Consultation response

# **DCLG consultation:**

# Addressing complex needs: improving services for vulnerable homeless people

May 2015

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Shelter helps millions of people every year struggling with bad housing or homelessness. We provide specialist advice and support on the phone, face to face and online, and our legal teams can attend court to defend people at risk of losing their home.

However at Shelter we understand that helping people with their immediate problems is not a long-term solution to the housing crisis. That's why we campaign to tackle the root causes, so that one day, no one will have to turn to us for help.

We're here so no one has to fight bad housing or homelessness on their own.

### Summary

- The financial support provided by the Department for Communities and Local Government (DCLG) during the 2010-15 Parliament to both council and voluntary sector homelessness services has been extremely important in preventing and tackling homelessness. We strongly support this approach and, if future homelessness is to be avoided, it is vital that this funding is maintained under the current Parliament.
- We supported the Coalition Government's Ministerial Working Group approach to tackling homelessness by ensuring that 'everyone in government played their part in tackling both the causes and consequences of homelessness'. Shelter has long argued that if we are to end homelessness, joint working is required at both a national and local level to tackle the root causes.
- We are disappointed that this latest report of the Ministerial Working Group makes no mention of working with the Department of Work and Pensions to assess the impact of welfare reform on the availability of accessible and affordable housing, and the knock-on impact on both statutory and non-statutory homelessness. There is a growing body of evidence that welfare reform is leading to homelessness.
- The report highlights that 'statutory homelessness is lower now than in 26 of the last 30 years'. However, it is important to acknowledge that, despite the continued efforts of DCLG to prevent homelessness, both statutory and non-statutory homelessness has increased over the past five years.
- We are very supportive of the Government's desire to help long-term residents of hostels and other forms of supported housing move into settled mainstream accommodation, supporting them to sustain that accommodation and to become more independent.
- We are particularly pleased that the Government is interested in exploring whether the 'Housing First' model, developed in the US and other countries, could be replicated on a large scale in England. The 'Housing First' approach places homeless people into long term settled accommodation and then uses this stability as a basis to address their other support needs. Shelter has long advocated this approach. In 2008, we published 'Housing first: Bringing permanent solutions to homeless people with complex needs'.
- It is important to acknowledge that, without an increase in supply, a 'Housing First' approach outside of the statutory homelessness legislation could place further demand on the dwindling availability of decent and stable housing that is accessible to benefit claimants and other disadvantaged households.
- A 'Housing First' approach will also require an adequate funding of support services. We are very concerned that the report overlooks recent changes to the funding and provision of support to vulnerable homeless people with complex needs.
- Payment by Results models can be successful but this very much depends on the performance indicators used. If people have complex needs then there is a risk that a narrow results process can have unintended consequences, such as the exclusion of 'hard to reach' clients because service providers are incentivised to prioritise clients who are closest to achieving outcomes. There is also a risk that short-term intervention payments can leave people with little urgent support beyond this point. 'Soft' outcomes, such as increased confidence and improved motivation, should be included as these can be important incremental steps towards harder outcomes, such as entry into employment.

<sup>&</sup>lt;sup>1</sup> DCLG (March 2015) Addressing complex needs: improving services for vulnerable homeless people (page 5, paragraph 2)

## Introduction

Shelter welcomes the opportunity to respond to the latest proposals of the Government's Ministerial Working Group on Homelessness.

In Manchester, Shelter's Big Lottery-funded Inspiring Change programme is designed and developed with service users to meet the diverse requirements of people with a variety of complex needs, including a history of problem drug and alcohol use, mental health or emotional well-being issues, accommodation problems and offending.

The project aims to break down barriers that can prevent these people from leading fulfilling lives by delivering the right range of services at the right time. The Inspiring Change Manchester engagement team, commissioned by Shelter, incorporates Riverside, Addiction Dependency Solutions and Greater Manchester Probation Trust as well as specialist support from Big Life Self Help Services and Shelter. This team works in partnership with current Manchester multi-agency programmes acting as the 'glue' that joins services together to provide the right range of interventions, in the right order, at the right time.

#### Prevention of homelessness

The financial support provided by the Department for Communities and Local Government (DCLG) during the 2010-15 Parliament to both council and voluntary sector homelessness services has been extremely important in preventing and tackling homelessness. Despite a series of tough spending rounds, the Government maintained investment in local authority homelessness prevention services, providing £320m from April 2010. We strongly support this approach and, if future homelessness is to be avoided, it is vital that this funding is maintained under the current Parliament.

We also strongly support the Government's approach to ensuring adequate and appropriate local homelessness prevention services. As the report highlights, this has resulted in a further £10 million investment since 2010 in the National Homelessness Advice Service, providing invaluable support and training to frontline staff. Since 2010, the Service has trained over 23,000 homelessness advisers and has dealt with more than 40,000 telephone cases.

We supported the Coalition Government's Ministerial Working Group approach to tackling homelessness by ensuring that 'everyone in government played their part in tackling both the causes and consequences of homelessness'<sup>2</sup>. This aimed to bring together the relevant government departments to share information, resolve issues and avoid unintended policy consequences. Shelter has long argued that if we are to end homelessness, joint working is required at both a national and local level to tackle the root causes.

In his Foreword to the report, the Minister highlights that 'statutory homelessness is lower now than in 26 of the last 30 years'. However, it is important to acknowledge that, despite the continued efforts of DCLG to prevent homelessness, both statutory and non-statutory homelessness has increased over the past five years:

In the last four years, the number of statutory homeless households<sup>3</sup> has increased by 31% from 40,020 in 2009/10 to 52,250 in 2013/144. The number of single homeless men has increased by 10% (from 6,340 in 2009/10 to 6,980 in 2013/14) and the number of single homeless women has increased by 11% (from 4,900 to 5,450).

<sup>&</sup>lt;sup>2</sup> DCLG (March 2015) <u>Addressing complex needs: improving services for vulnerable homeless people</u> (page 5, paragraph 2)

<sup>&</sup>lt;sup>3</sup> Those accepted as being eligible for assistance, unintentionally homeless and in priority need. This includes single homeless households who are vulnerable because of old age, mental illness or handicap or physical disability or other special reason, including 16 and 17 years olds and those vulnerable as a result of leaving care, the armed forces, prison or fleeing violence.
<sup>4</sup> DCLG, Live Tables on Homelessness, Table 780 Accepted household type: Homeless households in priority need accepted by local authorities by household type, England 2006 to 2014

 Over the same four year period, the number of cases where councils have assisted people to find alternative accommodation outside the protection of the homelessness legislation has increased by 8% from 100,800 in 2009/10 to 116,500 in 2013/14<sup>5</sup>.



Households accepted by local authorities as owed a main duty each quarter (Q1 1998 to Q4 2014) England<sup>6</sup>

#### Impact of welfare reform on homelessness

We are disappointed that this latest report of the Ministerial Working Group makes no mention of working with the Department of Work and Pensions to assess the impact of welfare reform on the availability of accessible and affordable housing, and the knock-on impact on both statutory and non-statutory homelessness. There is no mention of welfare reform or restrictions to housing benefit in the report.

There is a growing body of evidence that welfare reform is leading to homelessness. Recent research published by Crisis<sup>7</sup> found that two aspects of the Local Housing Allowance (LHA) reforms have caused particular concern. The first is the impact of the LHA caps in reducing access to the private rented sector for low income households in the high value areas impacted by the caps, particularly central London. The second is the impact of the Shared Accommodation Rate, as now applied to single people aged up to 35, in reducing their access to the private rented sector.

The Crisis report highlights that only one in ten local authority homelessness managers questioned in August 2014 believed that the homelessness impacts of welfare reform had largely 'run their course'; most anticipated that such impacts would accelerate over the next two years.

We are worried that the new Government's proposals for further welfare reform, such as the pledge to deny housing benefit to unemployed 18-21 year olds, will undermine some of the initiatives that the DCLG has promoted to reduce single homelessness, including:

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<sup>&</sup>lt;sup>5</sup> DCLG (24 July 2014) Homelessness prevention and relief: England 2013 to 2014 England

<sup>&</sup>lt;sup>6</sup> DCLG (26 March 2015) Statutory Homelessness: July to September Quarter 2014 England

<sup>&</sup>lt;sup>7</sup> Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S. and Watts, B. (February 2015) The homelessness monitor: England 2015

- The Fair Chance Fund<sup>8</sup>, a £15 million payment by results programme funded by DCLG and the Cabinet Office aimed at ensuring sustained accommodation, education and employment outcomes for 1,600 vulnerable young people aged 18 to 24 not in employment, education or training, who are homeless under the law but not in priority need for rehousing.
- £8m Single Homeless Fund<sup>9</sup> aimed at encouraging local authorities to work with local partners (public health, voluntary sector organisations, probation service) to provide a stronger single homeless offer and to prevent single homelessness for around 22,000 single homeless people of whom: 6,000 will be newly homeless; over 12,000 will be people with one or more support needs; and around 3,500 will be people with multiple support needs and a history of rough sleeping.
- The Youth Accommodation Pathway<sup>10</sup>, which funds St Basils to help young people to remain in the family home where it is safe to do so and offers tailored support options for those that can't.
- The Care Leaver Strategy<sup>11</sup>, a cross-departmental strategy for young people leaving care, which sets out the government's commitment to remove some of the practical barriers that care leavers face as they progress into adulthood' including problems with housing.

Without access to housing, young people without family support will be placed at risk of sofa-surfing, exploitative living arrangements and rough sleeping, which in turn could put them at risk of developing complex needs - which will ultimately incur significant costs to the state.

#### Impact of reductions in funding for support

A 'Housing First' approach will also require an adequate funding of support services. We are very concerned that the report overlooks recent changes to the funding and provision of support to vulnerable homeless people with complex needs.

Firstly, there have been reductions to the funding of discretionary Supporting People services, which give advice and support on housing to elderly and vulnerable people to allow them to continue living independently. The National Audit Office<sup>12</sup> reports that most local authority spending reductions in housing services have come from planned reductions in the Supporting People programme. The NAO found that between 2010/11 and 2014/15, spending on this area will fall by a median of 45.3%, across single tier and county councils.

Secondly, while we strongly welcomed the £74m provided to upper-tier authorities announced by the Minister<sup>13</sup> in February 2015 in recognition that councils had asked for additional support to respond to local welfare needs, we remain concerned that reductions in local welfare assistance are having an impact on homelessness. Local welfare assistance is an important factor in the local authorities' ability to tackle and prevent homelessness by helping people secure and maintain appropriate tenancies by covering:

- the up-front costs of a new tenancy, such as a deposit;
- the costs of moving in and purchasing essential items at the start of a tenancy to furnish and maintain the home; and
- periods of financial difficulty, such as benefit delays and sanctions.

Shelter highlighted these impacts in its response<sup>14</sup> to the Government on proposals on Local Welfare Provision in 2015 to 2016. Recent Local Government Association<sup>15</sup> analysis shows a further 50,000 people would be at risk of homelessness if local welfare was not available, with a total cost to the

<sup>&</sup>lt;sup>8</sup> DCLG, 9 December 2014, £23 million to help homeless turn around their lives <sup>9</sup> As above

<sup>&</sup>lt;sup>10</sup> DCLG (26 March 2015) House of Commons: Written Statement (HCWS498) made by: Parliamentary Under Secretary of State for Communities and Local Government (Kris Hopkins). <sup>11</sup> HM Government, October 2013, <u>Care Leavers Strategy</u>, page 5

<sup>&</sup>lt;sup>12</sup> National Audit Office (November 2014) <u>The impact of funding reductions on local authorities</u>, page 25

<sup>&</sup>lt;sup>13</sup> House of Commons Written Statement (3 February 2015) Hansard, Column 6WS

<sup>&</sup>lt;sup>14</sup> Halpin, Z. (November 2014) Shelter's response to Local Welfare Provision in 2015 to 2016, Shelter

<sup>&</sup>lt;sup>15</sup> LGA Media Release (29 January 2015) Scrapping welfare assistance funding 'an expensive mistake', warn councils

taxpayer of £380 million per year. They estimate that every £1 spent on local welfare has saved the public purse £2 by preventing people from becoming homeless.

Finally, we have concerns about the implications of the Care Act 2014, which signals the most significant reform of publically funded care and support in England for the past 60 years. While the Act, which came into force in April 2015, heralds some positive changes which may serve to open the door to a funding stream which has rarely been used in support of homeless people, Homeless Link have expressed concerns<sup>16</sup> about the potential impact on funding of the support needed by vulnerable homeless people, particularly those with complex needs.

#### Government vision for future services: the 'Housing First' approach

We are very supportive of the Government's desire to help long-term residents of hostels and other forms of supported housing move into settled mainstream accommodation, supporting them to sustain that accommodation and to become more independent. We are particularly pleased that the Government is interested in exploring whether the 'Housing First' model, developed in the US and other countries, could be replicated on a large scale in England.

The 'Housing First' model represents a move away from the traditional 'staircase' approach, which uses transitional accommodation and provides support to address needs before moving clients into settled accommodation. The 'Housing First' approach places homeless people into long term settled accommodation and then uses this stability as a basis to address their other support needs.

Shelter's extensive experience of advising and supporting homeless households is that people find it difficult to address complex social needs, such as disabilities; mental and physical health problems; alcohol and drug abuse; unemployment; and nuisance behaviour, without a stable home. This applies equally to statutory and non-statutory homeless households.

It is important to note that a recent Supreme Court test case, in which the DCLG intervened.<sup>17</sup> clarified the 'vulnerability test' for single homelessness as being more vulnerable than an ordinary person when rendered homeless. This should help ensure a nationally-consistent approach to single, statutory homeless people with complex needs in assessing 'priority need' for rehousing.

Shelter has long advocated a 'Housing First' approach to homelessness. In 2008, we published 'Housing first: Bringing permanent solutions to homeless people with complex needs'18, which recommended:

> Housing first programmes have expanded markedly in the US, based on a growing evidence base of effectiveness in providing more permanent solutions to the needs of homeless people with multiple and complex needs. Elements of the approach are present in the UK, and achieving some success. However, in order to realise the opportunities the model may present, and support in its wider adoption, a similar evidence base will be required in the UK.'

This was followed by the 2010 Crisis report 'Staircases, Elevators and Cycles of Change: 'Housing First' and Other Housing Models for Homeless People with Complex Support Needs', which reported that UK stakeholders called for the provision of much more non-time-limited supported housing schemes for

<sup>&</sup>lt;sup>16</sup> Mathie, H. (9 March 2015) <u>Uncertain Support – getting to grips with the Care Act</u>, Homeless Link

<sup>&</sup>lt;sup>17</sup> Hotak v London Borough of Southwark; Kanu v London Borough of Southwark; Johnson v Solihull Metropolitan Borough Council [13 May 2015] UKSC 30 <sup>18</sup> Shelter (December 2008) Good practice: briefing, Housing first: Bringing permanent solutions to homeless people with complex

needs

people with complex support needs<sup>19</sup> and concluded that time-limited support was making mainstream housing providers risk-averse because it sets people up to fail.

In February 2015, York University published <u>Housing First in England: An Evaluation of Nine Services</u>, which concluded<sup>20</sup>: 'there is a clear case for extending use of 'Housing First' in England and the wider UK. Not only was there evidence of success within each individual Housing First service, there was also clear evidence of consistent successes across all nine services' but that supply of social housing was a major barrier:

'Housing First cannot work without a housing supply being in place, as the approach is designed to house someone and then provide the supports needed to enable someone to create and sustain their own home'.

#### Supply of suitable housing

It is important to acknowledge that a 'Housing First' approach outside of the statutory homelessness legislation could place further demand on the dwindling availability of decent and stable housing that is accessible to benefit claimants and other disadvantaged households. The chronic shortage of such accommodation has led to large numbers of households waiting for an offer of social housing, including specialist and supported social housing. The availability of such accommodation in the private sector can be very limited because of the prolific use of 6-12 month tenancies; poor standards; and landlords' reluctance to let to benefit claimants because of the real or perceived risk to rental income posed by welfare reform. So councils and the voluntary sector can struggle to procure suitable accommodation.

A significant increase in the supply of accessible and affordable accommodation in both the social and private sectors is needed to meet multiple sources of demand, including:

- temporary accommodation;
- Private Rented Sector Offers;
- social services provision under the Children Act and Care Act;
- national asylum support provision.

Without an increase in supply, 'Housing First' procurement and other competing demands could allow private landlords to escalate accommodation rates. In cases where people with complex needs express a preference to make a fresh start (for example, to promote well-being or escape threats of violence), accommodation may be needed in another area. To ensure cooperation between accommodation providers, reciprocal arrangements may be required and a protocol developed.

#### Provision of support

There is also a need for adequate wrap-around support to underpin a 'Housing First' approach, either via specialist housing schemes (such as sheltered housing) or via floating support in general needs housing. Without adequate support, people with complex needs could struggle to maintain their tenancy. Some of Shelter's 'Inspiring Change' clients have been statutorily homeless at some point but are no longer entitled to statutory rehousing because they are deemed 'intentionally' homeless having struggled to meet conditions. The need for specialist housing should be addressed via housing strategies and the planning system, and support providers require reliable and adequate funding. An important element of support is independent and specialist housing advice and legal representation.

Shelter's recent work with people with complex needs has identified two main barriers to success:

 No joined up policy, commissioning or delivery, which makes it difficult to design support and advice around the person.



<sup>&</sup>lt;sup>19</sup> Johnsen, S. & Teixeira, L. (2010) *Staircases, Elevators and Cycles of Change 'Housing First' and Other Housing Models for Homeless People with Complex Support Needs* (page 26), Crisis

<sup>&</sup>lt;sup>20</sup> Bretherton, J. and Pleace, N. (February 2015) <u>Housing First in England An Evaluation of Nine Services</u>, University of York Centre for Housing Policy

 People with multiple problems get stigmatised by a variety of services. In our experience, this can start in childhood. In our view, it is important that people are empowered to demand adequate services, and to be involved in their development.

## Specific consultation questions

1. a) Drawing on your experience, are you able to identify a homeless group who are vulnerable and at risk of falling through service gaps?

If yes, please identify the needs of this group by ticking all that apply.

If no, please tick 'None'.

- Low mental health issues
- Medium mental health issues
- Severe mental health issues
- Physical health problems
- Offending history
- Drug addiction
- Alcohol addiction
- Unemployment
- Low educational attainment

All of the above. In our experience, people experiencing any of the above can be more vulnerable to homelessness than those without such problems. They may fall through the statutory homelessness safety net because of eligibility, intentionality or because their needs are not deemed severe enough to meet the 'vulnerability test'. They may also struggle to access adequate housing advice, legal representation and support.

#### Other, please specify -

Other groups deemed vulnerable under the homelessness legislation include:

- 16-17 year olds
- Care leavers
- Ex-service personnel
- Victims of domestic violence

In our experience, further groups at risk of falling through service gaps are:

- People with disabilities
- People who spent time in care as a child
- People fleeing other forms of violence, abuse and other criminal activity
- Victims of trafficking
- Asylum seekers and refugees
- Other immigrants who are struggling to obtain work

## b) If you selected multiple answers, please describe how these needs overlap or combine and the impact this has on the clients.

In our experience, if people fall through the homelessness and support safety net, their problems can escalate and they can develop multiple needs. For example, people experiencing violence, unemployment or mental health problems can also develop substance abuse problems or relapse. This is why early intervention in terms of advice to obtain suitable housing and support is so important.



2. a) If possible, please provide an estimate of the number of homeless individuals with complex needs in your area.

b) Please define the area that your local estimate refers to.

c) Please define the needs of the individuals included in your local estimate.

d) Please provide the data source or an explanation of how you came to your local estimate.

See answer to Q3 below.

3. a) If your organisation operates nationally, please provide an estimate of the number of homeless individuals with complex needs across England.

b) Please define the needs of the individuals included in your national estimate.

#### c) Please provide the data source or an explanation of how you came to your national estimate.

Recent research by Lankelly Chase Foundation sought to provide a statistical profile of severe and multiple disadvantages (SMD) in England.<sup>21</sup> The study looked specifically at the experiences people who were facing homelessness, substance misuse problems and or contact with the criminal justice system. They found that there are approximately 58,000 who experience problems with all three of these issues and 99,000 people who experience a combination of two of these issues. Within the homelessness data, only 34% of people were classed as homeless-only, and the majority had some form of multiple needs.

## 4. a) Are there particular service gaps your organisation faces to achieving long-term outcomes for the complex needs homeless group?

#### If yes, please tick all that apply.

#### If no, please tick 'None'

- Access to accommodation
- Access to mental health services
- Access to physical health services
- Access to drug treatment services
- Access to alcohol treatment services
- Access to employment support services
- Access to education and skills training

On a daily basis, Shelter advises and represents people who are threatened with homelessness or struggling to access accommodation. So access to suitable and stable accommodation is the main barrier in achieving long-term outcomes. In our experience, once suitable long-term or, ideally, permanent housing has been secured it becomes easier for people to address and access other services.

We work on a daily basis with people who are struggling to gain access to legal advice and representation to avoid homelessness or secure access to statutory services, such as rehousing.

<sup>&</sup>lt;sup>21</sup> Edwards, J., Ford, D., Johnsen, S., Sosenko, F. & Watkins, D. (2015), <u>Hard Edges: Mapping severe and multiple disadvantage:</u> England, Lankelly Chase Foundation

A major factor in the risk of homelessness is adequacy of welfare provision, including benefit sanctions or lack of local welfare assistance. In our experience, people who complex needs can be more at risk of benefit sanctions.

However, housing benefit restrictions are also causing problems. For example, research conducted by Crisis found that only 13% of advertised rooms are affordable within the Shared Accommodation Rate (SAR) applicable to people aged under 35 years.<sup>22</sup> Crisis report that the Government's own figures show that a fifth of SARs fall 5% or more below the 30th percentile of local rents.<sup>23</sup>

We support Crisis in recommending the Government conduct a wide-ranging review of the affordability, availability and suitability of shared accommodation for single under 35s, particularly those who may be at risk of developing complex needs. There is a need to look at how SAR is calculated, to ensure it covers the true cost of renting. At a minimum, those for whom shared accommodation is unsuitable (including pregnant women, those fleeing domestic violence and parents with non-resident children) should be exempt. If SAR is to remain, an increase in the supply of shared accommodation is needed.

YouGov research for Shelter<sup>24</sup> shows that half of landlords (49%) have a policy of not letting to people on LHA/ housing benefit and a further 18% say they prefer not to, but occasionally do, adding up to two thirds (67%) of landlords surveyed preferring not to let to households receiving HB/ LHA.

#### 5. Who is best placed to commission services for the complex needs homeless group?

#### Please tick more than one if you feel a combination of commissioners would work best.

- Central government
- Local authorities
- Statutory organisations
- Voluntary providers

All of the above, depending on the nature of the service. Generally, agencies with statutory duties, such as local authorities, should be involved in commissioning services to meet these duties. However, the voluntary sector can also have a role in commissioning and there some excellent examples of voluntary sector commissioning.

It is important that commissioning is joined-up and person-centred, so that people with complex needs don't have to interact with a plethora of separate services in different locations, causing added complications and risks that they can fall through the gaps. It is also important that services are adequately and reliably funded if they are to achieve long-lasting outcomes for people.

## 6. Who is best placed to coordinate services for the complex needs homeless group? Please tick more than one, if you feel that a combination of coordinators would work best.

- Local authorities
- Statutory organisations
- Voluntary providers
- Central government

<sup>&</sup>lt;sup>22</sup> Sanders, B. and Teixeira, L. (2012) <u>No room available: study of the availability of shared accommodation</u>

<sup>&</sup>lt;sup>23</sup> Crisis analysis of 2015/16 Local Housing Allowance rates for England, Scotland and Wales (unpublished)

<sup>&</sup>lt;sup>24</sup> YouGov plc. (December 2013) Private Landlords Survey. Total sample size was 1064 adults letting residential property in the UK. Fieldwork was undertaken between 11th December - 19th December 2013. The survey was carried out online.

All the above. Again, this depends on the nature of the service and what is appropriate in that particular location.

## 7. Who is best placed to deliver services for the complex needs homeless group? Please tick more than one, if you feel a combination of delivery agents would work best.

- Local authorities
- Statutory organisations
- Voluntary providers

All of the above. Again, this depends on local needs and existing successful provision, particularly by statutory agencies. In some cases, it can be more appropriate for non-statutory agencies to deliver services because there is no conflict of interest with statutory duties, such as rehousing, social services support, healthcare and the justice system. For example, people may be less willing to work with a statutory service if they perceive there is a risk of being sectioned under the Mental Health Act or being unable to get children out of care.

## 8. a) Is there potential for the payment by results model to achieve improved long-term outcomes for the complex needs homeless group? b) Please substantiate your response.

The potential for long-term outcomes depends on a number of factors:

- The performance indicators for used. If people have a broad range of needs then there is a risk that a narrow results process can have unintended consequences. There is a risk that Payment by Results models can exclude 'hard to reach' clients because service providers are incentivised to prioritise clients who are closest to achieving targets or outcomes. There is also a risk that services could be developed to prioritise payment targets rather than the needs and preferences of the service user.
- The payment stages. The challenge with the Payment by Results schemes is that they are often are based on short, fixed-term interventions (e.g. six months) and two-tier payment methods (i.e. initial payment followed by an outcome payment). We feel there should be scope for sustained outcomes payments (e.g. evidenced at 12 months). This would incentivise and mitigate the cost of post-service support when people have a sudden need that could result in tenancy breakdown and repeat homelessness.

## 9. Do you have any experience of commissioning a payment by results scheme? If yes, please explain what you have learned from that experience.

No.

# 10. Do you have any experience of delivering a payment by results scheme? If yes, please explain what you have learned from that experience.

Shelter Birmingham operate three Payment by Outcomes/Results contracts, funded by Birmingham City Council:

 Supporting People – Domestic Violence & Abuse (Women) floating support. This service provides support to women and their family members at risk of or affected by domestic abuse. Our specialist support workers provide emotional and practical support to enable families to make informed decisions on their housing options, including making their home safe; accessing emergency accommodation; and/or resettling in and maintaining alternative housing. We support families to overcome the isolation resulting from moving away and enable them to establish support networks and access to local resources in their new community.

- Supporting People Homeless Families floating support. This service works with families who are
  homeless or at risk of homelessness. Dedicated support workers provide intensive support to
  enable families to make informed decisions regarding their housing options. The impact of this
  approach is that families are empowered to find, keep and manage a home for themselves;
  effectively stay on top of household finances and maximise their income; access their local services;
  live healthily and economically; and take part in social and cultural activities in their locality.
- Think Family: Family Intervention Programme (FIP) intensive family support. This service works across the city to turn around the behaviour of families and reduce their impact on their community. Shelter workers provide intensive intervention for families, particularly where crime and anti-social behaviour, education, worklessness, parenting capacity and housing related issues are present. They combine intensive support, advocacy and focused challenge to enable the family to address their issues. Acting as lead professional, Shelter FIP workers co-ordinate delivery of multi-agency services, including specialists in mental health and substance misuse, and motivate the families to change their behaviour in a positive and lasting way.

11. a) What outcomes could best be rewarded through a payment by results model with the complex needs homeless cohort? Please tick all that apply, or tick 'None'. b) Please provide more detail on your answers. What specific outcomes could be paid for within the categories you selected?

- More stable accommodation
- Improved physical health
- Improved mental health
- Reduced offending
- Reduced drug misuse
- Reduced alcohol misuse
- Progress towards and entry into employment
- Better educational attainment
- Volunteering and training opportunities

All of the above would be desirable outcomes, but there is a risk of long-term failure if service users are pushed towards certain outcomes in order for service providers to meet payment targets. For example, pushing someone to enter a drug rehabilitation programme when they are not yet ready to make this step can set them up to fail, causing a further loss of confidence and a disengagement with the service.

However, as the 'Housing First' approach shows, stable accommodation should is the key to success in other areas. The definition of stable accommodation is important. We do not consider that a 6-12 month private tenancy should be considered stable accommodation. At the very least, stable accommodation should be a minimum five year social tenancy or private Stable Rental Contract.

• Other, please specify

In terms of other outcomes, understanding of statutory entitlements and access to legal advice and representation to access them, such as assistance in challenging housing or benefit decisions, should also be considered.



Soft outcomes, such as increased confidence and improved motivation, can be important incremental steps towards harder outcomes, such as entry into employment. Such 'progress' outcomes can be more difficult to measure, but important for people who are further from reaching a 'hard outcome' but have made significant progress as a result of service provision. It is important that service users are able to report whether they think a service has allowed them to make progress and is meeting their needs.

## 12. What further support, if any, would you require to successfully participate in (delivering or commissioning) a payment by results scheme?

- Access to suitable, affordable and stable accommodation.
- Ability to provide legal advice and representation to prevent or relieve homelessness or improve housing conditions (i.e. to challenge benefits decisions or address disrepair).
- A baseline of up-front investment to cover start-up costs.

## 13. How can we improve coordination across local service provision to improve outcomes for homeless individuals with complex needs?

Consider the benefits of the Making Every Adult Matter approach.

## 14. How can we improve coordination of services across geographical areas to improve outcomes for homeless individuals with complex needs?

Sub-regional approaches, whether in large metropolitan areas, city regions or rural sub-regions can be successful. For some vulnerable people with complex needs, floating support services are not always appropriate, in which case specialist supported housing (such as sheltered housing schemes that promote independent living) are needed. Supply of this type of accommodation should be coordinated across sub-regions via the planning system 'duty to cooperate'.

## 15. What can we do to build on existing services or delivery structures to improve outcomes for this group?

In our experience, local, regional and national policy, commissioning and delivery needs to be more joined-up, more person-centred and with a better alignment of services.

## 16. Do you have any other suggestions on how services could be improved for the complex needs homeless group?

- Access to suitable and affordable accommodation
- Easy and quick access to early legal advice, representation and support to avoid a homelessness crisis, which can lead to a deterioration in health and an increased risk of relapse.

