.
- Most projects are currently funded through local authorities, usually through Housing Related Support budgets. The next most common type of funding is through grant-making charities. These funding sources are vulnerable in terms of the sustainability of existing projects, and limited in terms of the potential for new projects being commissioned. Funding tends to be short term or, in the case of grants, have a defined end date. Housing Related Support is not ring-fenced and there have been cuts in this area over recent years.
- A small number of projects have more diverse funding sources than Housing Related Support or grants. Although these are rare – in one case operating for just two clients – the investigation found evidence of the following funders contributing locally:
  - Adult Social Care teams
  - a Public Health team
  - a local Better Care Fund (NHS funding)
  - a local Clinical Commissioning Group (CCG) (NHS funding)
  - a local police force.
- This more diverse funding has been the result of pooled budgets, spot purchasing, and creative funding bids. Those proposing Housing First in these areas have drawn on the international and national evidence base for Housing First to make the case for local funding.
- In addition, several Fulfilling Lives projects have introduced a Housing First model and one Social Impact Bond project in Newcastle and Gateshead intends to use a Housing First-inspired model for some of its service users. In two cases, philanthropists have contributed to Housing First services.
- The funding landscape of Housing First in England has been impacted considerably by the three large-scale Ministry of Housing, Communities and Local Government (MHCLG) funded projects announced in late 2017. This programme seeks to explore the impact of Housing First on a larger scale and includes a focus on solid evidence collection and exploring the potential of Housing First in delivering service transformation.

### 1.3 Diversifying funding

- Outcomes from Housing First are relevant across a wide range of areas including health, criminal justice, and substance misuse. This, coupled with the current focus on rough sleeping and homelessness at Cabinet level through the Rough Sleeping Task Force, presents an opportunity to encourage buy-in to the Housing First model across government.
- In each area investigated – public health and mental health, criminal justice and social care - there are clear links between the outcomes desired by policymakers and commissioners and the Housing First model. For example:
  - Housing First is relevant to efforts to reduce hospital readmission and manage health needs within the community, which are priority areas for health commissioners.
  - The Housing First approach is relevant to the work of Strategic Transformation Partnership areas. In 'Housing and Health' (The King's Fund, 2018), Housing First is given as an example of an initiative that 'STPs [Sustainability and Transformation Plans] can support to improve housing and health of people of working age'.<sup>1</sup>
  - Housing First provides a stable base and consistent support which can act as a motivator for change in a person's life such as in their drug use. This ties in with public health commissioners in local authorities aim to reduce the harmful impact of drugs.
  - Housing First is relevant to social care commissioners in two ways: to prevent unnecessary escalation of care needs resulting from insecure housing and homelessness and to meet the social care needs of the individual as defined by the Care Act 2014.
  - The recognised weaknesses in accommodation pathways for prison leavers, and the surfeit of short-term advice without the corresponding housing solution, could represent an opportunity for promoting a Housing First model.
- There are significant barriers to creating an environment where Housing First is considered a go-to intervention for a broader base of commissioners. These are:
  - extreme pressure on budgets across public services, which was widely recognised as a challenge to securing new funding for Housing First by interviewees
  - the need to enhance and develop the evidence to make the case for Housing First to a broader range of commissioners, despite the comparatively strong evidence base that already exists
  - the limited recognition of Housing First in the health sector (contrary to its high profile in housing and homelessness sectors) which is challenging to address given current pressures on health services.
- Homeless Link is exploring the potential applications of social investment and philanthropy in developing Housing First services at the current time.

### 1.4 Recommendations

The headline recommendations are summarised below. In addition, specific recommendations for central government, commissioners and services are included in chapter nine.

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<sup>1</sup> Buck, D and Gregory, S (2018) Housing and health: opportunities for sustainability and transformation partnerships, The King's Fund.

1. All relevant stakeholders, from central government to local commissioners, should seek to support and extend the 'bottom up' Housing First movement, while the large-scale national pilot projects are undertaken.
2. The resourcing, sustainability and development of Housing First should be considered in the development of the MHCLG Rough Sleeping Strategy and the Greater London Authorities Plan of Action on Rough Sleeping.
3. The evaluation of transformation projects is critical to building an evidence base for Housing First in England. The results of the evaluation will be compelling to a cross-sector audience of commissioners and funders and the methodology should recognise the existing Housing First landscape and take learning and evidence from this.
4. Housing First should be recognised as a health and wellbeing intervention as well as a housing service. Funders and commissioners across health, public health, criminal justice and social care should consider Housing First as a model of supporting people with complex needs.
5. Ongoing work to promote the model should be continued and developed – for example, through Housing First England and other opportunities such as the national evaluation of Housing First pilots.
6. Policymakers should seek to innovate away from short-term funding cycles, which focus on narrow areas of need, because these impede the sustainability of Housing First and other services, and pose a barrier to truly preventative approaches.
7. All funders should ensure that the approach to funding and monitoring enables a high level of fidelity to the principles of Housing First including small caseloads, minimal conditionality and a long term offer of accommodation and support. Where possible Housing First personal budgets (i.e. small amounts of flexible funding available to Housing First teams to use creatively in supporting service-users) should also be secured.
8. Housing First should not be funded or commissioned in isolation. Funding of Housing First support should be recognised as one element of investment needed to enable people with multiple needs to progress and thrive. All Housing First funders and service providers should consider how they facilitate access to others services and promote social inclusion.

## 2 Introduction and methodology

### 2.1 Introduction

Homeless Link's Housing First England (HFE) project was created to support a national movement of Housing First services across England. As part of this work HFE is undertaking a programme of research to explore key issues related to the national development of Housing First. This report presents findings from research into the current and future funding and commissioning of Housing First services. The approach is gaining political interest and funding for new services is increasing, but significant challenges remain.

The aims of the research are to:

- describe the current funding and commissioning models in operation in England, including sources of funding, motivations of funders and sustainability of funding
- investigate potential sources of funding for Housing First in the future through identifying existing innovation and establishing the perceived relevance of Housing First across sectors working with people facing multiple needs.

This report is intended for those interested in the development of Housing First in England, including funders, commissioners and service providers seeking to set up new Housing First services or secure the future of existing services.

For the purposes of this report, the funding of Housing First relates to the funding of the intensive support provided by a Housing First worker (as opposed to the accommodation costs such as rent and housing management).

Chapter three describes the current funding landscape for Housing First in England. Chapter four explains the reasons for diversifying funding sources and chapter five identifies innovative approaches to funding and commissioning. Chapters five to eight explore different areas for consideration in funding Housing First (health, criminal justice and social care) and chapter nine draws conclusions for this investigation and makes recommendations for service providers, commissioners and policymakers. Throughout the report, case studies are used to illustrate innovation in Housing First funding and commissioning.

### 2.2 Methods

Homeless Link commissioned Becky Rice, an independent researcher in the homelessness sector, to undertake the research. The analysis included survey data collected by Homeless Link and 22 interviews undertaken face-to-face and by telephone with a wide range of stakeholders who could provide insight into current and future funding of Housing First. These included:

- representatives of existing Housing First service providers including St Mungo's, Bench Outreach in Lewisham, Two Saints, VOICES Fulfilling Lives project in Stoke-on-Trent and Changing Lives (nine interviewees including those with overview on business development for organisations and those managing frontline services)
- commissioners or funders of existing/forthcoming services including local authority commissioners and the Ministry of Housing, Communities and Local Government (MHCLG) (four interviewees)
- experts and key stakeholders in relevant fields including public health commissioners and the Centre for Mental Health, King's College (nine interviewees).

Following completion of the bulk of interviews, a round table was convened at Homeless Link comprising people currently involved in funding Housing First and those not currently funding Housing First but who have a potential stake in the future funding of Housing First. Attendees included representatives from a wide range of sectors including regional government (Greater London Authority (GLA) and Greater Manchester Combined Authority (GMCA)); criminal justice (Ministry of Justice), local government commissioners, grant funders and independent experts.

### 2.3 A brief introduction to Housing First

Housing First is an internationally evidenced intervention that supports people with multiple and complex needs to maintain housing. The main premise is that an individual should not need to prove they are ready for housing and is instead given a permanent offer of their own home, along with an intensive long-term support package to enable them to maintain it. Housing First is underpinned by a set of principles, and studies have shown that the closer a Housing First service adheres to a certain set of principles, the more successful that service is in supporting people to achieve positive outcomes<sup>2</sup>.

A permanent offer of a home does not mean that a person will remain in the same place for the rest of their life; it means that the offer of housing is permanent. If they lose or leave their accommodation, they will be supported to find another home. It is acknowledged that the Housing First cohort may experience some difficulties along the way, but support will always be there for them.

Unlike traditional homelessness services, the only condition placed on the individual is a willingness to maintain a tenancy. Clients are not required to address any other needs they might have, or engage with other services, in order to keep their accommodation.

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<sup>2</sup> For more about Housing First and the principles, please see [www.hfe.homeless.org.uk](http://www.hfe.homeless.org.uk)

## 3 The funding landscape

### 3.1 The emergence of Housing First in England

The first Housing First project in England was the Camden pilot project, which started in in 2010. Case study 1 describes this initiative and how it has become an ongoing element of homelessness services in Camden.

Following the Camden pilot, multiple small-scale pilot projects were established across England. Pilot projects have often targeted the most 'entrenched' people – those experiencing long-term homelessness and rough sleeping. Services are often characterised by their aim to respond to locally identified need among small cohorts of people for whom existing pathways have been ineffective – for example, where a local authority, service provider or homelessness forum of local agencies has identified people who have been evicted from or abandoned hostel accommodation, or have declined offers of such accommodation.

Interview data from several projects shows that there is often one person, a commissioner or a provider, driving the initial pilots of Housing First in a local authority area, pushing the idea from concept to reality by identifying funding and promoting the idea of Housing First to stakeholders. The scale of these projects tends to be small – with 26 projects supporting 350 individuals (an average of 13 people in each service).<sup>3</sup>

Many Housing First projects are still pilots, but some have now been effectively mainstreamed into the commissioning landscape, for example in Camden.

#### Case study 1: Camden Housing First, early adopters of Housing First in England

**Project funding:** commissioned by the London Borough of Camden

**Project delivery:** initially by Single Homeless Project (SHP) and currently by St Mungo's

The first Housing First pilot in England started in Camden in 2010, funded through the local authority Housing Related Support budget. Although the borough had an extensive existing accommodation pathway for single homeless people with support needs, including rough sleepers, there remained a 'hard core of service users with complex needs and challenging behaviour, not moving on but instead "doing the rounds" between services and episodes of rough sleeping, prison and hospital' (Commissioner, London Borough of Camden).

Camden Council sought bids from their pathway providers for time-limited pilots of 'cheaper and better' service models; one of them (SHP) proposed a Housing First service for 10 individuals with multiple and complex needs, for whom the existing accommodation pathway had proven ineffective.

The project was considered a success and received a positive independent evaluation from York University in 2013.<sup>4</sup> Subsequently, Camden Council has recommissioned and extended Housing First as part of its main Housing Related Support services. A three-year contract for a 20-person service was awarded to St Mungo's in 2014, with the potential of four years of funding extensions. From April 2017, funds from decommissioned

<sup>3</sup> Source: survey data.

<sup>4</sup> Pleace, N and Bretherton, J (2013) Camden Housing First: A Housing First Experiment in London, Centre for Housing Policy, York University.



supported housing have been used to expand Camden Housing First to its current capacity of 30 service users.

The service is commissioned from a housing-support perspective focused on improving outcomes for single homeless people with complex needs, often with a history of rough sleeping, who have experienced a revolving-door cycle of services. The key performance measure is tenancy sustainment.

Interesting features of the service include the 'personal budget fund', cited as a real benefit to the staff team, and the sourcing of private rented tenancies outside the London Borough of Camden, where rents are prohibitively high, to secure accommodation at local housing allowance (LHA) rates.

### 3.2 Current funding sources of Housing First projects

Research undertaken by Homeless Link in 2017 identified 32 Housing First services across England<sup>5</sup>. Twenty-eight of these services responded to a survey about the current picture of Housing First in England. Figure 1 provides a breakdown of funding sources identified by respondents. Local authority funding is the most common source of funding from Housing First projects.

One of the aims of this report is to explore in more depth the funding from local authorities for Housing First. Evidence from interviews suggests that most local authority funding for Housing First is from Housing Related Support budgets – funding allocated by local authorities through their core funds. St Mungo's is the largest provider of Housing First in England with nine projects – five funded through local authorities' Housing Related Support budgets, one through Ealing Better Care Fund, one through a pooled budget with contributions from Housing Related Support, Adult Social Care and Public Health (Thurrock), and one is largely funded through Housing Related Support with a small number of clients funded through Adult Social Care (Brighton). Other funding sources include trusts and grants, most commonly through the Big Lottery and MHCLG.

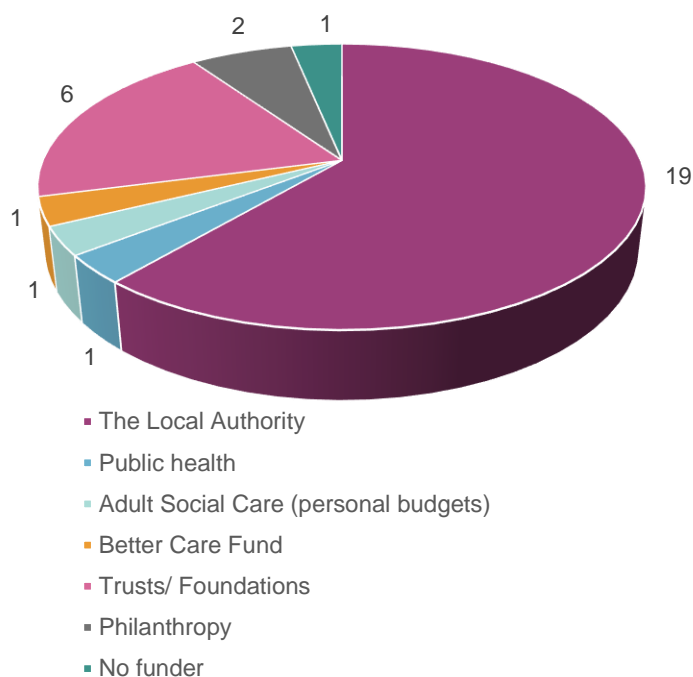
It is important to note that, in areas where Housing First is not funded by the local authority, statutory services often still contribute to Housing First. For example, in Stoke-on-Trent, Housing First has been delivered by the Big Lottery-funded Fulfilling Lives project VOICES; seeing the initial success of VOICES' Housing First project, the Housing Solutions Team has started to provide funding for rent deposits for Housing First clients when it would not previously have provided a deposit for someone with high support needs.<sup>6</sup> In Lewisham, where Bench Housing First relies on grant funding to provide the support service, the Housing Options and Advice (Singles) Team enable social tenancies to be identified and allocated to Housing First clients.

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<sup>5</sup> Homeless Link (2018) The Picture of Housing First in England

<sup>6</sup> Rice, B (2017) Systems Change evaluation, VOICES.

**Figure 1. Funding sources for Housing First in England (number of services funded by each)**



Base: 28 projects responding who provided funding information (please note some projects reported more than one funding source)

### 3.3 Funding periods

Most Housing First services in England offer a long-term service but rely on short-term confirmed funding, which is an area of some tension. Many projects are considered ‘pilots’ or ‘extensions of pilots’, even though they are arguably part of the mainstream provision of services because they are unlikely to be decommissioned and there is a strong commitment to them. The distinction between a pilot and a regular service is not always clear; projects often evolve from pilots and commissioners typically make commitments for two to three years, sometimes with the ability to extend contracts by a further one or two years without going through a new commissioning process. The commissioning of Housing First is influenced by existing commissioning cycles for hostels and those from the Supporting People regime, but Housing First services’ need for stability is arguably greater.

Most projects that responded to the survey were still fairly new, but those who were more established had the same limited funding periods as newer projects. Contracts from local authorities tend to be similar to other support contracts – so, fitting in with existing models of commissioning despite the unique principles of Housing First as an open-ended service. The two projects that are seven to ten years are the Fulfilling Live projects; the two that are five to six years are Integrated Substance Misuse and local authority funded.

Some projects said that they would seek alternative funding and do what they could to preserve a Housing First service, but the reality is that if funding were to cease they would be at risk.

**Figure 2. Funding period of projects (survey data)**

Time period	Number of projects
up to 1 year	3
1-2 years	10
3-4 years	6
5-6 years	2
7-10 years	2
Indefinitely	1
Total	24

**Figure 3. Period of time projects have been in operation (survey data)**

Length of project	Number of projects
0-6 months	7
7-12 months	3
13-18 months	4
19-24 months	3
2-3 years	8
4-5 years	1
6-7 years	1
Total	27

### 3.4 The developing evidence base

Although this project does not focus on the efficacy of Housing First, the development of the evidence base has been key to developments in the funding environment and is relevant here.

There is ‘overwhelming international evidence’ to support the use of Housing First as a housing solution for people who have multiple and complex needs.<sup>7</sup> Housing First provides stable, independent homes alongside coordinated wrap-around, personalised support to homeless people. Widely adopted across North America and Western Europe, Housing First has formed a central component of successful, national homelessness strategies. The arguments for scaling up this approach in England are compelling: reduced national spending, high tenancy sustainment rates and improved health and wellbeing outcomes.<sup>8</sup>

In 2015 an evaluation of nine Housing First services in England was published.<sup>9</sup> This observational study showed that Housing First in England had a high level of success in reducing long-term and repeated homelessness, which is associated with very high support needs. Three-quarters of current service users included in the study (59 people) had maintained their tenancy for one or more years.<sup>10</sup> Small-scale evaluations have supported projects to continue following a pilot phase.

<sup>7</sup> Centre for Social Justice (2017) Housing First – Housing led solutions to rough sleeping and homelessness.

<sup>8</sup> Pleace, N (2016) Housing First Guide Europe, FEANTSA.

<sup>9</sup> Bretherton, B and Pleace, N (2015) Housing First in England – an evaluation of nine services, Centre for Housing Policy, University of York.

<sup>10</sup> Ibid.

In 2017 Crisis published the 'Housing First Feasibility Study for the Liverpool Region'.<sup>11</sup> The study was funded by the Housing First Hub Europe and the Department for Communities and Local Government (now MHCLG) to explore how Housing First could be implemented at scale in the Liverpool City Region, potentially making Housing First the 'default solution for addressing homelessness'.<sup>12</sup> The report suggests that 'without being integrated as a mainstream approach, funding will be precarious; for Housing First to be sustainable in the current financial climate, it needs to be done at a scale and in a way that enables the safe transfer of resources to it from current support commissioning'.

The study concludes that the implementation of Housing First would deliver better outcomes at significantly lower costs than existing services. The report highlights the conditions that would be essential for successful implementation of Housing First – for example, access to affordable housing, provision of floating support to those who need support but do not require an intensive Housing First service, and clear pathways between the criminal justice system, NHS provision and homelessness services. The report identifies the benefits of undertaking this type of large-scale implementation in the context of a combined authority – for example, due to these large areas having a sizable number of homeless people with complex needs, the potential for sharing costs and access to housing across large areas.

### 3.5 Announcement of large-scale pilot projects funded by central government

The Chancellor's November 2017 Budget included £28 million funding for Housing First in Manchester, Liverpool and the West Midlands. Current Housing First projects and budgets are generally small and operate at a local authority level, so this represents a significant proportion of the investment in Housing First in the medium-term future.

These pilots draw on the findings from the Liverpool Feasibility study and will explore the transformation of services for people with complex needs. Central to the projects will be an evaluation designed to help inform policymakers on the future of Housing First. This is likely to include process, outcomes and cost effectiveness evaluations, and whether the model works on a larger scale.

Some stakeholders consulted for this report think that a broader national funding scheme for Housing First would be the best way to secure the future of the approach. Proponents of Housing First, including Homeless Link, wish to push innovation and ensure the benefits of Housing First reach people in as many communities as possible in the short to medium term. This reflects recent estimates that have found Housing First could potentially benefit significantly more individuals than are currently able to access this type of service, with a potential cohort estimated to be upwards of 16,000 for England<sup>13</sup>.

### 3.6 Exploring service transformation in Torbay

In 2018 the Nationwide Foundation announced that it has awarded funding to Shekinah Mission, which has commissioned Crisis to undertake a feasibility study to look at how the housing system in Torbay could become a Housing First system. The study will be used as evidence to influence decision-makers in Torbay to implement the Housing First approach across the area and to inform and guide implementation.

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<sup>11</sup> Blood, I, Copeman, I, Goldup, M, Pleace, N, Bretherton, J and Dulson, S (2017) Housing First Feasibility Study for the Liverpool Region, Crisis.

<sup>12</sup> Ibid.

<sup>13</sup> Blood, I., Goldup, M., Peters, L. and Dulson, S. (2018 forthcoming) Implementing Housing First across England, Scotland and Wales. Imogen Blood Associates. London: Crisis and Homeless Link.

## 4 Reasons to diversify and seek innovative funding solutions

The previous chapter has demonstrated how Housing First in England has developed from the first small-scale pilot project to a significant financial commitment and interest from central government. This is happening in an international context of rapidly expanding evidence for and take up of the Housing First approach.

However, there are considerable limitations to the existing funding landscape making it important to explore future options and ensure that good practice and innovation in funding is captured and disseminated (see Figure 4.). The sustainability of current funding is a particular concern. A leading academic in the field of Housing First Nicholas Pleace from York University recently stated that *'Some of the initial Housing First pilots in England collapsed, not because they failed to deliver, but because the money ran out.'*<sup>14</sup> The vulnerability of Housing Related Support funding was highlighted by a commissioner interviewed for this project:

*'The assurance or not of funding is there for all of the services I commission – none of them are statutory, none of the funding is ring-fenced; there is absolutely no commitment that anyone will go on funding them beyond the next budget setting round. The amount of insecurity around the whole commissioning process is stunningly high.'* (Local authority commissioner)

Furthermore, the outcomes from Housing First are relevant across a wide range of areas including health, criminal justice, and substance misuse. Although funding for housing-related support is vulnerable, the centrality of stable housing to areas such as health and equality is increasingly being recognised. Given this context it may be desirable to seek contributions from a range of funders whose remit is to achieve outcomes in other areas.

The current focus on rough sleeping and homelessness at a Cabinet level presents an opportunity to encourage buy-in to the Housing First model across government. There is public and political concern about rough sleeping and Housing First is being promoted as part of the solution – identifying the funding sources and commissioning processes for new services will help to secure delivery of Housing First in more areas of the country.

Certain influential organisations are calling for a national Housing First programme, but any expansion is likely to rest on the findings of the current project, which is at this stage a pilot that could end in three years' time.

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<sup>14</sup> Pleace, N and Bretherton, J, 'Housing First alone can't solve the UK's homelessness crisis', 14 March 2018, *The Guardian*: <https://www.theguardian.com/society/2018/mar/14/housing-first-uk-homelessness-crisis> (accessed March 2018).

**Figure 4. Risks and limitations of current funding**

Type of funding	Risks
<b>Local authority funding</b>	Much of the local authority funding for Housing First comes from Housing Related Support budgets. Housing Related Support is not a statutory duty. Budgets have been vulnerable to cuts since the removal of the ring-fence on the Supporting People grant in 2010. From 2011-12, Supporting People funding was rolled into the Formula Grant – a single grant given by central government to local authorities. There is now no specific budget allocation for Supporting People services because it is part of this single grant. <sup>15</sup> Although in some areas a Housing Related Support contract could be a good source of ongoing funding for Housing First; in other areas this will be impossible to secure and/or vulnerable to cuts. Seeking contributions to pooled budgets lead by Housing Related Support commissioners is an approach illustrated in case study 3 on page 17 – Thurrock Housing First.
<b>Grants, including from trusts and foundations</b>	Grants are often short term and unlikely to be extended. Housing First is seen as less innovative than earlier in its existence, so may be less likely to attract new grant funding. Several of the Housing First projects in England are funded through the Big Lottery Fulfilling Lives programme. These have the benefit of a much longer than usual funding period (eight years in total for the Fulfilling Lives programmes), but they are likely to need to secure contributions from statutory services to ensure continuation post 2022 (see case study 2 on page 15 – Bench Housing First Lewisham).
<b>Large-scale projects funded by central government</b>	Large-scale projects will only cover certain areas for the foreseeable future. These projects are where central government has focused efforts and resources in terms of Housing First. While the implementation, piloting and evaluation of these services progresses, it is important that other areas that could benefit from developing or sustaining smaller services are supported to do so.

**Case study 2: Bench Housing First grant funding  
Delivering outcomes, operating with uncertainty**

**Project funding:** series of grants

**Project delivery:** Bench Outreach

Bench Housing First was established in 2014. Bench Outreach, a small charity working in Deptford in the London Borough of Lewisham, identified a cohort of clients who repeatedly returned to the service having not secured an exit from homelessness via existing pathways, including hostel accommodation and drug and alcohol treatment. Drawing on research available at the time, Bench identified Housing First as a suitable option and applied for Homelessness Transition Fund (HTF) funding (MHCLG funding administered by Homeless Link). This was successful and following the pilot year further funding was secured from the Tudor Trust, Trust for London and the current funder, the Big Lottery.

<sup>15</sup> Homeless link (2013) Who is supporting people now? Experiences of local authority commissioning after Supporting People.

As a result of Bench Housing First, 21 long-term homeless people who faced persistent barriers to accessing housing are living in social tenancies in Lewisham (20) and Greenwich (1). One other person is housed in the private rented sector. Sixteen of these clients have been in their accommodation for more than a year and four for more than three years. The access to social tenancies via a link with Lewisham Council is a key feature of the service and one which brings about benefits to clients.<sup>16</sup>

The funding strategy is to secure multiple funding sources over a three-year period: 'Having multiple funders makes us more likely to secure the funding; it gives people confidence showing them we have money from others' (CEO, Bench Outreach). Bench feels that funding from grant makers has generally been a good fit for the service and that funders have been supportive and flexible.

Although grants have been a successful way to establish the project, Bench Housing First is in a very vulnerable position, which inevitably causes stress and anxiety in the organisation. Funding currently ends in summer 2018. Applications to grants and trusts are less likely for continuations of established projects and Housing First has lost some of its 'novelty factor and innovative status' because it has become a more popular model. The project has put various funding applications in and hopes to secure the next few years' funding in the coming months, but the future is uncertain for the service.<sup>17</sup>

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<sup>16</sup> Rice, B (2018) Lessons from the delivery of Housing First in south-east London, Bench Outreach.

<sup>17</sup> Prior to publication of this report, Bench Housing First have succeeded in securing additional grant funding which will help to secure the next few years of the service subject to other funding bids being successful

## 5 Innovation in commissioning and funding approaches

As discussed previously, most Housing First services are funded via local authority Housing Related Support budgets or by grants from charitable funders, for two to three years. This section provides an overview of alternative approaches to funding identified in the research.

### 5.1 Pooled budgets

The outcomes of Housing First services span several sectors – housing, health, and criminal justice. The idea of pooled funding was generally agreed by interviewees to represent positive opportunities for Housing First. The benefits of pooled budgets include reducing the contribution and commitment for each commissioner and spreading the risk of innovation and increasing sustainability.

*'[Funding] needs to be pooled – it has to be that combination. If it's viewed as just housing then there is no money.'* (Local commissioner)

Case study 3, Thurrock Housing First, provides an example of a pooled budget on a project basis and case study 4 (Devon) provides an example of pooled budgets funded on an individual basis. The Thurrock project was initiated by a Housing Related Support Commissioner, while the Devon project was initiated by an outreach provider. The Thurrock project is commissioned by Housing Related Support services with other funders providing money to that service. In addition, in Brighton, Families, Children and Learning social services contribute to the Housing First project for two specific individuals while the wider Housing First project is funded through the Housing Related support Budget which sits with Health and Adult Social Care.

A risk of pooled budgets identified by some interviewees is 'conflicting agendas'; however, this was not identified as an issue in the case study areas where pooled budgets are currently in place or being explored. Ensuring that all contributors to a pooled budget have a good understanding of the Housing First model helps to mitigate this risk.

#### **Case study 3: Housing First funding innovation, pooled budgets at project level**

**Project funding:** Thurrock Council

**Project delivery:** St Mungo's

The Thurrock Housing First project began in 2016 as a 12-month Housing First pilot targeting 'people with long-term history of homelessness who have tried other pathways over the years that have been unsuccessful... [where] other avenues have been exhausted' (Commissioner, Thurrock Council). The pilot was initiated by the Housing Strategy Manager. To secure funding a report was presented outlining the principles of Housing First and the benefits of the scheme 'not only financially but from a wellbeing perspective' to colleagues in other departments. The result was an even split of funding from Housing Solutions, Public Health and Adult Social Care. The project was commissioned by the Housing Related Support Commissioner. Funding has been extended to March 2019. The number of clients the service can work with will be increased from five to nine with additional funding, illustrating the positive results from initial years.



### Case study 4: North Devon Housing First – multiple funders across sectors

**Funding:** agreed in principle – police, CCG, Adult Social Care, Housing

**Project delivery:** Encompass rough sleepers outreach project

The Operations Director at Encompass in North Devon is leading the development a small-scale Housing First initiative with the support of various funding partners.

Local 'operational hub meetings' identified a 'cohort of rough sleepers who cycle through the current system'. Previous attempts to secure outcomes for some individuals experiencing long-term homeless had not been successful and there was an appetite to try a new approach to both funding and delivering support.

Encompass secured two suitable units to lease from a local social investor and also gained 'agreement in principle' from social landlords to provide units as the project progresses.

The Operations Director then 'targeted key agency reps – usually at an operational level, for example, the Social Care Team Manager, then an anti-social behaviour officer from the local police, and the Rough Sleeper and Equalities Team Leader (from Housing)'. It was agreed that each agency represented would go back to discuss five individuals with their team and consider 'how much of our resource is spent on this client'. They brought this information back to the partnership and agreed a percentage split for the Housing First support costs of £210 a week. Contributions from Adult Social Care, the police, Housing and the CCG were agreed.

At the time of the interview Encompass was preparing to pilot the approach with two clients. In the future the intention is that the split of funding could vary on an individual basis; for example, for a prolific offender the police contribution would be higher than for someone whose health needs are high as a result of homelessness, in which case the CCG contribution could be enhanced.

One of the advantages of this funding model is that the contribution from each commissioner is small, so risks are spread and the contribution is easier to find from stretched budgets.

## 5.2 Payment by results

No existing 'payment by results' Housing First project was identified in this investigation. However, Changing Lives and Oasis Aquila Housing in Newcastle-upon-Tyne and Gateshead intend to draw on the principles of Housing First as part of their Social Impact Bond project; for this project the organisation will be paid according to outcomes such as sustained moves away from rough sleeping.

The Newcastle and Gateshead project is part of the £10 million Social Impact Bond programme launched by the Department of Communities and Local Government (DCLG - now the Ministry of Housing and Local Government, MHCLG) in 2016 to help long-term rough sleepers 'who may be bouncing chaotically through the housing system – to address underlying issues such as poor mental health or substance abuse to help stop them from living on, and returning to, the streets'.

## Housing First England

The Project Manager at Changing Lives believes that a flexible and pragmatic approach to implementing Housing First-based approaches as part of the project will provide a good solution for some clients:

*'I think it fits very well the approach we want to take... We are able to offer a Housing First option with a fair fidelity – we can't keep caseloads to the size ideally we want but we can have unconditional offers of accommodation and wouldn't have that as contingent on achieving outcomes... We will be working with individuals to understand what their priorities are; what we can't do is get blinded by the outcomes and miss what's important to the individuals.'* (Project Manager, Changing Lives)

Another provider of Housing First commented that, although he has reservations about payment by results, given the 'efficacy of the model' it would be a funding option the project would be willing to explore, as long as the outcome around tenancy sustainment accounted for the vast majority of the outcome payments.

There are challenges inherent in a payment by results model of Housing First funding. Where funding is contingent on a range of pre-determined outcomes, this creates tensions with non-conditionality and client-led approaches, which are central to the Housing First model. This was an issue recognised by Changing Lives and will be explored in practice in the coming months and years in Newcastle and Gateshead.

*'There are benefits and drawbacks of using a Social Impact Bond. The risks are related to the fact that you are pre-determining outcomes and does that distort the way you deliver? It won't distort the way we deliver because our staff understand Housing First.'* (Project Manager, Changing Lives)

Currently most Housing First projects in England are small-scale; for payment by results to provide a viable contract it is likely that this would need to be done on a larger scale.

### 5.3 Regional and sub-regional approaches

The three MHCLG Housing First pilot areas are all being undertaken in combined authorities, which will explore implementation on a city regional level. Some London interviewees believed that a sub-regional approach would be helpful for maximising the potential of Housing First in London – for example, using London sub-regional partnerships. This approach would have the advantage of bringing to the fore the needs of individuals whose area of residence can be hard to define and where a sense of joint responsibility may be needed.

### 5.4 Philanthropy and social investment

Philanthropy is a major source of Housing First investment in the United States. Two examples of Housing First being supported by philanthropists in England were identified in this investigation: Threshold's Housing First service in Manchester and the St Mungo's service in Reading. In both cases the funding is directed towards the support service as opposed to accommodation. In one case the organisation (Threshold) initiated the project and funded it internally for a period after which a philanthropist took over the funding of the project.

### 5.5 Systems thinking and commissioning with complexity

There is an emerging body of literature about systems change. The 'system' facing a person with multiple needs is often complex, including many different organisations and disciplines, influenced by a range of local and national policies, and subject to change. Systems thinking *'helps us make sense of a messy world'*,

therefore helping us move forward and find ways to improve things.<sup>18</sup> One of the key themes in the literature about systems change is how we can draw on systems thinking to conceptualise individual services within their wider complex web and seek to avoid working 'in silos'.

In 'A whole new world: funding and commissioning in complexity', the authors argue that some current commissioning practices, including outcomes-based commissioning, *'only succeeds in generating improvements in narrow silos, and fails to generate a broad range of positive, real-world outcomes, as defined by people themselves... Similarly, payment by results does not encourage organisations to help people address the complex challenges in their lives, but instead turns the management of social interventions into a game which is won by producing good-looking data'*.<sup>19</sup>

This research identified certain approaches that are more likely to work with rather than against complexity' such as pooled budgets and longer-term flexible funding. These are approaches that fit well with the principles of Housing First. To some extent, commissioners of Housing First often relinquish control by accepting that an individual has the right to a home with support, while placing minimal conditionality around engagement and 'progress'. Commissioners often expressed a desire to better evidence changes, but they accepted that the service is not able to push for particular outcomes (beyond tenancy sustainment) for any particular individual. If a client wishes to continue using drugs they can and will continue to receive support.

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<sup>18</sup> Harries, E, et al. (2015) Systems change: A guide to what it is and how to do it, New Philanthropy Capital and Lankelly Chase.

<sup>19</sup> Davidson Knight, A, Lowe, T, Brossard, M and Wilson, J (2017) A Whole New World: Funding and Commissioning in Complexity, Collaborate for Social Change.

## 6 Housing First and health funding

### 6.1 Why is health funding relevant to Housing First?

Ill-health can be both a cause and consequence of homelessness. Evidence shows that Housing First can make a positive difference to the physical and mental health and wellbeing of homeless people with high support needs.<sup>20</sup> For example:

- The 2015 evaluation of Housing First in England found that 63% of service users self-reported improvements in physical health and 66% self-reported gains in mental health, with some smaller improvements around drug and alcohol use.<sup>21</sup>
- In 2015, interim results reported from the French Un Chez-Soi d'abord Housing First programme showed that contacts with hospitals and the frequency of stays in hospital had fallen significantly.<sup>22</sup>
- A forthcoming publication from VOICES in Stoke-on-Trent shows reductions in A&E attendances, magistrate's court appearances, hospital inpatient nights, arrests and nights in custody for a cohort of 17 people receiving a Housing First service, when comparing the year before engaging with the Housing First service to the year after. When costs were ascribed to interactions with services, this equated to a reduction in cost of £6,775 per customer.<sup>23</sup>
- An academic paper published in 2015 demonstrated the benefits of Housing First for people with severe mental illness (SMI), including community functioning and quality of life, through a review of research and the findings of a randomised control trial, concluding that Housing First projects should be developed to end chronic homelessness among people with SMI.<sup>24</sup>

It is important to note that the evidence of improvement in physical and mental health is not yet conclusive; Aubry et al. cite a '*major challenge*' for Housing First projects is '*how to adapt and target the support provided to its participants during the longer term to improve the outcomes in other areas, including mental health, physical health, substance use... and ultimately, recovery.*'

The interconnected nature of homelessness and health is well recognised in England and reflected in Government policy and strategy.<sup>25</sup> As well as impacting on health outcomes, a lack of appropriate accommodation and support can result in 'failure demand', which impacts on services and potentially on the costs of service delivery. As evidence shows that Housing First provides a more effective route out of homelessness for people with multiple and complex needs, the health case for Housing First is persuasive.

*'Lack of appropriate housing can be a significant contributor to delayed discharge from hospital. A lack of housing or support can also lead to increased readmission rates, over-use of residential care and, in*

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<sup>20</sup> Pleace, N (2016) Housing First Guide Europe, FEANTSA.

<sup>21</sup> Bretherton, B and Pleace, N (2015) Housing First in England – an evaluation of nine services, Centre for Housing Policy, University of York.

<sup>22</sup> Pleace, N (2016) Housing First Guide Europe, FEANTSA.

<sup>23</sup> Rice, B (tbc) Hard Edges in Stoke-on-Trent (ii) – a financial analysis, VOICES (pending publication).

<sup>24</sup> Aubry, T, Nelson, G and Tsemberis, S (2015) Housing First for People With Severe Mental Illness Who Are Homeless: A Review of the Research and Findings From the At Home–Chez soi Demonstration Project, Canadian Journal of Psychiatry, Nov 2015; 60(11): pp. 467–474.

<sup>25</sup> For example, No Health Without Mental Health (2011) A cross-government mental health outcomes strategy for people of all ages, Department of Health.

*some cases, the use of out of area or other high-cost services. Investment in housing and housing-related support can contribute significantly to reducing demand on acute and specialist services’.*<sup>26</sup>

Most Housing First service users in England have issues related to drug or alcohol misuse.<sup>27</sup> Public health commissioners in local authorities seek to reduce the harmful impact of drugs on individuals and communities. In 2017 Public Health England published a review of the outcomes that can be expected from drug treatment.<sup>28</sup> The review concluded that outcome measures for treatment should reflect a wider breadth of outcomes including housing support and gaining and maintaining suitable housing. It drew on a rapid evidence review that highlighted the following:

- Homelessness can affect motivation for change and willingness to engage with treatment and correspondingly access to housing can have a positive impact on motivation.
- It is more difficult for treatment providers to maintain contact with service users if they move between accommodation or are offered emergency housing and this can have an impact on treatment engagement and retention.
- Suitable housing should be available at important points in treatment pathways *‘particularly where it is known that failure to provide this is likely to result in homelessness, withdrawal from treatment, greater drug use’*.
- The pathway should be *‘defined by the individual’s needs and choice and should be personalised rather than prescribed by policy programmes’*.
- It should be recognised that assistance is likely to be needed to access and sustain appropriate housing along the recovery journey, including provision for those who continue to use drugs.

The findings above fit with the provision of Housing First, which provides a stable base and consistent support that can act as a motivator for change. It is a personalised approach to support and housing and offers improved outcomes for those who have not stopped using drugs by employing a harm minimisation and minimal conditionality approach.

## 6.2 Examples of innovation in health funding for Housing First

There were only two examples of NHS funding of Housing First identified in this investigation. One was the contribution being made to the Encompass pilot project by the CCG (see case study 4 on page 18); the second and more sizable NHS-funded project was Ealing Housing First, which is funded through the Better Care Fund (BCF). The aim of the BCF is to enable people to manage their own health and wellbeing, and live independently in their communities for as long as possible; it is described as *‘one of the most ambitious programmes ever introduced across the NHS and local government’*.<sup>29</sup>

The BCF encourages integration by requiring CCGs and local authorities to enter into pooled budget arrangements and agree an integrated spending plan. In 2016/17, £5.9 billion was pooled in the BCF. The source of the money is ‘top sliced’ NHS funding – so there is no additional funding but a small proportion of

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<sup>26</sup> Corbluth, M (2010) Preventing Delayed Transfer of Care and accessing settled Housing: Good practice for inpatient mental health services, London Health Programmes.

<sup>27</sup> Survey data from Homeless Link: in 2017 survey of 24 teams, the 23 respondents stated that ‘all’, ‘most’ or ‘almost all’ of their service users had substance misuse problems and one said ‘around half’ of their service users had these issues.

<sup>28</sup> Burkinshaw, P, Knight, J, Anders, P, Eastwood, B, Musto, V, White, M, and Marsden, J (2017) An evidence review of the outcomes that can be expected of drug misuse treatment in England, Public Health England.

<sup>29</sup> NHS England website accessed May 2018 <https://www.england.nhs.uk/ourwork/part-rel/transformation-fund/bcf-plan>

available funding is taken and redistributed via CCGs in order to commission BCF projects. For more information on Ealing Housing First, see case study 5 on page 23.

The Housing First service was part of a suite of services that addressed the needs of people vulnerable to repeat hospital admissions and escalating care needs – a group who would potentially require further costly interventions if their needs were not met (see case study 5 on page 23).

Public health funding is allocated to local authorities and a locally determined proportion of this is spent on drug and alcohol strategies. One Housing First project that contributed to this research had public health funding through contributions to a pooled budget (Thurrock Housing First – see case study 3 on page 17).

### Case study 5: Ealing Housing First – NHS funding of Housing First

**Project funding:** NHS – Ealing CCG through the Better Care Fund, commissioned by Adult Services at London Borough of Ealing

**Project delivery:** St Mungo's

**Tenure:** mixed including social housing, Clearing Housing and PRS

The Housing Related Support Commissioner in Adult Services at London Borough of Ealing identified an opportunity to bid for funding from the Better Care Fund (BCF) to target interventions at people falling short of thresholds to access statutory services but who have high levels of support needs – those 'treading the line between housing-related support and care' (Commissioner). The programme represents 'a mechanism for health to invest in prevention.'

A suite of three services including Housing First was developed to prevent hospital readmissions and support people to live independently in the community. The service is targeted at those with complex needs including mental health and substance misuse and accommodation breakdown, often but not always including a history of rough sleeping and street homelessness.

The rationale put to funders was that this provision would create 'savings' by reducing readmissions and emergency admissions to hospital and preventing care needs escalating. The funding application drew on evidence from the evaluation of Camden Housing First and other research about heavy use of emergency services by people in the target cohort.

*'Part of the sell, internally, was actually that we will save a lot of adult services money, so it's 'win-win' as we save the CCG money and adult services money.'* (Commissioner)

*'A lot of our clients are people who would intensively use services such as A&E ambulance call outs and would likely have long hospital stays either under MH [Mental Health] Act or physical health issues. We work holistically to build confidence and life skills, encouraging and supporting clients to attend regular hospital appointments which leads to an improvement in health and avoids emergency hospital admissions.'* (Service Manager)

The bid was successful and St Mungo's began delivering Housing First in Ealing in 2015. The project identifies suitable clients then sources the most appropriate available accommodation in or out of the borough. The project is working with 13 clients and is considered a success. The project also provides support in other areas

related to criminal justice and substance abuse, which potentially results in additional service cost savings and an associated reduction in anti-social behaviour.

The initial project was funded for two years and is now funded on a year-by-year basis. The Commissioner feels that, given the funding rationale, access to data on prior contact with health and other services would be beneficial and help secure the future of the project, but this is hard to secure at the current time due to data sharing issues.

*'In the medium term we will have to find more concrete evidence. It will have to just carry on [with that we are doing] until we can say okay, press button and say: there is list of Housing First clients and we know that two years ago they were visiting A&E every fortnight and now it's every six months or not at all.'*  
(Commissioner)

### 6.3 The potential of health funding for Housing First

#### 6.3.1 Opportunities

##### Preventing use of costly services

Case study 5, Ealing Housing First (page 23), demonstrates that Housing First can be relevant to efforts to reduce readmission and manage health needs within the community, which are priority areas for health commissioners. Housing First projects commonly cite reductions in clients' use of A&E services and better management of health conditions.

*'The way to demonstrate savings of interest to CCGs or STPs is to show reductions in health care costs and admissions. If there is evidence that there are health benefits and a capacity to make savings quickly then it is definitely easier to get an idea implemented... And there is still significant potential to demonstrate both health and financial benefits for Housing First through high-quality evaluation.'* (Andy Bell, Centre for Mental Health)

People with complex needs are vulnerable to hospital admissions; lack of suitable housing can prolong hospital stays and increase the risk of readmissions. Helping people to be discharged in a timely way is top priority for acute and mental health services.

##### Integrated services

Moves to bring together social care and health services, and to create more integrated services to support people, fit well with the Housing First service model, which provides a stable base from which a caseworker intensively supports the client to access the services they wish to at that time.

The approach is relevant to the work of Strategic Transformation Partnership (STP) areas. The King's Fund recently reported that *'STPs and ICSs [integrated care systems] need to take advantage of the contribution housing can make to the health and social care sectors to maximise the health of local populations across the life-course'*. In its report 'Housing and Health', The King's Fund gives Housing First as an example of an initiative that *'STPs can support to improve the housing and health of people of working age, including working with the voluntary sector'*.<sup>30</sup>

<sup>30</sup> Buck, D, Gregory, S (2018) Housing and health: Opportunities for sustainability and transformation partnerships, The King's Fund.

### 6.3.2 Key challenges

#### Budgetary pressures

Across NHS services and public health services there is extreme pressure on budgets; interviewees highlighted this as a challenge to securing new health funding for Housing First. Examples of the contextual challenges cited are reductions in the proportion of public health expenditure on drug and alcohol services and budget deficits.

Related to this is the long-term financial commitment of a Housing First approach. A challenge in 'selling' the Housing First approach to new commissioners is the open-ended offer of support that is inherent in a Housing First service. For one Public Health Commissioner interviewee this was one of the biggest barriers to committing funding to a Housing First service.

#### Burden of evidence

While the broad evidence base for Housing First is strong compared to other interventions in the housing-related support sphere, the evidence required in the health sector can be more exacting.

*'The housing world doesn't have the equivalent of NICE. If mental health services are spending money on Housing First then it is subject to this scrutiny. Commissioners can do things if they want to, but they can also say where are the NICE guidelines? where is the evidence here?'* (Andy Bell, Centre for Mental Health)

The following extract from commissioning guidance illustrates this:

*'A strong evidence base exists for the range of interventions that are effective in substance misuse. Commissioning should be based upon this evidence using NICE quality standards.'*<sup>31</sup>

#### Profile of the cohort

A challenge in engaging health commissioners to consider the needs of people with complex needs in the homeless population is that for some of these people it is hard to define their area of residence and therefore where the responsibility lies for meeting their needs. Furthermore, there are unmet and unidentified needs in this population that is liable to be overlooked by commissioners. When dealing with people who have been transient and/or not engaged with services, meeting their needs requires investment in the short term to secure engagement and find the right housing solution and in the long term to assess and respond to health needs that have previously been hidden.

#### Awareness of Housing First

Although Housing First has a high profile in the housing and homelessness sectors, it is less well known, or understood, in the health sector. Given current pressures on health services, addressing this is challenging.

*'It's on our radar as we are very interested in it but I don't think it's on the wider agenda. It's been difficult to translate it [to mental health] as most of the concerns in the mental health services world are about acute care pathways – so not about homelessness people with complex needs but people in hospital beds longer than they should be. [It's about] facilitating discharge and recovery for that group.'* (Andy Bell, Centre for Mental Health)

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<sup>31</sup> Joint Commissioning Panel for Mental Health (2013) Guidance for commissioners of drug and alcohol services.



## 7 Housing First and social care

### 7.1 Why is social care funding relevant to Housing First?

Housing First clients in England generally have complex needs. The challenges faced by individuals include complex trauma, substance misuse and mental ill-health (often with undiagnosed conditions). Prolonged periods of homelessness and experiencing multiple needs increases the risk of long-term health conditions including brain injury. As a result, Housing First clients can have unmet care needs or have needs that are likely to escalate more rapidly if they do not exit homelessness and receive appropriate support.

The Care Act 2014, which came into force in 2015, brought about changes to the way individuals access publically funded care and support. The Act removed reference to specific groups being eligible or ineligible; a person's eligibility is instead determined by their wellbeing and how their needs affect their ability to achieve certain outcomes.<sup>32</sup> The Act also introduced a duty to integrate care with health-related provision such as housing.<sup>33</sup> The Care Act highlights social inclusion as well as physical care needs:

*'Adult social care [ASC] is nearly always seen as personal care, washing dressing and so on. But ASC is also about inclusion outcomes. There are eligibility criteria such as: can you maintain a habitable home environment, can you make use of services, do you need a support worker to take you to a GP? Budgets are so tight though that support is often restrictive toward personal care.'* (Dr Michelle Cornes, King's College London)

### 7.2 Examples of innovation in social care funding of Housing First

This investigation identified three different ways in which social care funding is supporting Housing First in existing projects:

- Pooled budgets: where adult social care commissioners provide a specified amount towards a commissioned Housing First Service in recognition that the service supports people who may have existing care needs, and that the service prevents escalation of care needs (see case study 3: Thurrock Housing First on page 17).
- Contributions to budgets for specific clients. Where a Social Services commissioner provides funding to a larger Housing First service in order to get support for specific individuals; in Brighton the Housing First service supports two care leavers with multiple and complex needs. This work is funded by Children's social services whereas the wider Housing First project is funded through the Housing Related Support Budget (which sits with Health and Adult Social Care).
- Spot purchasing of Housing First: where the mental health commissioning team within the Adult Social Care fund has specified the individual's need for the Housing First service to prevent the use of temporary accommodation and admission into mental health secure accommodation (see case study 6 – Two Saints, Portsmouth on page 27).

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<sup>32</sup> Cornes, M, Manthorpe, J, Whiteford, M, Clark, M, Mathie, H (2015) The Care Act, Personalisation and the New Eligibility Regulations, King's College London.

<sup>33</sup> For example: The Care Act 2014, Part 1, section two specifies: 'Health-related provision means provision of services which may have an effect on the health of individuals... For the purposes of this section, the provision of housing is health-related provision.'

In addition to these examples, it is important to recognise that social care interventions contribute to the outcomes of existing Housing First services. Several Housing First services stated that they have sought social care assessments for clients and been successful in securing support in some cases.

Services commented that once someone with multiple needs is in accommodation and has intensive support to help coordinate services, assessment of need and arranging a social care package is easier to achieve. It is important to note here that being in accommodation is not a legal prerequisite for a social care assessment; an assessment should be proportionate and appropriate to individual needs and circumstances. Examples of social care packages secured for VOICES' Housing First customers have ranged from adaptations and meals-on-wheels to intensive packages including support with medication compliance, cleaning, buying food and bathing. The issues faced by customers supported to access social services included: mobility problems, self-care, poor nutrition, incontinence and brain injury. In two cases, individuals' care needs have resulted in move-on to care home accommodation and in several other cases to 'extra care' settings.

### Case study 6: Portsmouth Housing First – spot purchasing

**Project funding:** Portsmouth City Council, Mental Health Commissioning Team

**Project delivery:** Two Saints

Two Saints has been innovating in the field of Housing First in the South East and South Coast regions since 2014. Having run commissioned Housing First services, the organisation worked with Portsmouth City Council to develop a highly personalised 'spot purchasing' approach to Housing First for people with severe mental illness who have substance misuse support needs and often, not always, also have a history of homelessness.

*'We have developed Housing First in Portsmouth taking a different angle. We are working with complex needs clients who have mental health problems but not necessarily a rough sleeping history... People who spend time in high-end residential care – who, if they don't get the support they need will end up back in [psychiatric] hospital. This is on a spot purchase basis – it's about personalising the support.'* (Regional Director, Two Saints)

The first client taken onto the project was a woman who had a very high profile in the city due to her mental health needs, drug use and homelessness. She had a very unsettled lifestyle and had never sustained a benefits claim. As an existing provider of services in the area, a Mental Health Commissioner from the local authority approached Two Saints and said that they would be placing the client in expensive drug rehabilitation accommodation outside of the area – was there anything else that Two Saints could offer as an alternative. Two Saints proposed a Housing First solution.

*'The first client was one with most high profile [person with very high mental health support needs] in the area. The mental team was able to see how we worked with this client in her own flat – she is maintaining the accommodation and before she had never had accessed benefits. She has never been put back in institution.'* (Regional Director, Two Saints)

The client has now been accommodation supported by Housing First for six months. The accommodation was provided from Two Saints' own stock but the support and housing management services are distinct and separate.

There are now five people on the Portsmouth Housing First caseload with varying levels of funding according to the hours of support required: '[For the first client] we ramped up the support. We are funded to see the client seven days a week; she is seen everyday... The second client only needed seven to eight hours of support a week.' (Regional Director, Two Saints)

The funding for these clients is from local authority mental health budgets, part of adult social care commissioning.

*'If we didn't do what we are doing client would be in residential care with no way out or out then back into the hostel world, so this worked quite well. [When] clients were in residential care they are under section so it's high end and costly.'* (Regional Director, Two Saints)

The Regional Director for Two Saints advocates this 'spot purchasing' model and believes it could have potential in other areas because it provides flexibility and personalisation. It also removes the need to tender, which is 'disruptive to clients and service and, by its very nature, i.e. two to three year contracts, goes against the Housing First principle of open-ended, tailored support'. Two Saints feels that the funding is sustainable for this particular client group as the risks and costs of removing support are both high and also very clear to commissioners.

### 7.3 The potential of social care funding for Housing First

#### 7.3.1 Opportunities

Case studies 5 and 6 demonstrate the relevance of Housing First to social care commissioners at a project and individual level. There are two aspects to this:

- preventing unnecessary escalation of care needs resulting from insecure housing and homelessness
- meeting the needs of the individual as defined by the Care Act 2014.

The Care Act provides an opportunity for homelessness agencies to highlight needs that are sometimes unrecognised by social care services, partly because homelessness services currently provide a response to these needs:

*'We sometimes argue that if we put support in then we don't need the care. But people with a long-term history of rough sleeping have long-term conditions and related needs. You go to hostels where people are getting support as 'homeless', but are sitting there with cellulitis and related care needs.'* (Dr Michelle Cornes, King's College London)

Barriers remain to obtaining Care Act assessments for people facing multiple needs.<sup>34</sup> Advocating for service users to access social care is an ongoing area of work for some Housing First Services – for example, VOICES in Stoke-on-Trent has developed a 'Care Act Assessment Tool' to ensure effective communication of customers' needs to social services. Social care provided alongside a Housing First package can transform outcomes – for example, a VOICES customer who received a meals-on-wheels package in her Housing First tenancy was able to have the surgery she had long wished for because she was better nourished. The meals-

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<sup>34</sup> Cornes, M, Ornelas, B, Bennett, B, Meakin, A, Mason, K, Fuller, J, and Manthorpe, J (2018 – forthcoming) Increasing Access to Care Act 2014 Assessments and Personal Budgets Among People with Multiple Needs Linked to Homelessness and Exclusion: A Theoretically Informed Case Study, Housing Care and Support, Emerald Publishing.

on-wheels also meant that someone was checking her wellbeing and providing a friendly social contact every day.<sup>35</sup>

Experts in social care interviewed for the project felt that there may be opportunities for social care funding to contribute further to Housing First services. Some expert interviewees felt that there is potential for a more radical approach using 'personal budgets' to contribute towards Housing First services. A personal budget is allocated on the basis of an assessment of care needs; people then buy in the care they need through a variety of mechanisms. One challenge in developing this is that if the individual is receiving a Housing First service already, it can be argued that their needs are being met.

*'If you had a team currently funded through Better Care funding and the funding comes to an end – one option would be for people supported by those workers to have a Care Act assessment to get an Individual Service Fund and then pool that funding to pay for the Housing First workers. In Learning Disability we see houses where people have individual budgets to fund a circle of support.'* (Dr. Michelle Cornes, King's College London)

Another opportunity highlighted by an expert interviewee was The Communities and Local Government and Health Committees joint inquiry on the long-term funding and provision of adult social care to feed into the Government's forthcoming Green Paper. Although the focus of the Green Paper is specifically on older people, the Committee has invited submissions on 'How to fund social care sustainably for the long term (beyond 2020), bearing in mind in particular the interdependence of the health and social care systems'.<sup>36</sup>

*'I think that if we wanted Housing First to have real legs going forward it needs to form part of the inquiry into adult social care – with Housing First we are saying this is a model for people who may never live independently.'* (Gill Leng, Gill Leng Housing Solutions)

### 7.3.2 Challenges

#### Budgetary pressures

Adult social care budgets are subject to extreme pressure and this impacts on the extent to which new opportunities identified in relation to the Care Act (see section 7.3.1) will translate into practice on the ground. In 2016 The King's Fund explained: *'The removal of £5.5 billion from social care budgets over the past six years is now taking its toll. [...] The Care Act – a well-intentioned legal framework [...] has created new expectations of local authorities that are completely at odds with the financial trajectory of social care spending.'*<sup>37</sup>

#### Sustainability of individual social care packages

Individuals' social care packages will periodically be reviewed. If a Housing First service relies on social care funding to provide support, there is *'always risk that funding can be taken away'* (Dr Michelle Cornes, King's College London). This potentially runs contrary to Housing First principles, which offer long-term open-ended and flexible support. If social care funding is providing a contribution towards an overall package of Housing First support, shifting levels of adult social care contribution will not be as problematic. If social care was the

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<sup>35</sup> Rice, B (2017) Independent evaluation of VOICES: systems change report, VOICES.

<sup>36</sup> <https://www.parliament.uk/business/committees/committees-a-z/commons-select/communities-and-local-government-committee/news-parliament-2017/social-care-green-paper-17-19/> (accessed March 2018).

<sup>37</sup> Humphries, R (2018) Taking Control of our social care system, The King's Fund: <https://www.kingsfund.org.uk/blog/2016/07/taking-control-our-social-care-system> (blog post accessed March 2018).

main funder of Housing First support (for example, through the use of a personal budget) there is a danger that the individual could reach a 'cliff edge' if support needs lessen and support could be taken away, leaving them vulnerable to homelessness and / or escalation of support needs.

Where a pooled budget approach is used (see section 5.1 and case study 3), the sustainability is arguably greater because budget holders each have to commit less funding and have committed it regardless of any changing needs in the client group. Services funded via pooled budgets are, however, still subject to periodic review via commissioning cycles.

### **Target cohort – a solution for some individuals**

Where there are examples of adult social care funding for specific individuals, the central rationale for providing the service is linked to their status, for example, as a care leaver in Brighton and suffering serious mental illness in Portsmouth. Social care funding is likely to be a potential avenue to explore for individuals with care needs that place them within the statutory framework, but this will not extend to offering a solution for many long-term homeless people with multiple needs who fall short of the social care thresholds. While the Care Act provides the opportunity to make the case for social care packages for some long-term homeless people this will not apply to all the people who would benefit from a Housing First approach. Where Housing First services believe that an individual does fall within the criteria outlined in the Care Act, advocating for assessment and a package of support should be part of the service offered, if the service user wishes it to be.

### **Housing often comes before a social care assessment**

Housing First services currently report that it is more realistic, if still challenging, to secure a social care assessment for people with multiple needs once they are in accommodation, although it should be emphasised that a social care assessment is not legally contingent on someone being in accommodation. So, in line with the principles of Housing First, in many cases the housing is arranged first and the other services needed are coordinated around this central offer. A social care package is unlikely to include support that already appears to be offered by the Housing First provider – as these particular needs (for example, support to attend health appointments) are being met.

*'The other tricky bit we get to is like with VOICES [Fulfilling Lives in Stoke-on-Trent]. While they have lottery funding it may be that the person doesn't actually need the personal budget – it's being funded by another source. Adult Social Care can say, "Your needs are already being met."' (Dr Michelle Cornes, King's College London)*

This is an area being explored by VOICES Fulfilling Lives project in Stoke-on-Trent, which sometimes adopts a 'proto-Housing First' model. VOICES accesses a tenancy for the client and provides intensive service coordination to put in place the support necessary for the continuation of the tenancy. At this point VOICES steps back its support<sup>38</sup>.

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<sup>38</sup> For more information about the Care Act and Housing First, please see a webinar (June 2018) delivered by Homeless Link in partnership with Voices of Stoke <https://hfe.homeless.org.uk/event/webinar-care-act-and-housing-first>

## 8 Housing First and criminal justice

### 8.1 Why is Housing First relevant to the criminal justice sector?

There is clear evidence that offenders disproportionately experience homelessness and that this is a factor in reoffending. This is a particular issue for people with multiple needs, including those who are homeless and facing issues with substance misuse and mental health problems, the group often focused on by Housing First services. The Lankelly Chase 'Hard Edges' report highlights the high level of overlap between people known to offending, substance misuse and homelessness services.<sup>39</sup> Accommodation problems have been found to be linked to other offender needs; a survey of prisoners identified greater accommodation-related needs, including homelessness, among prisoners with alcohol or drug problems.<sup>40</sup> Those working with clients facing multiple needs often report a cycle of short prison sentences, homelessness and reoffending.

Transforming Rehabilitation promises a 'Through the Gate' resettlement service for all offenders.<sup>41</sup> In 2013 the Ministry of Justice concluded that *'the provision of suitable accommodation... can be seen as a necessary, if not sufficient, condition for the reduction of reoffending'*.<sup>42</sup>

There are challenges to providing suitable accommodation to people with a history of offending. Although many offenders facing homelessness have support needs such as substance misuse or mental health problems, which means that accommodation with support is vital, there is evidence that hostel-type accommodation tailored specifically for ex-offenders may facilitate the development of 'criminal networks'. A recurring theme in research with homeless people who have been incarcerated is that returning to a hostel environment on leaving prison can exacerbate their issues or make it very hard to remain abstinent (often people detox while in prison). Housing First potentially provides a solution to some of these issues by providing dispersed accommodation with intensive support in the community.

The evidence regarding the impact of Housing First on offending in England is limited. Some evaluations provide self-reported information on offending and antisocial behaviour. However, a randomised controlled trial in Canada focussed on *'reoffending amongst Formerly Homeless Adults with Mental Disorders'* and found that *'Housing First was associated with a marginally significant reduction in sentences compared to treatment as usual'*.<sup>43</sup>

### 8.2 Examples of innovation in Housing First targeted at those in contact with the criminal justice system

No current direct funding of Housing First services was identified in the investigation; however, there were examples of a service targeted at people in contact with the criminal justice system and one project where a local police force had agreed in principle to provide money towards the a Housing First service :

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<sup>39</sup> Bramley G, Fitzpatrick, S, Edwards J, Ford D, Johnsen S, Sosenko F, Watkins D (2015) Hard Edges, Mapping Severe and Multiple Disadvantage, Lankelly Chase.

<sup>40</sup> Ministry of Justice Analytical Series (2013) Transforming Rehabilitation: a summary of evidence on reducing reoffending.

<sup>41</sup> Ibid.

<sup>42</sup> Ibid.

<sup>43</sup> Somers J, Rezansoff F, Moniruzzaman A, Palepu A, Patterson M, Housing First Reduces Re-offending among Formerly Homeless Adults with Mental Disorders: Results of a Randomized Controlled Trial, Faculty of Health Sciences, Simon Fraser University, Canada, Faculty of Medicine, University of British Columbia, Canada

- Threshold in Manchester provides a Housing First service specifically for women with multiple needs and often works with women who have recently left prison, or are currently subject to supervision in the community. The service was developed in light of evidence that a number of women with complex needs were ‘revolving’ through the local women’s prison and community-based services<sup>44</sup>, and that women wanted a gender sensitive service. Initially, a two-year pilot to support up to 12 women at a time was established in 2015, funded by the New Charter Group (a housing association), working with Cheshire and Greater Manchester Community Rehabilitation Company.<sup>45</sup> The evaluation of the two-year pilot reported that the most common source of referrals was the Probation Service.<sup>46</sup> The project was found to be effective and it was estimated that every £1 spend on the project would result in benefits worth £2.51. This is based on projected reductions in offending associated with stable, appropriate housing and access to the support provided by Threshold Housing First, and benefits accruing to the children of the women using Threshold Housing First.<sup>47</sup>
- In Devon, Encompass has secured agreement in principle for the local police service to contribute towards the funding of a Housing First scheme, initially working with two clients (see case study 4).

### 8.3 The potential of criminal justice-related funding for Housing First

#### 8.3.1 Opportunities

Housing First could offer a solution to people whose offending is impacted by homelessness in combination with other support needs – for example, people with high needs who are unable to access supported accommodation (due to availability, previous exclusions etc) and those for whom existing supported housing poses risks due to exposure to substances or vulnerability to abuse and exploitation. The Ministry of Justice has started work with MHCLG on a joint offender accommodation strategy.

The recognised weaknesses in accommodation pathways for prison leavers and the surfeit of short-term advice without the corresponding housing solution could represent an opportunity for promoting a Housing First model.

*‘Released prisoners could benefit from a more joined up and effective housing support service. However, even with the best support a lack of housing means that housing outcomes are difficult to achieve. We need to spend more time on creating the housing solution and shifting resources from navigating through existing pathways to creating housing and a more streamlined pathway to it.’*  
(Joanne Drew, Director of Housing and Wellbeing, Nacro)

An expert interviewed for the project suggested that the point at which Transforming Rehabilitation outcomes for Community Rehabilitation Companies (CRCs) are reviewed could be an opportunity to promote a Housing First model, but this is not for another three years and ongoing work to improve access to accommodation for people who have offended is essential.

*‘The Ministry of Justice are re-specifying the outcomes for Transforming Rehabilitation, but it’s not for another three years or so. In the meantime, there is a real opportunity to consider how all contributors*

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<sup>44</sup> Leng, G (2017) The impact of homelessness on health – a guide for local authorities, Local Government Association.

<sup>45</sup> Ibid.

<sup>46</sup> Quilgars, D and Pleave, N (2016) Evaluation of the Threshold Housing First Project for Women Offenders, Centre for Housing Policy, University of York.

<sup>47</sup> Ibid.

*to Transforming Rehabilitation can play a part in developing an improved housing system including additional housing supply that is affordable, secure and easy to access and sustain. Proactively contributing to support the Homelessness Reduction Act in the short term can help people from falling into crisis.* (Joanne Drew, Director of Housing and Wellbeing, Nacro)

### 8.3.2 Challenges

The National Audit Office reported that there had been a 25% real-terms reduction in central government funding to police and crime commissioners, between 2010/11 and 2015/16. This is an 18% real-terms reduction in total police and crime commissioner funding when the local council tax receipts that forces receive are included.<sup>48</sup> Clients with complex needs are often involved in less serious crime – for example, drug-related offences such as acquisitive crime and breaches of court orders. These issues are liable to receive less attention at times of financial pressure.

Prisons, CRCs and the National Probation Service are also reported to be under significant financial pressure. For example: *'The volumes of activity CRCs are paid for are well below the levels expected when the contracts were let, while the number of offenders supervised has increased Inspectorate of Probation and HM Inspectorate of Prisons have also raised concerns about the financial stability of CRCs and the quality of rehabilitation services.'*<sup>49</sup> This picture of instability and financial pressure can make it hard to penetrate the sector to innovate in partnership with others. One stakeholder commented: *'The criminal justice sector does not understand the model that is available with Housing First and how it could be adapted from existing solutions... maybe there is some kind of event to look at how could HF be adapted from existing solution.'* Accommodation on release from prison is considered to be one of the main outcomes by which CRCs are measured because it is considered to be so central to rehabilitation.<sup>50</sup> However, the outcome is around accommodation on release as opposed to a long-term or sustainable outcome. Housing First is an expensive option in the short term but potentially yields longer-term outcomes that are not currently incentivised.

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<sup>48</sup> National Audit Office (2015) Financial sustainability of police forces in England and Wales.

<sup>49</sup> National Audit Office (2017) Investigation into changes to Community Rehabilitation Company contracts.

<sup>50</sup> Ministry of Justice and NOMS transparency data, Community performance quarterly management information release: <https://www.gov.uk/government/publications/community-performance-quarterly-management-information-release> (accessed March 2018).



## 9 Conclusions and recommendations

This report has explored the evolution of Housing First funding and considered potential sources of funding for the future. The next few years will be critical in determining the long-term role of Housing First in tackling homelessness. At the current time there are three strands of development:

- pilot projects and existing projects are seeking to become sustainable and part of mainstream commissioning
- new projects are emerging from local areas
- large-scale transformation projects are being mobilised.

There are two aspects to consider in the funding of Housing First:

- the source of funding – this is currently often Housing Related Support and trusts, but there were also examples, albeit sometimes small scale, of contributions from Adult Social Care teams, a Public Health team, a local Better Care Fund (NHS funding), a local CCG (NHS funding), and a local police force
- the approach to funding – for example, funding in line with existing Housing Related Support commissioning cycles, pooling budgets, spot purchasing for individuals, and including Housing First as part of a payment by results Social Impact Bond project.

There is some interest in extending Housing First from a range of commissioners, service providers and funders across the health, social care, public health and criminal justice sectors. However, the model remains far better recognised and supported within the homelessness sector. Potentially, Housing First in England could develop more diverse funding sources with more examples of pooled budgets between health, social care and housing or through spot purchasing. This would have benefits in terms of sustainability. There are, however, significant barriers to ‘breaking through’ and establishing Housing First as a widespread model in different sectors. Housing First may continue to develop through Housing Related Support budgets but this funding is highly vulnerable to cuts.

There are some key potential facilitators to promoting a Housing First model across sectors:

- the potential reduction in acute health and mental health, and the (sometimes hidden) care needs within the target cohort
- the paucity of effective housing options currently available to people with multiple needs
- the current work by central government to develop lasting solutions to rough sleeping through the Rough Sleeping Task Force, including cross-departmental work, for example, with the Ministry of Justice.

Several key challenges exist that apply across different funding streams:

- Current funding models do not take into account the need for long-term, open-ended support and are often structured according to limited timeframes after which services are at risk of closure.
- Services across the board are vulnerable to cuts in public expenditure; this context makes innovation challenging.
- While Housing First is likely to reduce costly negative contact with services, and future demand relating to homelessness, these benefits are spread across sectors and budgets. This means there is no one specific funder that recognises the benefits of this reduced burden and therefore funds the service.
- Funding for housing and homelessness solutions, health, social care and criminal justice are separate, but Housing First is in practice a service that spans across all these areas.

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- Although there is a national and international evidence base for Housing First as an effective solution to homelessness for long-term rough sleepers with support needs, the evidence for impact on treatment outcomes and health are less concrete. The three large-scale pilot projects will enhance the evidence base for Housing First in England through the planned evaluation.

Diversifying funding can mean diversifying the client group for Housing First. For example, services funded with the specific aim of reducing use of acute health and mental health services and avoiding escalation of support needs are likely to focus on a different (but overlapping) cohort from services seeking to reduce rough sleeping.

The investigation identified a range of solutions to preserve, develop and expand Housing First funding across the country:

- a specific, long-term central government fund for Housing First, ideally featuring cross-departmental contributions
- preserving and increasing Housing Related Support locally and promoting Housing First as a widespread model within this area
- developing individual funding or spot purchasing for Housing First through social care packages or public health and health interventions
- pooled budgets with contributions from different local authority and health budgets were widely thought to be a positive means of funding future Housing First services.

## 9.1 Recommendations

### 9.1.1 Headline recommendations

1. All relevant stakeholders from central government to local commissioners should seek to support and extend the 'bottom up' Housing First movement, while the large-scale national pilot projects are undertaken. This 'bottom up' movement has momentum and needs support to ensure that effective services, which fit with current national policy, do not close due to lack of funding.
2. The resourcing, sustainability and development of Housing First should be considered in the development of the MHCLG Rough Sleeping Strategy and the Greater London Authorities Plan of Action on Rough Sleeping.
3. The evaluation of transformation projects is critical to building an evidence base for Housing First in England. MHCLG and contracted researchers should:
  - a. ensure that the results of the evaluation will be compelling to a cross-sector audience of commissioners and funders
  - b. establish a panel to inform the evaluation including representation from homelessness organisations, experts by experience and commissioners and potential commissioners
  - c. develop a methodology that recognises the existing Housing First landscape and takes learning and evidence from this for both formative and outcomes evaluation.
4. Housing First should be recognised as a health and wellbeing intervention, as well as a housing service. Funders and commissioners across health, public health, criminal justice and social care should consider Housing First as a model of supporting people with complex needs. However, Housing First is not well recognised across sectors and work to promote the model should be continued and developed, for example, through Housing First England and other opportunities such as the national evaluation of the Housing First pilots.

5. Policymakers should seek to innovate away from short-term funding cycles, which focus on narrow areas of need, because these impede the sustainability of Housing First and other services and pose a barrier to truly preventative approaches.
6. All funders should ensure that the approach to funding and monitoring enables a high level of fidelity to the principles of Housing First, including small caseloads, minimal conditionality and a long-term offer of accommodation and support. Where possible, Housing First personal budgets should also be secured.
7. Housing First should not be funded or commissioned in isolation. Funding of Housing First support should be recognised as one element of investment needed to enable people with multiple needs to progress and thrive. All funders and service providers should consider how they facilitate access to others services and promote social inclusion.
8. Organisations working in the Housing First field should consider submitting evidence in support of Housing First to the Communities and Local Government and Health Committees joint inquiry on the long-term funding and provision of adult social care to feed into the government's forthcoming Green Paper.

### 9.1.2 Additional recommendations for central government

1. Central government should promote data sharing to build evidence on the impact of Housing First on interactions with costly health and criminal justice services. Currently it is very challenging for services to collect data to demonstrate the outcomes of Housing First.
2. Central government should undertake targeted work to explore how mental health and criminal justice resources could be utilised in the expansion of Housing First.
3. In developing initiatives to support Housing First in the future, sustainability should be a priority area.
4. While diverse funding is likely to be desirable, protecting Housing Related Support budgets is one key way to help to ensure the future of Housing First and central government should encourage local areas to retain these services.

### 9.1.3 Additional recommendations for local commissioners

1. Commissioners should consider longer-term contracts or contracts that have the possibility of extension to reduce uncertainty and anxiety in services dealing with the tensions of an 'open-ended offer of support' in a system where funding is usually at best medium term.
2. Commissioners should consider innovating with pooled funding because this helps to secure funding, improve sustainability and ensure that statutory services are meeting their responsibilities towards a target group that can fall 'through the gaps'.
3. Monitoring arrangements should retain a clear focus on tenancy sustainment as the 'headline outcome', while supporting providers with work to collecting evidence on other areas.

### 9.1.4 Additional recommendations for those seeking funding for a Housing First initiative

1. Consider the target group for your project – typically projects in England have focused on long-term homeless people with complex needs. Locally for this group, Housing Related Support is one of the first funding sources to explore. With pressure on budgets, seeking contributions from other local authority departments is likely to make a project more feasible and sustainable (especially in an area with a low number of potential Housing First clients). Pooled budgets have proven a positive option in this investigation, but remain rarely used to date.

2. Collect descriptive or numerical evidence on the contact that potential service users have with criminal justice, social services, homelessness services and health services to make the case for Housing First. Often the initial target group will be very well known to services and the case for trying something different can be made easily.
3. Be prepared for forthcoming commissioning cycles and ensure that commissioners of Housing Related Support are aware of Housing First and how it can be adapted to local need in terms of scale and that local providers are keen to adopt this model.
4. Consider a spot-purchasing approach where the project is targeted at a very small number of specific people; this can help make the impact of Housing First very clear to funders.
5. Demonstrate the success of Housing First nationally and internationally by drawing on existing reports. Use the Housing First England website to keep abreast of new evidence which will help you to make the case.
6. Use existing forums and networks (for example, those comprising stakeholders with an interest in community safety, rough sleeping or vulnerable adults) to promote the potential of Housing First locally and gain buy-in from the range of organisations who will support Housing First financially and/or by working in partnership on clients cases. Relationships across teams and services are very helpful to initiating funding and delivering Housing First.
7. Be aware that funders from health and social care may be looking for different outcomes from Housing Related Support commissioners and require the project to be targeted at those who are more likely to meet thresholds for social care and/or risk readmission into hospital. Projects that target long-term rough sleepers with complex needs do not have this focus and some of this group have minimal contact with services prior to receiving a Housing First service.
8. Existing support providers may be able to provide a very small-scale pilot of Housing First for areas where there is a lower volume of need, or where funders are tentative about the approach. Some examples of Housing First would not have been viable if they were not funding within the context of other commissioned services (for example, some Housing First workers have office space at hostels). Providers could consider demonstrating the model by accessing a small grant or fundraising, but sustainability of service delivery even for just one person is something to explore when making an offer of open-ended support.
9. Consider seeking agreement from a housing provider or funder (for example, a social landlord, social investor or philanthropist) to provide some initial units of accommodation for Housing First and then seek contributions towards support costs from statutory funding sources after this.
10. Emphasise that on an individual level the main outcome of a Housing First project is tenancy sustainment; on a cohort or project level other outcomes are expected, for example, reducing contact with the police and courts. The model requires a 'leap of faith' because it is non-conditional and no individual service user will be required to make progress in areas apart from tenancy sustainment.
11. It is very challenging to secure data from NHS and police services, but requesting it and starting a dialogue may be helpful, and even partial data could help make the case for Housing First. The ideal scenario is to have data from 12 months before accessing a Housing First service and then ongoing during engagement with a Housing First service.
12. Case studies are a powerful tool for demonstrating the success of Housing First and also raising awareness of the challenges faced by people with multiple needs in accessing services.
13. Housing First can appear a costly option due to its open-ended offer; collecting evidence about the longevity and complexity of someone's support needs and the volume of previous interventions that have not secured an exit from homelessness helps to make it clear that 'treatment as usual' is not a cost-effective option.

14. Seek a broad partnership, being aware that contributors to a Housing First projects go far beyond just the main 'funders'. Social care teams, GPs surgeries, distract nursing teams, drug and alcohol services, neighbourhood policing teams, and others, can all contribute to a client's Housing First journey. Engaging and promoting the work of Housing First services locally should be planned alongside service delivery. This wider group of contributors may also include future funders.

Housing First England



homeless link

## What we do

Homeless Link is the national membership charity for organisations working directly with people who become homeless or who live with multiple and complex support needs. We work to improve services and campaign for policy change that will help end homelessness.



**Let's end  
homelessness  
together**

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