

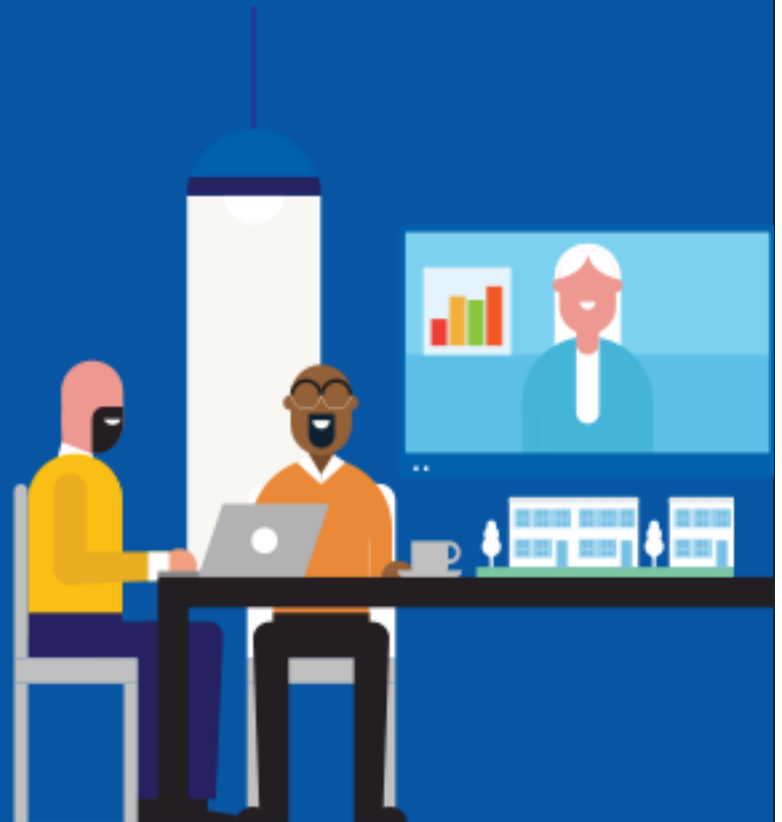


LCRCA Housing First Pilot

Local Evaluation

EXECUTIVE SUMMARY

April 2022

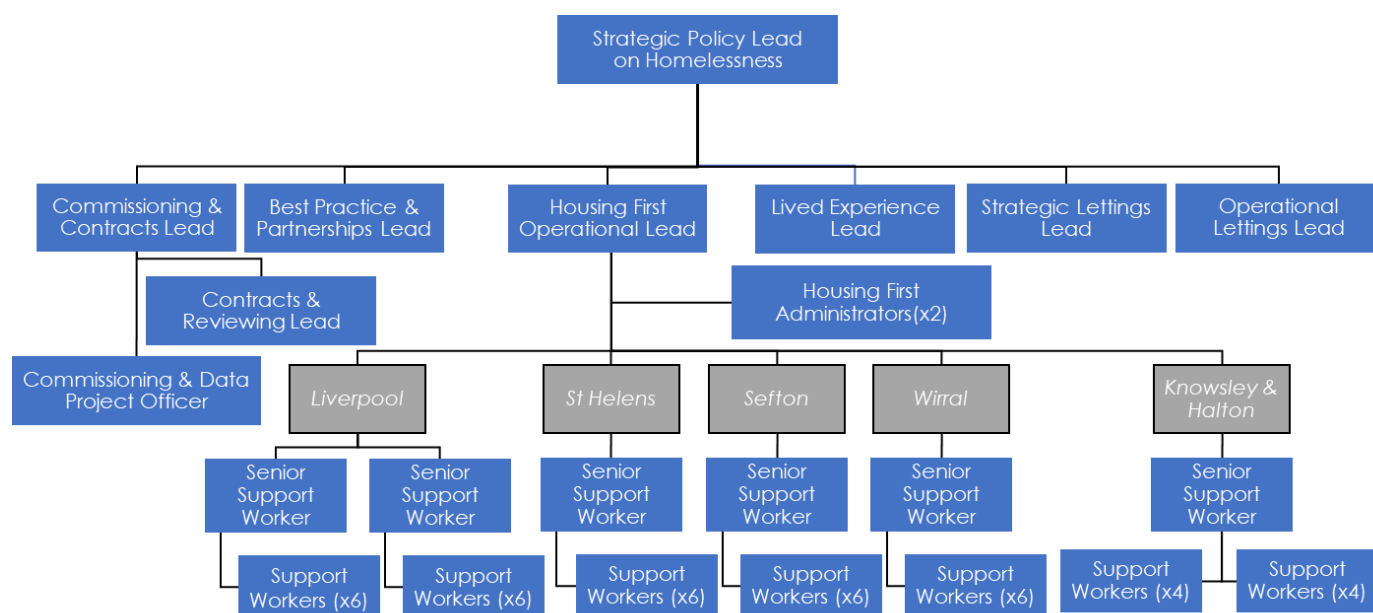


1. Executive summary

- 1.1 Campbell Tickell has been commissioned to conduct a local evaluation of the Housing First national pilot in the Liverpool City Region (LCRCA). The local evaluation was commissioned to address the following four areas:
1. To provide a critique of the rationale for and design of the pilot
 2. To understand the factors shaping the pilot's delivery and performance
 3. To take stock of what has been achieved to date (February 2022) and identify the next steps for Housing First in the Liverpool City Region
 4. To learn about what works in terms of design and delivery of Housing First going forward.
- 1.2 The evaluation was conducted between November 2021 and February 2022 and consisted of:
- One-to-one and group meetings with stakeholders from the LCRCA, local authorities, Housing First teams and Lived Experience representatives, and a sample of housing associations
 - Data analysis using In-Form and MainStay
 - A value for money analysis
 - A 'snapshot' survey of all Housing First clients in the service on 12th January 2022.

Brief Description of the LCRCA Housing First service

- 1.3 The LCRCA Housing First pilot was awarded £7.7m in funding from the Ministry of Housing, Communities and Local Government (now the Department for Levelling-Up Housing and Communities) to implement a three year Housing First pilot in May 2018. The LCRCA pilot consists of a team of six officers (led by the Strategic Led for Homelessness for LCRCA) responsible for commissioning, developing best practice, promoting lived experience involvement, strategic lettings, operational lettings, and an operational lead responsible for six locality-based Housing First delivery teams, two located in Liverpool, one team for each of Ste Helen's, Sefton and Wirral and a shared team for Knowsley and Halton.
- 1.4 Each locality team consists of a Senior Support Worker and a team of six support workers (although Knowsley and Halton have four Support Workers each with their joint team). Each support worker works with six individual clients. The service structure is set out below:



- 1.5 The pilot was developed as a result of an initial feasibility study conducted in 2017¹. The study found that in the two-year period from March 2015 to March 2017, there were 8,848 clients were assessed across LCRCA (as recorded on the authority’s homelessness data system MainStay). Of these, 5,296 (60%) people were placed in accommodation, but 3,552 (40%) were not. The feasibility study also found that on average, 93 new rough sleepers were presenting for assessment across LCRCA each month. There was evidence of high unmet need with nearly one in three of those with the highest complex needs not receiving or accepting an accommodation placement. There was also evidence of high levels of multiple needs amongst the longer-term service users.
- 1.6 The pilot was developed in two phases, a test and learn phase of six months from July 2019 to January 2020, during which the pilot worked with 58 individuals and a second full implementation phase which built up to full staff capacity by September 2020. The second phase has been operating with a target of working with 228 people over the life of the pilot.
- 1.7 Key criteria for acceptance on to the Housing First pilot are:
- Repeat homelessness with multiple and complex needs
 - Individuals known to Housing Options and outreach services who might not be captured within MainStay data
 - Recourse to public funds
 - Capacity to make their own decisions
 - Score of over 25 on the Housing First Chaos Index.

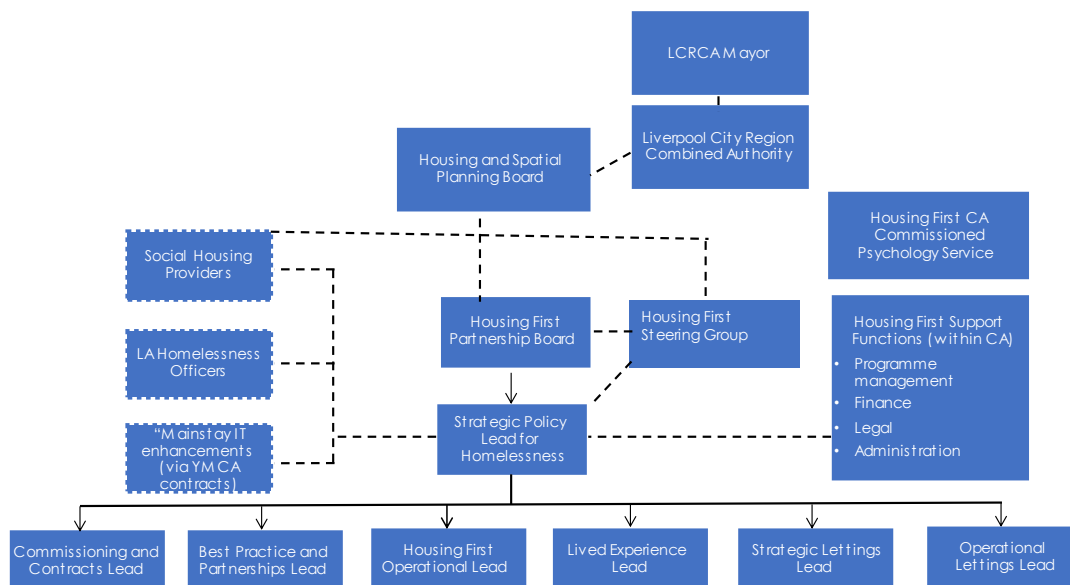
¹ *Housing First feasibility study for the Liverpool City Region*. Crisis (2017)

1.8 Referrals are considered by multi-disciplinary panels consisting of a range of housing, adult social care, criminal justice, health, housing provider representatives. These are used to determine which referrals receive a Housing First service and which are routed to other more suitable interventions in five out of six of the local authorities. One local authority has a daily triage of referrals to Housing Options and/or assessment beds. It also has an Rough Sleeping Initiative Panel, attended by Mental Health and Adult Social Care both of which can make referrals into the Housing First service.

Governance arrangements

- 1.9 The LCRCA Mayor, is the pilot’s owner and champion, having ultimate accountability for successful delivery. The LCRCA Housing and Spatial Planning Board, which is composed of elected councillors from the six constituent local authorities, is responsible for overview and scrutiny of the pilot.
- 1.10 The LCRCA Housing First Project Board, which includes LCRCA senior officers, is in turn responsible for driving the pilot forward towards delivering its aims.
- 1.11 The Housing First Steering Group, which is made up of the six constituent local authorities of the Liverpool City Region, particularly sections responsible for administering public law functions (housing, social care), as well as representatives from housing associations, the voluntary sector and criminal justice, is responsible for the operational oversight.

LCRCA Housing First- Governance Arrangements



1.12 Key findings for each of the four aims are set out below:

Aim 1: The rationale and design of the LCRCA HF pilot

- 1.13 Although the pilot had a somewhat rocky start, the implementation of the locality-based model after the test and learn phase, with each local authority having local teams, has been very effective and all stakeholders thought this was important to the success of the pilot. The ability of local teams to liaise with and link Housing First with other services designed to reduce homelessness and rough sleeping and address complex needs was seen as a positive development.
- 1.14 Stakeholders felt that Housing First had to be seen as a key part of a spectrum of services, and while it was not a universally appropriate service for all those who might meet the criteria, it was an important part of the range of services available for rough sleepers with complex needs.
- 1.15 All stakeholders were positive about the balance of Combined Authority (CA) central roles and local operational control. The investment made by the CA into roles - brokering access to housing, the work (and funding being invested) to develop a social investment approach to increase the number of suitable housing units, and the psychology service commissioned by the CA were all cited as benefits derived from the economies of scale that the CA can bring.
- 1.16 It is thought that the combination of locality-based services and central investment in roles that work across the pilot area - addressing the cross-cutting issues of housing supply, access to health and social care services, is the most effective way to deliver Housing First on a regional basis. The CA's role in maintaining fidelity to the seven core principles² of Housing First across all the locality-based services was also deemed to be important in ensuring that local budgetary or rough sleeping pressures did not dilute the model.
- 1.17 The CA's flexible and problem-solving approach to issues encountered in establishing the pilot and particularly in supporting the access to suitable housing was commended.
- 1.18 Data gathered shows that the pilot is on target to meet its revised target size of 228 individuals by February 2022 – earlier than anticipated in the Feasibility Study completed in 2017, and a clear vindication of the target set.
- 1.19 The top reason for people leaving the Housing First service to date was death. This has been the commonest reason for exiting to date and is in line with the experience of 32 other Housing First services nationally, and the West Midlands Combined Authority Housing First national pilot. The other two reasons for people leaving the Housing First service were

² These are set out by Homeless Link at <https://www.homeless.org.uk/sites/default/files/site-attachments/Housing%20First%20in%20England%20The%20Principles.pdf> and are 1) People have a right to a home; 2) Flexible support is provided for as long as it is needed; 3) Housing and support are separated and housing is not conditional on an individual engaging with support; 4) People have choice and control; 5) An active engagement approach is used; 6) The service is based on people's strengths, goals and aspirations; 7) A harm reduction approach is used.

entering custody or individuals withdrawing their consent from continuing with the service. The prevalence of all three reasons is consistent with the most recent national research³ carried out by Crisis.

- 1.20 At December 2021, 9.1% of individuals had graduated from the service. The informed views of support workers, captured through our ‘snapshot’ survey, is that graduation rates could be higher than anticipated when looking at over a five-year period, with a much higher number of graduations occurring in the latter years. This finding does not undermine the key message that Housing First is a long-term service. We estimate that around 25% of the current caseload would need Housing First for at least 10 years and the majority of those that do graduate would need access to other support services after they graduate.
- 1.21 Modelling of the current and future need for Housing First in the LCRCA, using assumptions developed by Campbell Tickell from previous research and other research evidence on Housing First, suggested that the revised pilot size was about right. However, local data indicates that there is some latent unmet demand, particularly in Liverpool. We suggest therefore that the pilot could be expanded, but in subsequent years, based on the projected graduations, this could be reduced again.

Aim 2: Understanding factors shaping the pilot’s delivery and performance

- 1.22 Housing First has delivered a range of systems changes, including the promotion of multi-agency arrangements and housing associations adapting and flexing their policies and procedures, as well as incorporating the influence of lived experience. These changes have undoubtedly increased access to Housing First tenancies for rough sleepers with complex needs and helped them to sustain those tenancies.
- 1.23 The collaborative and risk-sharing approach to multi-agency work adopted by the pilot has helped bring wider cultural changes in housing associations’ working practices, including adopting Psychologically Informed Environment (PIE) and trauma informed approaches and a more flexible approach to evictions.
- 1.24 Governance arrangements are appropriate and working well. There is scope to increase the scrutiny role of the Project Board.
- 1.25 The Lived Experience Group has been influential within the governance and operation of the pilot, and participants interviewed for this research felt they had been genuinely able to influence. For example, the group has been involved in the staff recruitment process and has advised individual Housing First services on local lived experience initiatives. The centralised Lived Experience role has facilitated lived experience engagement with other CA initiatives.
- 1.26 There is scope to strengthen the lived experience perspective by including people with experience of living in Housing First tenancies within the central Lived Experience Group. Thought should be given to the process for achieving this, including whether elements of co-production can be introduced early with people and nurtured towards involvement at a

³ *Reducing Changing or Ending Housing First Support Crisis (2021)*

governance level as their situation stabilises and they are closer to graduating from the service.

- 1.27 It has proved challenging to generate sufficient suitable one-bed properties and this has been the single biggest barrier to the pilot. The CA's input has helped address shortfall by advocating for and brokering access to suitable units and by supporting local authorities to review their lettings systems. Additionally, the CA is looking to invest in purchasing an additional 30 units of accommodation through a social investment route.
- 1.28 Some housing associations have engaged well, but stronger commitment is still needed from others. Options to support this include the Collaborative Agreement in development. The CA should also consider a taking a strategic approach to seeking the commitment to participate and pledges of units from housing association Chief Executives. We would also suggest that a CA-wide reciprocal referrals agreement is developed and agreed with all participating associations.
- 1.29 The positioning of the pilot within the remit of the Housing and Spatial Planning Advisory Board is seen as positive. Additional work is probably needed at a structural level to address the shortage of suitable units, for example by integrating Housing First housing needs into CA and local authority housing strategy work. We understand that one local authority is doing this already.
- 1.30 Securing consistent support from adult social care and mental health services has proved challenging. This is recognised as an issue common across England and which probably requires national policy and guidance to address. One potential local change would be the introduction of a social worker role, to broker access for clients into statutory services.
- 1.31 Our analysis of the data shows that the pilot is working with its target clients, ie: long-term homeless people, with a likely history of failed accommodation placements/repeat homelessness, high levels of support needs and/or a chaotic lifestyle. The needs Index scores used by pilot indicate that clients entering the Housing First service have a high level of non-compliance with routine activities, risk of self-neglect/harm, an inability to manage stress and issues with substance misuse.
- 1.32 Clients are receiving support across the full range of areas to support tenancy sustainment, particularly emotional support to increase well-being. Much support is being given to help clients reduce their substance misuse, though clients may not be prioritising this area for themselves.

Aim 3: What has the pilot achieved?

- 1.33 The 'snapshot' survey gathered data from 210 clients on the case load on January 12th 2022. This was out of a total of 215 cases open at that point in time. The data from MainStay and In-Form is taken from December 2021 and analysed service performance and outcomes around securing and sustaining tenancies and engaging with frontline agencies' support.
- 1.34 Previous research and experience indicates people's journeys through Housing First are not linear and may include periods where their situations worsen as well as improve. The

combination of tenancy sustainment and sustained engagement with support is however key to success.

- 1.35 The data analysis showed that as of mid-December 2021:
- 1.36 Just over half of all clients had started a tenancy. Of those, 75% (100 individuals) were in the tenancy they were first allocated; 5% were still in the tenancy when they left the service and 8% had moved to a second tenancy. This demonstrates a tenancy sustainment rate of 88% for the overall duration of the pilot to date (with 68% of these being sustained for at least six months). Of the original test and learn cohort of 58 people 62% were still in their tenancy at the end of two years.
- 1.37 Most people waited more than three months between being accepted by the Housing First service and being allocated a tenancy, 42% waited four months or less, while 37% waited six months or more.
- 1.38 Of 18 people who left the service without being housed, 9 of these died before being offered a tenancy.
- 1.39 Not everyone supported by the service is actively pursuing a tenancy and some people are receiving other support prior to their tenancy start. This explains why only 47% of the people not yet housed by Housing First are 'awaiting an offer'. Most people (69%) accept the first tenancy offer they receive. A minority (13 individuals) received three - five offers. The main reasons for refusal were: location considered unsuitable, offer withdrawn by housing provider (sometimes also related to unsuitability of the location) and service user not ready to accept.
- 1.40 Of the tenants who were housed, 74% (112) were managing well or settling in/establishing themselves. A minority of tenancies were at risk or the tenant wanted to transfer to another property.
- 1.41 HF has significantly improved clients' engagement with frontline agencies, with 68% of the case load showing improvement in engaging with other services and 42% showing a significant improvement in engagement.

Value for money assessment

- 1.42 We believe that it is too soon to undertake a full value for money (VFM) assessment of Housing First and that it would be better to conduct this after five years of the pilot's operation. However, we have carried out a VFM assessment on the basis of data generated to date. This report covers both cost effectiveness and cost benefit analysis. The data generated is challenging to understand and construct a narrative from, but it does indicate some clear emerging patterns. We would recommend that this issue is revisited at the end of the five year period.
- 1.43 To assess VFM we identified a cohort of 58 people that had started engagement with the Housing First service over two years ago. All these cases were from the test and learn phase.
- 1.44 We also used MainStay data to identify a comparator cohort of 72 people who were in other accommodation-based services at the beginning of 2017 and we tracked what happened to this cohort over the next two years. This was used as an evidence-base of the counterfactual

regarding what would have happened to the 58 Housing First clients if the Housing First service had not been available.

- 1.45 For the Housing First cohort, 34 were in a tenancy two years after starting, two had died while they were in a tenancy, 11 had had a tenancy but this had broken down, and 11 had never had a tenancy.
- 1.46 For the comparator cohort we found that 12 had moved into a tenancy during the two years, and were still in a tenancy at the end of the two years. A further two cases moved into a tenancy during the two years, but the tenancy broke down before the end of the two years.
- 1.47 Of the Housing First cohort, therefore, 62% were in a tenancy at the end of two years or died while in a tenancy, whereas only 17% would have achieved this in the counterfactual scenario based on the results of the comparator group. On this basis it could be said that Housing First is approximately 3.5 times as effective in enabling the target group to secure and sustain a tenancy as would have been the case if Housing First had not been available.
- 1.48 At the same time the Housing First service users spent 51% of their time in a tenancy, whereas the comparator group had spent only 11% of their time in a tenancy.
- 1.49 However, Housing First appears to be between 1.5 times and twice as expensive as the counterfactual. This results from two issues. Firstly, the comparator cohort spent less than 50% of their time in accommodation-based services over the two-year period examined and therefore cost less, as no service received results in no costs incurred. Secondly, the Housing First cohort spent longer in housing, and in some instances were double funded⁴ for a period, as they were housed in supported housing whilst awaiting a Housing First tenancy.
- 1.50 Notwithstanding the higher costs, the higher service effectiveness demonstrates that Housing First is twice as cost-effective as the alternative in achieving tenancy stability. In short Housing First costs more than the counterfactual but it achieves twice as much per pound spent terms of tenancy outcomes.
- 1.51 In terms of a cost benefit, the greater proportion of time spent in tenancies might have generated a value of around £200K in reduced service usage, for the cohort analysed, BUT this does not generate a positive benefit cost ratio (BCR) , because of the higher costs of delivering Housing First. Over a longer period, there could potentially be a more positive cost benefit ratio, because of the higher proportion of time spent in a tenancy by Housing First clients, as this would lead to lower long-term costs per case, and the longer someone remains in a Housing First tenancy the higher the value of benefit achieved.

Aim 4: Lessons learned and what works

- 1.52 The pilot has worked successfully with long-term homeless people who have a history of failed placements. This is an achievement, given that clients' needs were more complex than initially anticipated. There has been a very significant improvement in engagement with

⁴ This double funding is often needed to support people in avoiding eviction while waiting for a Housing First tenancy.

frontline services and this has been sustained by clients receiving support for more than one year.

- 1.53 Responding flexibly to people’s complex needs by all partners has been key to the success achieved. This includes a commitment to risk-sharing and a problem-solving approach amongst partners across the spectrum of services that Housing First clients engage with.
- 1.54 Systems change has been demonstrated by the pilot to be initially local and small scale but has had a ripple effect – promoting the principles of choice and flexibility more widely across the region.
- 1.55 The pilot evidences the clear benefits of multi-agency approaches such as Multi-Disciplinary Teams and Panels for allocating housing and providing support. Both of these have contributed to enabling access to housing and have supported tenancy sustainment.
- 1.56 Trauma informed and psychologically informed practices also play a valuable role in developing effective solutions for individuals with complex needs, as they are based on a full understanding of their needs and behaviours and can identify the best solutions for each individual.
- 1.57 There is still a challenge to support and develop systems change with health and social care services: engagement is needed at both a strategic and an operational level to increase flexibility and risk-sharing.
- 1.58 Fully engaging all local housing associations remains a challenge. Landlords have different stock profiles and attitudes to risk. Additional approaches, including strategic-level engagement and agreements focusing on collaboration, rather than target achievement, may be valuable and should be further pursued.
- 1.59 The CA’s role in bringing economies of scale and sub-regional resources to support the pilot has been of significant benefit in maintaining fidelity to the model, as well as addressing issues such lack of suitable housing and supporting risk-sharing and multi-agency collaboration.
- 1.60 The CA’s initiatives and input demonstrate that it is possible to increase supply of suitable one-bed properties - though housing market conditions in the Liverpool sub-region mean meeting demand for Housing First suitable units is likely to be an on-going challenge.
- 1.61 There is scope to increase learning opportunities across the CA system. The proposed Communities of Practice is an opportunity to share learning and develop strategies around dual diagnosis and other issues that have proved challenging to address.
- 1.62 The Lived Experience Group has influenced the pilot at a local service delivery level (through for example the involvement in the recruitment of support workers) and at governance levels through involvement on the Steering Group. The pilot has highlighted issues regarding the engagement process, including at what stage a Housing First client can realistically contribute at a governance level. One possible way forward is to develop a strategy with the Lived Experience Group to support introduction and development of small-scale co-production activities.

2. Recommendations

- 2.1 We have suggested where changes could be made to improve how the pilot progresses. We set out these recommendations below:
- 1) The proportion of people accepted on to the Housing First programme who have actually secured a tenancy will be impacted by the scale of the programme and the time allowed for it to 'ramp up' to full capacity. Both these factors are crucially affected by the availability of housing and delays in housing people once accepted will be an inevitable feature of any large-scale Housing First programme. Likely supply of Housing First tenancies and alternative temporary accommodation has to be factored into future planning of Housing First services – particularly in their first few years of operation.
 - 2) To improve the CA's understanding of the cost benefit of the Housing First service, we would suggest that attention is paid to developing a way to measure cost avoidance, or public sector cost savings. We would recommend that the CA reviews with the service what is recorded on In-Form in relation to 'external events' and interactions with other services. More work is needed to identify the key areas of focus, and consideration should be given to aligning this with what is recorded on MainStay as this has the potential for tracking changes in service use on a before and after joining a Housing First service basis. This could provide more systemic evidence of how far the Housing First services has reduced individuals' use of other services, or at least higher cost/crisis use of such services. This could include: visits to a GP rather than attendance at A&E, or use of drug services rather than engagement with criminal justice services for drugs offences.
 - 3) Housing Association partners should be encouraged to attend the multi-agency panel meetings where they were not already doing so.
 - 4) The CA should engage with housing associations across the region at a strategic level with the Chief Executives and seek commitments to participate and pledges of units to Housing First.
 - 5) Consideration should be given to developing a reciprocal referral agreement across participating housing associations so that, if needed, tenants could be transferred OR to provide a 'clean slate' with a new landlord where needed.
 - 6) The Project Board's role in scrutiny and challenge should be enhanced. To support this the range and level of information provided should be reviewed.
 - 7) Steering Group members' attendance should be monitored and its ability to take a more solution focussed approach to issues should be encouraged.
 - 8) While the Lived Experience Group has been influential and important to the development of the pilot, there is a need to develop a strategy for engaging people with lived experience of the Housing First service in the pilot at different levels. We would suggest the strategy should include developing co-production activities that can encompass people at the different stages of their journey as well as encouraging those that are more stable in their tenancies or ready to graduate to be involved at a governance level.

- 9) The pilot overall could be enhanced through additional resources for developing peer mentoring and for the recruitment of a Trusted Assessor/Social Worker that work across the service to broker access to social care and related support. In addition the development of Communities of Practice that can share learning about how different workers and teams have been able to encourage flexibility within other parts of the system should be actively pursued.
- 10) The CA should work with Housing First teams to develop a suitable case categorisation framework and ensure how weekly time spent with individual clients is accurately recorded so that this categorisation can be used to analyse the impact of clients' situations on the input of staff time required. This will provide a clearer picture of how caseloads can be managed and the optimal staff to client ratio as the pilot progresses over the next period.
- 11) Our data analysis found a difference in the relative priority given to managing substance misuse between clients and staff. We would suggest that teams explore the reason behind this seeming disparity to see if it implies any need to challenge practices.
- 12) There is a need to work at both a strategic and operational level with colleagues in health and social care to ensure that access to services can be optimised. The opportunity presented by the development of Integrated Care Systems, the focus on population health and the growing importance of health at the level of place are important levers that could be used to influence how these parts of the system respond to Housing First clients. There may also be scope to jointly commission Housing First with social care and/or health (the relevant ICS) in future.
- 13) The Housing First pilot has been shown to be 3.5 times as effective as the business as usual (or counterfactual case) in supporting the long-term homeless cohort of people to secure and sustain their tenancies. It costs more than the counterfactual but it achieves twice as much per pound spent. To fully understand the costs and benefits we would recommend that a further value for money study is carried out at the end of the pilot. This is because the additional costs of Housing First can be factored in over a longer period AND the relative proportion of sustained tenancies may be higher than any counterfactual the longer the scheme progresses. A revised evidence base for the counterfactual would be required.
- 14) Securing sufficient suitable housing has been the biggest challenge for the pilot, and while significant effort has been put into securing more access to social housing, opportunities to look at how local authority housing development strategies, spatial planning at local authority and CA levels should be further explored, including support for providers to bid for Homes England grant.
- 15) In setting its budget for the next 3-5 years the CA should look to 'top-load' the funds so that a further small expansion of the service caseload is allowed for in the initial year or two. Based on our findings the size of the pilot should decrease in subsequent years, particularly if predictions related to increased graduations in later years are correct, the extent to which this turns into a reality should be closely monitored.

CAMPBELL TICKELL

Telephone +44 (0)20 8830 6777
Recruitment +44 (0)20 3434 0990

info@campbelltickell.com
www.campbelltickell.com
[@CampbellTickel1](https://twitter.com/CampbellTickel1)

