

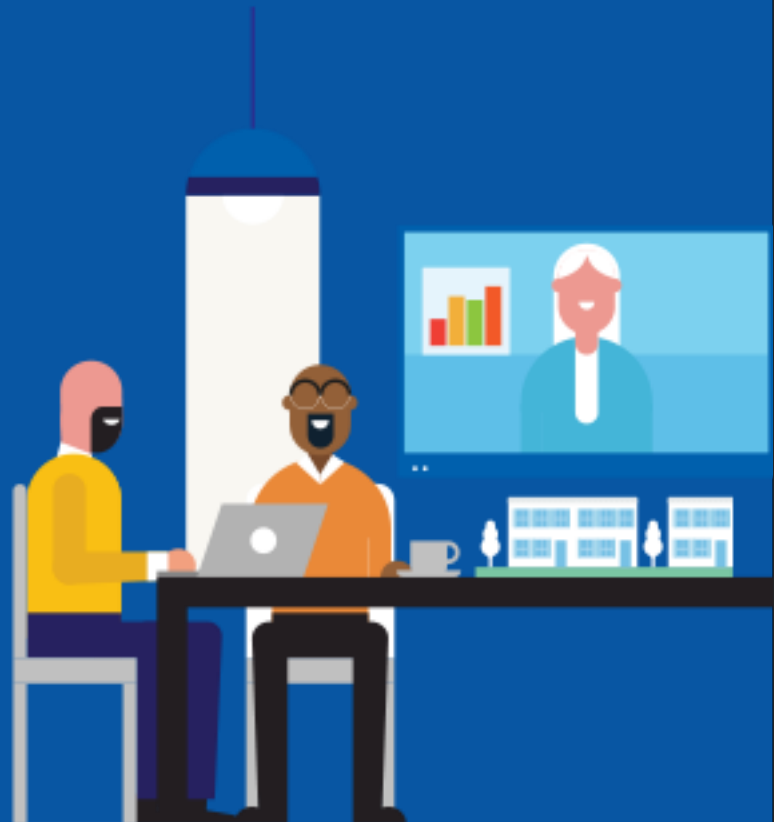


# LCRCA Housing First Pilot

## Local Evaluation

FINAL Report

April 2022



---

# Contents

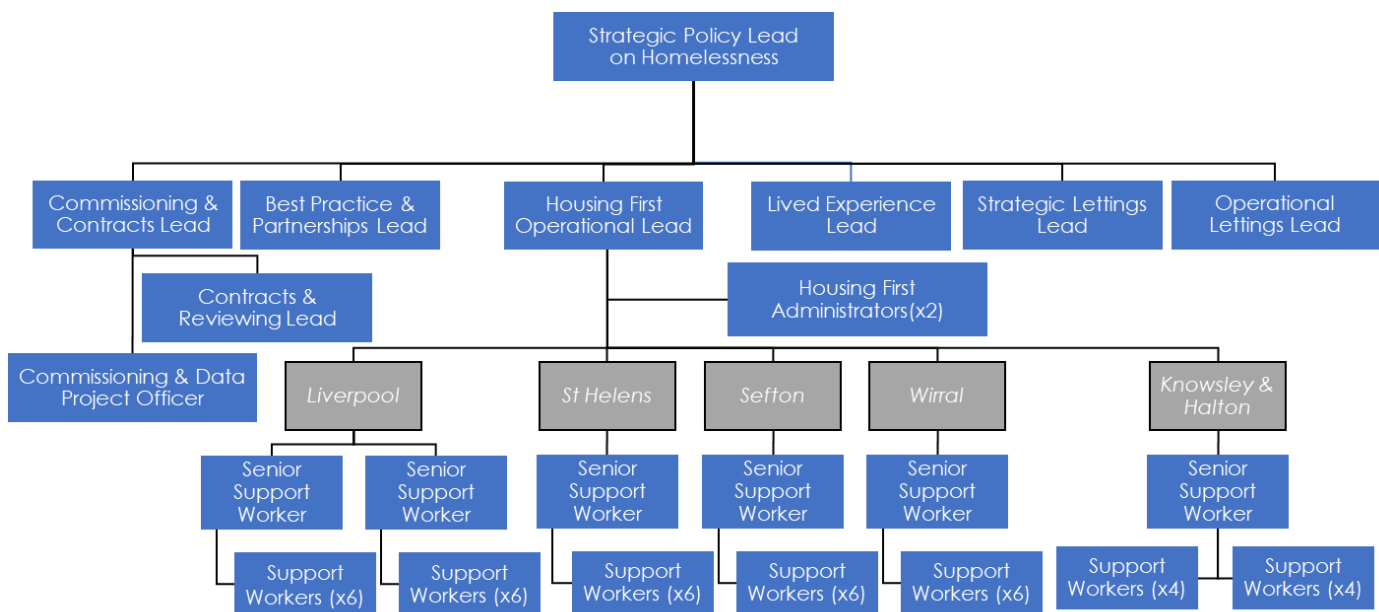
|           |   |           |
|-----------|---|-----------|
| <u>1.</u> | <u>Executive summary</u>  | <u>2</u>  |
| <u>2.</u> | <u>Introduction</u>   | <u>11</u> |
| <u>3.</u> | <u>Evaluation Aim 1: The rationale for and design of the Housing First pilot in the LCRCA</u>   | <u>12</u> |
| <u>4.</u> | <u>Evaluation Aim 2: Understanding the factors shaping the pilot's delivery and performance</u> | <u>33</u> |
| <u>5.</u> | <u>Evaluation Aim 3: What has been achieved by the Pilot?</u>                                   | <u>56</u> |
| <u>6.</u> | <u>Value for Money Assessments</u>  | <u>64</u> |
| <u>7.</u> | <u>Evaluation Aim 4: Lessons learned and what works</u>   | <u>73</u> |
| <u>8.</u> | <u>Recommendations</u>  | <u>76</u> |
|           | <u>Appendix 1 - List of people interviewed</u>  | <u>78</u> |

## 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 2017<sup>1</sup>. 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.

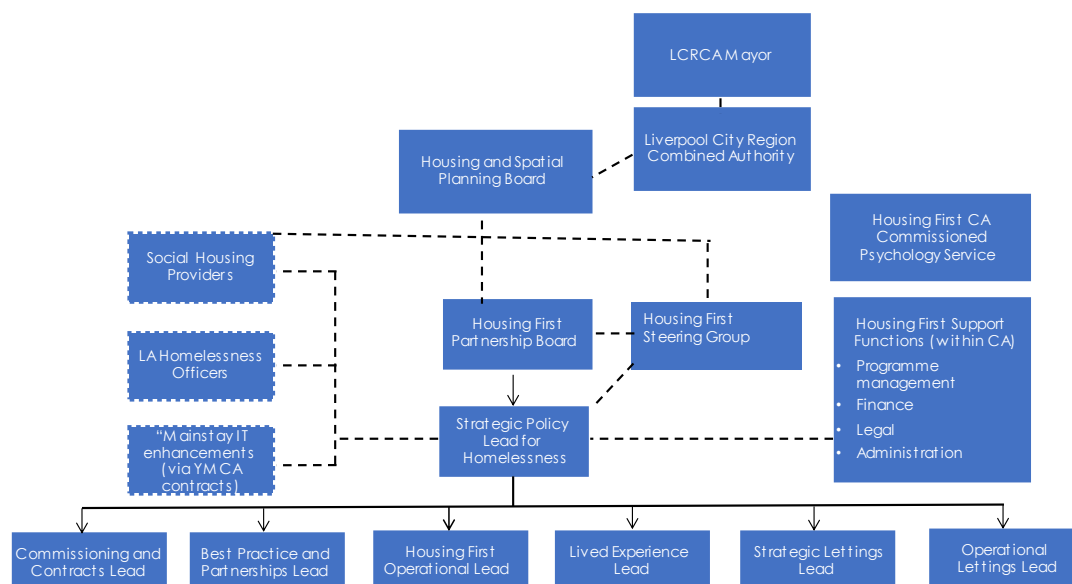
<sup>1</sup> *Housing First feasibility study for the Liverpool City Region*. Crisis (2017)

- 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, adult 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 principles<sup>2</sup> 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

---

<sup>2</sup> 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 research<sup>3</sup> 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

---

<sup>3</sup> *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 12<sup>th</sup> 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 funded<sup>4</sup> 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

---

<sup>4</sup> 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. Introduction

- 2.1 Campbell Tickell (CT) has been commissioned to conduct a local evaluation of the Housing First national pilot for the Liverpool City Region Combined Authority (LCRCA). The evaluation was commissioned to examine the following evaluation aims and research questions:

| Evaluation Aim   | Research Questions   |
|--|--|
| 1: Provide a critique of the rationale for and design of the Housing First pilot in the LCR                              | <ul style="list-style-type: none"> <li>- What is the scale and nature of the problem(s) that Housing First seeks to solve in LCR?</li> <li>- Was the pilot appropriately designed and resourced in light of this?</li> <li>- Were expectations, measures and targets appropriate and realistic?</li> </ul>   |
| 2: Understand the factors shaping the pilot's delivery and performance   | <ul style="list-style-type: none"> <li>- How has the Housing First pilot performed against its targets and objectives?</li> <li>- Has the CA put appropriate governance, management and delivery systems in place to guide and shape delivery?</li> <li>- Have aspirations to embed people with lived experience of homelessness in the pilot's governance and management been realised?</li> <li>- Were the right strategic, political and operational relationships in place to ensure successful delivery?</li> <li>- Did the pilot deliver the activities it set out to in the way that was expected?</li> <li>- Are the needs of service users in line with expectations?</li> <li>- Have any particular difficulties or barriers been experienced?</li> <li>- What do stakeholders believe to be working well and less well to overcome these barriers?</li> </ul> |
| 3: Take stock of what has been achieved at the end of the pilot and identify the next steps for Housing First in the LCR | <ul style="list-style-type: none"> <li>- What are the outcomes for the service users that the LCR Housing First pilot has worked with?</li> <li>- What are the wider impacts on service providers and funders across the City Region?</li> <li>- Considering the value / savings linked to these outcomes and impacts, what value for money has the pilot delivered</li> <li>- Does Housing First support better outcomes for its target service users than current mainstream homelessness support services?</li> </ul>   |
| 4: Lessons and What Works  | <ul style="list-style-type: none"> <li>- What lessons should the various stakeholder groups involved in design and delivery of Housing First take from the pilot?</li> </ul>   |

- 2.2 Our research methodology has consisted of a series of one to one and group meetings with a range of stakeholders, including:

- Officers within the LCRCA with responsibilities for oversight and delivery of the Housing First Programme;
- Representatives from each of the local authorities involved;
- Representatives from the teams providing Housing First services in each local authority;
- Representatives from the Lived Experience Group;
- Representatives from four housing associations.

- 2.3 This qualitative information gathering has been supplemented by:

- Data analysis - using the data captured through In-Form, which captures case work data held on MainStay relating to homelessness presentations and history;

- Development of a separate value for money analysis based on an exercise agreed with the CA and the six local authorities;
- A ‘snapshot’ survey of all Housing First clients on the 12<sup>th</sup> January 2022; this resulted in 210 completed surveys. This provides a high level of validity for analysis of the survey results, given the total caseload at the time was 214 individuals.

- 2.4 The local evaluation is being conducted while a national evaluation of the three national Housing First pilots is underway. Our aim has been to complement rather than duplicate the research being conducted by the national team.
- 2.5 We have, where necessary, drawn on the national evaluation’s completed reports and other relevant research on Housing First that has been published during the period of this local evaluation.
- 2.6 Our findings are set out below in relation to each of the evaluation aims and underpinning research questions. Where questions are related to each other across the evaluation aims we have grouped the findings together.
- 2.7 Our research has been dependent on the co-operation of CA staff, local authority officers, the lived experience group and the service delivery teams and the YMCA officer responsible for MainStay data. We would like to thank everyone who has contributed their time and effort to supporting the research.

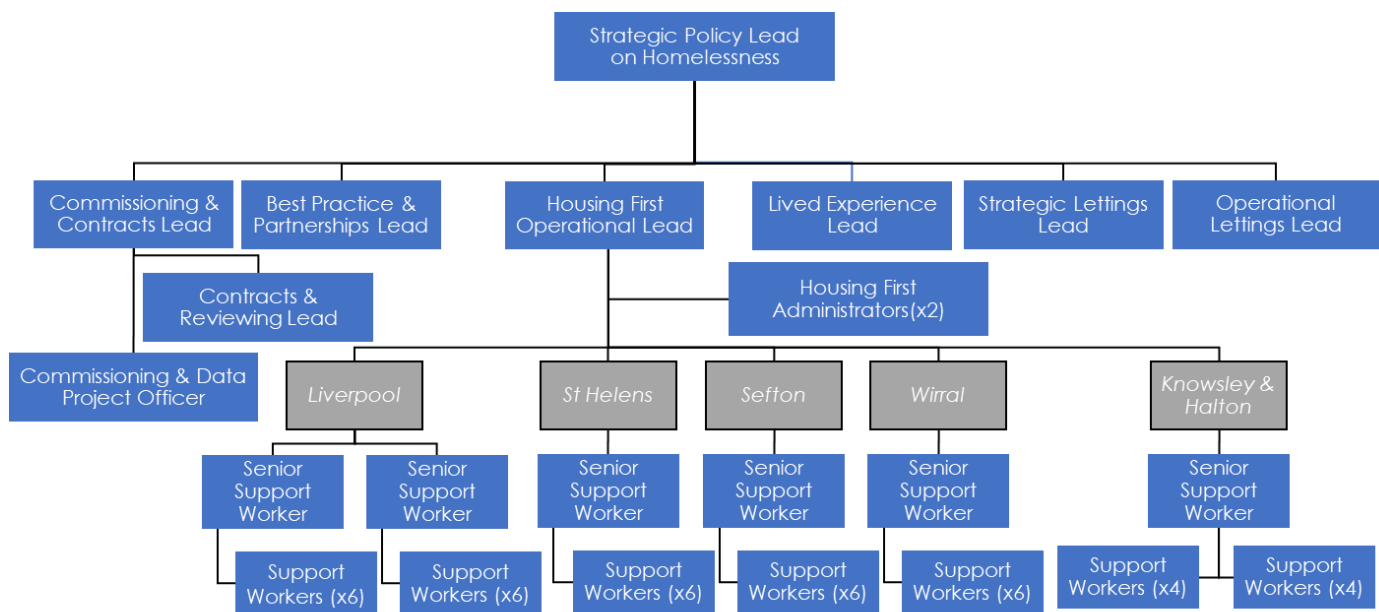
### **3. Evaluation Aim 1: The rationale for and design of the Housing First pilot in the LCRCA**

#### **Introduction**

- 3.1 This aim is seeking to understand the scale and nature of the homelessness problem that Housing First is looking to resolve, and whether the pilot was appropriately designed in the light of this and relatedly whether the expectations of the pilot were appropriate and realistic.

#### **Overview of the Pilot and the LCRCA Housing First service**

- 3.2 The LCRCA Housing First pilot consists of a team of six officers (led by the Strategic Led for Homelessness for LCRCA) responsible for commissioning, 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 St Helen’s, Sefton and Wirral and a shared team for Knowsley and Halton.



- 3.3 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). Each support worker works with six individual clients. The service structure is set out below:
- 3.4 The pilot was developed as a result of an initial feasibility study conducted in 2017<sup>5</sup>. 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.
- 3.5 The pilot was developed in two phases, a test and learn phase of six months working with 58 individuals operating from July 2019 to January 2020, and a second full implementation phase which built up to full staff capacity by September 2020. The LCRCA pilot used the six month test and learn phase to assist in designing the pilot and to confirm the number of people to be supported. The second phase has been operating with a target of working with 228 people over the life of the pilot. This target was revised from an original target of 339, following discussions during the test and learn phase with the Ministry funding the pilot (now known as the Department for Levelling Up Housing and Communities, DLUHC).
- 3.6 Key criteria for acceptance on to the Housing First pilot are:
- Repeat homelessness with multiple and complex needs

<sup>5</sup> *Housing First feasibility study for the Liverpool City Region*. Crisis (2017)

- 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

3.7 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.

3.8 The pilot has over its implementation period, had to accommodate the impact of the Covid-19 pandemic and the “Everyone In’ policy which saw homeless people and rough sleepers, being housed in hotels and other accommodation.

### **The design and implementation of the pilot**

3.9 The pilot has evolved to meet issues encountered during its implementation and day to day running. It is safe to say that there was a somewhat rocky start. However, all those interviewed as part of the evaluation were positive about the locality-based model that has been developed and implemented since the test and learn phase. They were all also positive about the resources that the CA has invested in the pilot, for example:

- The central roles responsible for oversight of access to housing supply
- The comprehensive training package for staff and the high quality of this – particularly when originally delivered on a face-to-face basis
- The support for developing the panels process for allocation of Housing First tenancies
- The multi-disciplinary team approach adopted
- The work being done to increase housing supply through social investment, and
- The contribution of the lived experience group to recruitment and wider homelessness initiatives.

3.10 One of the most effective aspects of the design and implementation has been the ability of the CA team to take a flexible approach to partnership with the local authorities and housing providers and to really focus on problem solving and ensuring that the pilot is facilitated to work as effectively as possible within the challenging context of a lack of suitable housing supply, and the impact of Covid-19.



## The psychology service

- 3.11 We understand that the CA has commissioned a Housing First psychology service. The service is delivered by 1.5 full time equivalent psychologists (3 working part time) who provide monthly reflective practice sessions (which may reduce to every two months) for Senior Workers and clinical supervision to each Housing First Support worker every 6-8 weeks.
- 3.12 The service also provides face-to-face support for individual Housing First clients, and is able to commission one-off neurological triage: this has identified previously undiagnosed learning disabilities, autism and brain injuries. To date 12 clients have been referred for this triage. 'Case formulations' developed with Housing First teams provide a needs assessment informed psychologists' input and give a clearer view of the impact of trauma on clients' decision-making and their behaviour. This provides the panels and multi-disciplinary teams with opportunities for new ways of working with individual clients. This approach has helped secure Adult Social Care support for some clients and supported their progression towards independence. It also ensures that clients' mental health issues, whether diagnosed or not, can be addressed and appropriately formulated referrals to mental health and learning disabilities services made, thereby increasing the likelihood of clients being able to access the right treatment or support.

## The Housing First pilot working with other initiatives for reducing homelessness

- 3.13 It should be noted that the Housing First service is part of a wider approach to reducing homelessness in LCRCA and initiatives being undertaken by each local authority. Two initiatives that work alongside the Housing First service are:
- *Trailblazer*, a city region-wide scheme focused on early intervention and upstream prevention. The service is contract monitored by and funded through the Rough Sleeping Initiative (RSI). The services in each authority offer support to sustain tenancies and stop people from becoming statutorily homeless.
  - *Assertive Outreach* service (also funded by RSI). This is an integrated service directly commissioned by the CA and led by The Whitechapel Centre, who employ support workers, alongside a physical health nurse, community & mental health nurses from Mersey Care and Brownlow Health. The service operates differently in each authority to ensure that it aligns with and supports their existing pattern of services.
- 3.14 The local authority interviewees all regarded the Housing First service as a key element of their response to reducing rough sleeping, citing the service's ability to work effectively with people for whom, given their complex needs, there had been no other effective long-term solutions. This was seen as an essential contribution to reducing rough sleeping and to reducing the crisis use of services by all stakeholders.



## Has the pilot been appropriately designed and resourced?

- 3.15 In order to assess whether the pilot has been appropriately designed and resourced we have:
- examined the referrals and exits from the service - to understand who the service is working with and not been able to work with and why.
  - sought to assess the scale and nature of the problem Housing First is seeking to address by modelling the likely number of people who would need a Housing First service currently and over a five year period.

## Referrals and exits from Housing First

- 3.16 As of mid-December 2021, a total of 424 clients had been referred to the Housing First programme, with eight still in process at that date. A total of 162 referrals were not accepted – representing nearly 40% of the referrals received. The reasons for non-acceptance are summarised in Table 1:

| Reason for referral not leading to service being offered | Number     | % of referrals not proceeding |
|--|------------|-------------------------------|
| Referral panel declined                                  | 80         | 49.3%                         |
| Client declined to accept service                        | 76         | 46.9%                         |
| Unknown  | 6          | 3.7%                          |
| <b>TOTAL</b>   | <b>162</b> | <b>100%</b>                   |

**Table 1: Breakdown of reasons for non-acceptance of referrals** Source : Extract from InForm – December 2021

- 3.17 A breakdown of the specific reasons why the referral panel declined to offer the Housing First service is set out in Table 2:

| Reason for referral panel declining referral     | Total     | % of total  |
|--|-----------|-------------|
| Needs cannot be met                              | 17        | 21.3%       |
| Change of circumstances for Service User         | 15        | 18.8%       |
| Needs met by other agency                        | 12        | 15%         |
| Didn't meet eligibility                          | 9         | 11.3%       |
| Service User refused / didn't consent to service | 7         | 8.8%        |
| Other  | 13        | 16.3%       |
| Not known  | 7         | 8.8%        |
| <b>TOTAL</b>                                     | <b>80</b> | <b>100%</b> |

**Table 2 Breakdown of reason for referral panel declining cases** Source: Extract from InForm – December 2021

- 3.18 From this, it can be seen that in the majority of cases it is not a question of the potential client not meeting the criteria for Housing First, but either there is another solution to their needs that is more appropriate or that they are not in a position at the moment to accept the offer of Housing First. This confirms the conclusion drawn from Campbell Tickell's

research on the West Midlands Combined Authority Housing First Pilot, which was that at any one time a significant proportion of the cohort that Housing First is targeted at is either not able to respond to the offer of Housing First, or where it is not appropriate at this moment. This is a really important finding, as it confirms the importance of Housing First not operating in isolation from a spectrum of service responses because Housing First alone is not a universally appropriate service intervention for all of the long-term homeless cohort.

- 3.19 The proportion of referrals accepted showed some differences by local authority area as shown below – with Liverpool standing out as an area where it is more likely for referrals not to be successful. This could reflect a greater range of other service options being available in Liverpool City, so this means that the referral panel have a greater range of options, or it could simply mean there is more demand for the available Housing First places in Liverpool.

| Local authority | Number referred | Number accepted | Proportion accepted |
|-----------------|-----------------|-----------------|---------------------|
| Halton          | 37              | 24              | 64.9%               |
| Knowsley        | 38              | 27              | 71.1%               |
| Liverpool       | 160             | 78              | 48.8%               |
| Sefton          | 65              | 41              | 63.1%               |
| St Helens       | 61              | 43              | 70.5%               |
| Wirral          | 63              | 41              | 65.1%               |
| <b>TOTAL</b>    | <b>424</b>      | <b>254</b>      | <b>59.9%</b>        |

**Table 3: Numbers referred and accepted by local authority area** *Source: Extract from InForm – December 2021*

- 3.20 The first two clients were accepted on to the Housing First pilot programme on 22<sup>nd</sup> July 2019. By 15th December 2021 a total of 254 clients had been accepted on to the programme, which amounts to an average of around 13 new clients per month over the life of the programme to date.
- 3.21 However, this rate of acceptance has not been evenly spread, with 58 clients accepted in the first 6 months, during the test and learn phase. Following this phase the pilot recruited to the whole team and built-up capacity to manage the full caseload for the pilot. The most concentrated activity was between December 2020 and April 2021, with 76 new clients accepted over 5 months. Since then, new cases have settled down to a rate of approximately 8 per month.
- 3.22 As of mid-December 2021, the total size of the Housing First service was 215 open cases, with 110 housed in a tenancy and 105 still waiting for a tenancy. Overall, this is an impressive achievement. In the 2017 feasibility study it was anticipated that a large-scale Housing First programme might be able to reach a capacity of 210 within 3 years. This number was in fact reached within 2 years and 5 months, including a six-month gap when no new clients were accepted at the end of the test and learn phase and while the full team was recruited to. This indicates that it is possible to establish a large-scale Housing First programme within two years.

- 3.23 The target set for the pilot was a total of 228 clients. At the current rate of new starts this target is likely to be met by the end of February 2022, six months before the end of the pilot in August 2022.
- 3.24 Of the 58 clients accepted in the first phase, 13 have exited Housing First, one of whom “graduated” from the service. People exiting the service (excluding the individual who graduated) represent 20.7% of the accepted clients. This is very much in line with most of the previous research<sup>6</sup>, which has indicated broadly that approximately 20% of Housing First clients may be expected to “drop out” of Housing First for one reason or another in the first two years.
- 3.25. As of mid-December 2021, 34 people had exited the Housing First programme, with an additional 6 currently categorised as “dormant” clients. The reasons for exiting Housing First are set out in table 4:

| Reason for exit                           | Total     | % of total  |
|---|-----------|-------------|
| Died                                      | 14        | 42.4%       |
| Taken into custody                        | 7         | 21.2%       |
| Withdrew consent                          | 4         | 12.1%       |
| Graduated                                 | 3         | 9.1%        |
| Moved out of area                         | 3         | 9.1%        |
| Moved into sheltered or supported housing | 2         | 6.1%        |
| Entered detox clinic                      | 1         | 3.0%        |
| <b>TOTAL</b>                              | <b>34</b> | <b>100%</b> |

**Table 4: Breakdown of reasons for exiting Housing First to date** Source: Extract from InForm – December 2021

- 3.26 The most recent research on endings or exits from Housing First which reviews 32 Housing First services,<sup>7</sup> shows that the most common reason for individuals exiting Housing First services is death, at 6% of the total caseload. Some 3% of clients may develop care needs that can no longer be safely met within the Housing First service and a small cohort of 3% decide that the service is not for them and are helped to transition to other suitable services. A further 6% of clients experienced a custodial sentence while in a Housing First service. The figures for the LCRCA pilot above reflect the pattern found in this research in terms of endings in the first two years of the pilot, with the biggest proportion of people leaving the service due to death, followed by going into custody or withdrawing consent to continue with the service.
- 3.27 The average length of time spent on the programme for people exiting is set out in Table 5:

<sup>6</sup> *Housing First feasibility study for the Liverpool City Region Crisis* (2017)

<sup>7</sup> *Reducing, Changing or Ending Housing First Support* Homeless Link (2021)

| Reason for exit | Average length of service in number of days |
|-----------------|---|
| Died            | 257 days                                    |
| Graduated       | 334 days                                    |
| Other reasons   | 308 days                                    |

**Table 5: Average length of time in Housing First - reason for exiting** Source: Extract from InForm December 2021

- 3.28 One aspect of Housing First that has not always been elaborated clearly in previous research is the proportion of people accepted at any one time who have actually secured a tenancy. In January 2021 in the LCRCA pilot, this was only 36% of those on the programme at the time, although by mid December 2021 this had increased to 51%. This reflects some of the difficulties in securing housing supply within LCRCA, and also an inevitable feature of any large-scale Housing First programme, which requires a high volume of tenancies to be created in a short space of time. This issue should be factored into future planning.
- 3.29 The breakdown of where people were living while waiting to access a tenancy as of December 2021 is set out in Table 6:

| Accommodation type                        | Total Housing First clients resident as of 12/21 | % of total  |
|---|--|-------------|
| Hostel or Supported Housing               | 58   | 56%         |
| Other temporary accommodation             | 12   | 12%         |
| Sofa Surfing                              | 7  | 7%          |
| Prison                                    | 6  | 6%          |
| Local authority general needs tenancy     | 5  | 5%          |
| Living with family                        | 3  | 3%          |
| Rough sleeping                            | 3  | 3%          |
| Residential care home                     | 2  | 2%          |
| Women's refuge                            | 2  | 2%          |
| Living with friends                       | 1  | 1%          |
| Bed and breakfast                         | 1  | 1%          |
| Private sector tenancy                    | 1  | 1%          |
| Other                                     | 1  | 1%          |
| Client did not wish to disclose/Not Knows | 2  | 2%          |
| <b>TOTAL</b>                              | <b>104</b>                                       | <b>100%</b> |

**Table 6 : Breakdown of accommodation type that Housing First clients awaiting a tenancy are living in as of December 2021** Source: Extract from InForm – December 2021

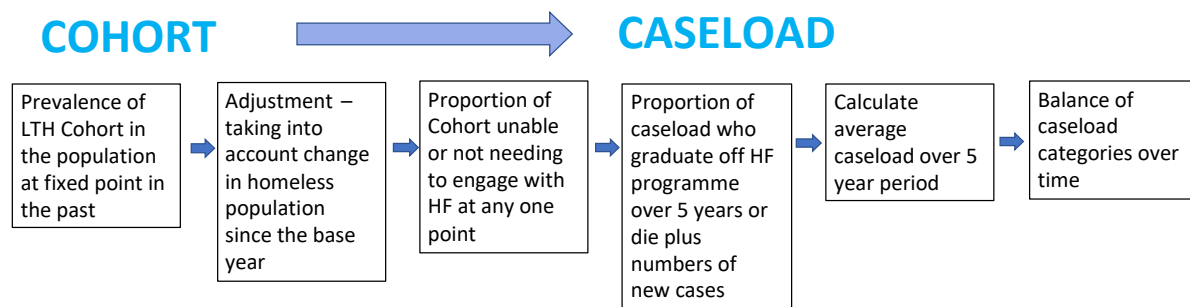
- 3.30 The fact that 56% of clients were awaiting a Housing First tenancy while in a hostel or Supported Housing and a further 12% were in temporary accommodation reflects, to an extent, the impact of the shortage of housing supply. Stakeholder feedback also indicated that some clients waited a significant amount of time in hostels/supported housing accommodation. Given that their needs were often higher than would normally be the case in such accommodation, Housing First workers provided additional support to clients to avoid evictions and to resolve anti-social behaviour issues pending a Housing First tenancy being available. There is also valuable time spent building up the client/worker relationship between the Housing First support worker and the client.
- 3.31 “Dormanting” a client is clearly one of the policy options for Housing First when the move to a Housing First tenancy does not work out and when a client does not yet have a Housing First tenancy. Of the six clients with this status in December 2021, four had previously been in a tenancy that had been ended, and were now living in a hostel or a detox residential unit. “Dormanting” a client is important in proactively ensuring that a client has the option of returning to Housing First and we understand that the pilot has an agreed policy around this covering for example how much to keep in contact with or for how long to track individuals with a view to re-engaging them in the service, whether they have had a tenancy or have yet to be given a Housing First tenancy.

### **Scale and nature of the problem Housing First is seeking to address**

- 3.32 In this section we look at the extent to which the pilot was the right size, and whether there is significant unmet need that has to be factored into the development of the service in the future.
- 3.33 We have used two routes to assessing the extent to which the pilot was the right size and has effectively met the demand for Housing First within the Liverpool City Region. The first is through the application of a model developed as part of the research undertaken on the West Midlands Combined Authority (WMCA) Housing First Pilot. The second is a review of the data held locally in the LCRCA on the potential size of the cohort and caseload, now and in the future.

### **Outline of model used to assess demand for Housing First in the LCRCA**

- 3.34 The model used by CT in the WMCA as part of the local evaluation of their national Housing First pilot, is effectively a three-stage process, as follows:
- Estimate the size of the potential cohort for Housing First at a fixed point
  - Estimate the proportion of that cohort who may be able to respond to a Housing First offer at any one time – this is the potential caseload
  - Estimate what happens over a period of time to the cohort and caseload as people move in and out of the cohort.
- 3.35 This is illustrated by the following flow diagram:



## Six Steps to HF Caseload Estimates

- 3.36 This model is designed to estimate the need for Housing First before a large-scale Housing First programme is undertaken.
- 3.37 Two important related but distinct terms are used in these principles.
- The **“cohort”** is the total population who meet the criteria for a Housing First service intervention at any one time.
  - The **“caseload”** is the proportion of the “cohort” at any one time that are likely be in receipt of a Housing First service. Some of the “cohort”, while eligible might not be able to or need to take up the offer of a Housing First service at that point in time.
- 3.38 Housing First is a long-term service intervention. It is aimed at a population that experiences long-term conditions – people with multiple and complex needs, who have experienced a cycle of homelessness, tenancy failure, and disengagement from services. For the purposes of finding a shorthand description that captures the essence of this group of the population, we have described them as the **Long Term Homeless (LTH) Cohort**.
- 3.39 Estimating the demand for long-term services, as opposed to shorter-term intervention, should rightly be based on population prevalence rather than incidence measures such as the number of people presenting for assistance in the year. The prevalence rate has to be derived from research at a particular moment – what could be called the “historic LTH cohort”. The Model produces an estimate as a range – with a “high”, “mid” and “low” point estimate. Under normal circumstances, we would tend to use the mid-point for subsequent steps of the Model.
- 3.40 As this is historic, it needs to be adjusted to bring it up to date and estimate the **current** size of the LTH Cohort.

- 
- 3.41 In principle all members of the LTH Cohort should be eligible for a Housing First service at any time, but in practice only a proportion of people in the LTH cohort at any one time will be interested in, or be able to respond to, the offer of a Housing First intervention. By definition, one of the features of the LTH Cohort is that they cycle in and out of homelessness and in and out of levels of engagement / disengagement.
- 3.42 At any one point some of the cohort will be housed in other forms of housing intervention, while some will be hospitalised or imprisoned and some will be unable or unwilling to engage with any Housing First offer. This does not mean that the situation for specific individuals will not change over time – someone who is unable or does not need to respond to a Housing First service offer at one time may well be able to respond say two years later. On the other hand, people who initially engage may also wholly disengage at later points. The Model works on an assumption that these numbers will balance each other out, so that the proportion of the cohort that does not become a part of the caseload stays the same.
- 3.43 The model therefore produces estimates of the cohort and caseload size at the current date, by individual local authority, which we can compare to the target numbers for the Housing First pilot, again set by local authority.
- 3.44 Because Housing First is a long-term service, it makes sense to quantify the demand over longer periods than a single year. The model looks at estimating caseload requirements over a five-year period. Ultimately, the results are expressed in terms of the estimated required average caseload over that five-year period.

Over any five-year period, it should be possible for a number of people to be so successfully settled that they no longer need the support provided by Housing First and therefore effectively “graduate” from the LTH Cohort. The other way that people may leave the cohort and therefore the caseload is through (premature) death, or if their health deteriorates to a point where they need long term health care. People who exit the service because they totally disengage, or decide they no longer want the support, or where an alternative specialist service is deemed appropriate are already accounted for in the ‘proportion of cohort unable or not needing to accept Housing First’ category. We also, however, need to consider the potential inflow of new clients who fall into the cohort. The size of the potential Housing First caseload is therefore different at the beginning of the period and at the end. The average caseload over the period can therefore be derived from the difference between the two figures.

3.45 The basic summary of the assumptions used in the model are as follows:

| Modelling stage   | Assumption used  |
|---|--|
| Historic size of LTH cohort – High Estimate                           | Number of core homeless identified by <i>Hard Edges</i> <sup>8</sup> research on LA basis, multiplied by the proportion identified nationally who have at least 3 complex needs, and adjusted to take account of national core homelessness level generated by Crisis <sup>9</sup> . |
| Historic size of LTH Cohort – Low Estimate                            | Further reduction to 30% of high point based on Crisis research about the number of the larger cohort who have been homeless for at least 2 years  |
| Historic size of LTH Cohort – Mid Point estimate                      | Calculated to be half-way between the high and low points  |
| Current LTH Cohort (as of 2021)                                       | Multiplier of 1.66 applied (based on changes to core homelessness numbers in Core Homelessness Monitor)  |
| Proportion of LTH unable to accept, or not needing to accept HF offer | 40% (based on unpublished research) <sup>10</sup>  |
| Proportion of caseload that might “graduate” over a 5-year period     | 17.5% (based on projections derived from the WMCA Housing First pilot research)  |
| Proportion of caseload dying over a 5-year period                     | 5% (based on actual results from the WMCA Housing First pilot research)  |
| Rate of increase in the cohort due to newly-arising need              | 13.5% (this is presented very much as the lowest anticipated level)  |

**Table 7: Detail of assumptions used in the model to estimate the size of Housing First scheme required in LCR**

Source : HGO Consultancy / Campbell Tickell.

<sup>8</sup> <https://lankellychase.org.uk/wp-content/uploads/2015/07/Hard-Edges-Mapping-SMD-2015.pdf>

<sup>9</sup> Fitzpatrick, S., Pawson, H., Bramley, G., Wood, J., Watts, B., Stephens, M. & Blenkinsopp, J. (2021) The Homelessness Monitor: England 2021. London: Crisis

<sup>10</sup> This figure was initially based on some research undertaken by Imogen Blood Associates (IBA) for Barnsley MBC, which was used with the permission of IBA and Barnsley MBC in the West Midlands Housing First Research undertaken by Campbell Tickell. The original research remains unpublished.



## Modelling results

- 3.46 Using the above set of assumptions, the resulting high, low and mid-point estimates in each local authority were generated by the model:

| Local authority | LTH Cohort – high estimate | LTH Cohort – mid-point estimate | LTH Cohort – low estimate |
|-----------------|----------------------------|---------------------------------|---------------------------|
| Halton          | 45                         | 30                              | 14                        |
| Knowsley        | 77                         | 50                              | 23                        |
| Liverpool       | 298                        | 194                             | 89                        |
| Sefton          | 70                         | 46                              | 21                        |
| St Helens       | 77                         | 50                              | 23                        |
| Wirral          | 97                         | 63                              | 29                        |
| <b>TOTAL</b>    | <b>664</b>                 | <b>433</b>                      | <b>199</b>                |

**Table 8 : Estimated size of Housing First requirements by local authority based on modelling applied.** *Source: Calculated using assumptions explained in table 7*

- 3.47 If we use the mid-point estimates of the cohort, this translates into the following caseload size estimate as of now and in five years' time – compared to the target number used in the pilot.

| Local authority | Caseload predicted by Model (as of 2021) | Caseload predicted by Model (at the end of 5 years) | Caseload target for Pilot |
|-----------------|--|---|---------------------------|
| Halton          | 18                                       | 16  | 24                        |
| Knowsley        | 30                                       | 27  | 24                        |
| Liverpool       | 116                                      | 106   | 72                        |
| Sefton          | 28                                       | 25  | 36                        |
| St Helens       | 30                                       | 27  | 36                        |
| Wirral          | 38                                       | 35  | 36                        |
| <b>TOTAL</b>    | <b>260</b>                               | <b>220</b>  | <b>228</b>                |

**Table 9: Caseload requirements now and in 5 years time compared to Pilot targets by local authority.** *Source: Calculated using assumptions explained in table 7.*

- 3.48 Averaging the number of places needed over the next five-year period, the number of places required is 248.<sup>11</sup> This suggests that at the global level the size of the pilot was about right for

<sup>11</sup> Although this suggests a higher caseload than the pilot target – the difference is within an acceptable margin of error.

the anticipated level of need, but there is potentially a shortfall in Liverpool specifically. This pattern was similar in the WMCA, where there was a much larger shortfall in Birmingham but not in the other, smaller authorities.

### Applying local indicators of need

3.49 In terms of the size of the cohort, we requested an estimate of those people known to MainStay, who met the following criteria:

- Clients who at the end of the Calendar Year would have presented at least 4 times since MainStay started recording (with at least 90 days between MainStay assessments and recorded as First or Repeat Presentation)
- Assessed in that year
- Have 2 “High” or “Very High” risks in relation to the domains of “Drugs”, “Alcohol”, “Offending”, “Mental Health”, “Physical Health”, “Violence” or “Vulnerability”.
- Did **not actually receive** a Housing First service.

3.50 In 2021 the figures by local authority are set out in table 10:

| Local authority | Number meeting criteria for Housing First (excluding those who actually received Housing First) |
|-----------------|---|
| Halton          | 9   |
| Knowsley        | 8   |
| Liverpool       | 178   |
| Sefton          | 38  |
| St Helens       | 28  |
| Wirral          | 79  |
| <b>TOTAL</b>    | <b>340</b>  |

**Table 10: Number meeting criteria for Housing First in 2021 by local authority area.** *Source: Specific query run on MainStay data system*

3.51 The total LTH cohort, based on MainStay, is estimated as 561 (including the 221 Housing First clients known to MainStay). This is somewhere between the Model’s high-point estimate of 664 people and the mid-point estimate of 433.

3.52 We have also reality-checked the proportion of the cohort either unable or not needing to respond to an offer of Housing First at any particular juncture. In order to do this, we looked at the number of people referred but not accepted for Housing First, excluding those who were rejected because they were considered ineligible for the service. We also looked at those who had exited Housing First within a year of starting the service, without actually ever moving into a tenancy - this is taken as an indicator that Housing First was after all not the appropriate service at that time. This number included both those where the exit had

already happened, and where the snapshot survey suggested a definite expectation that this is what would soon happen.

3.53 The proportion of the cohort not able to or not needing to respond to Housing First at that point in time could be calculated as follows

- Number of referrals less the number still in process and less the number deemed ineligible = 407
- Number not proceeding plus those exiting according to the criteria highlighted in Para 3.41 and 3.42 =  $153 + 21 = 174$
- Proportion not able to / not needing to respond to offer of HF =  $174/407 = 42.75\%$

3.54 This is therefore remarkably close to the Model assumption of 40%.

3.55 As of December 2021, 14 Housing First clients have died while receiving the service. This is 5.5% of the total starting the service to date, and as such is remarkably close to the model assumption of 5%. As part of our 'snapshot' survey we asked support workers to identify the number of cases that would close in the next five years because the client's *'health is likely to have deteriorated to the point that they can no longer sustain a tenancy and have to move to a specialist health or care facility or experience premature death'*. Support workers identified eight such cases. This represents closer to 9% of the caseload, using the wider definition.

## Proportion of likely 'graduations' from Housing First

- 3.56 The question of working out the likely proportion of graduations in a five-year period is much more challenging and the most obvious area where this research returned a somewhat unexpected result. Up until December 2021 three cases had exited as a result of "graduation". In the Snapshot Survey, we also asked whether there was an expectation that the case was going to be closed in the next six months and why. The results were as follows:

| Do you anticipate that you may be closing this case within the next six months? If so, why?       | Number     | %           |
|---|------------|-------------|
| No  | 180        | 86%         |
| Yes – because they no longer need the level of support offered by Housing First                   | 7          | 3%          |
| Yes – because they are likely to move out of the area soon  | 1          | >1%         |
| Yes – because they are in poor health and may need to move to a health care facility              | 0          | 0%          |
| Yes – because it seems they do not want to continue with receiving the HF service                 | 11         | 5%          |
| Yes – because they are happy with where they are currently living (which is not HF accommodation) | 1          | >1%         |
| Yes – because there is another service that is more appropriate                                   | 3          | 1%          |
| Yes – because HF has lost all contact with them   | 1          | >1%         |
| Yes – because they are considered too much of a risk  | 3          | 1%          |
| Yes – because they are likely to be imprisoned soon   | 1          | >1%         |
| Yes – other reason  | 1          | >1%         |
| Not known   | 1          | 1%          |
| <b>TOTAL</b>  | <b>210</b> | <b>100%</b> |

**Table 11: Breakdown of answers to question as to whether current case is likely to be closed in next 6 months.** Source: Snapshot Survey of current Housing First clients – January 2022

- 3.57 From this it can be anticipated that there is a good chance that a further 7 graduations would occur between now and July 2022 – making the total at that point 10. This would be broadly in line with the findings of recent research into *"Reducing, changing or ending Housing First support"*<sup>12</sup> which stated:

<sup>12</sup> Blood, I, Birchall, A, Pleace, N, *Reducing, changing, or ending Housing First support* (2021), Homeless Link, London

We asked Housing First projects in our survey “How many customers have left your service/ ended their support ‘positively’ (i.e. because they are settled and no longer need the support)?”. Those projects that supplied data identified 38 individuals between them (around 5% of all those supported), of whom about a quarter (9) had since re-accessed the service.

- 3.58 We asked support workers to estimate how long current clients would be likely to need Housing First support for. The results were as follows:

| Length of time it is estimated people will still need Housing First                 | Number     | %           |
|---|------------|-------------|
| Not applicable (because they probably do not need or will not benefit from service) | 12         | 6%          |
| For up to 12 months   | 30         | 14%         |
| 1 to 2 years  | 62         | 30%         |
| 2 to 5 years  | 46         | 22%         |
| 5 to 10 years   | 9          | 4%          |
| No expectation of ever not needing Housing First                                    | 51         | 24%         |
| <b>TOTAL</b>  | <b>210</b> | <b>100%</b> |

**Table 12: Breakdown of answers to question as to how long it is anticipated that the client will continue to need Housing First for.** Source: Snapshot Survey of current Housing First clients – January 2022

- 3.59 This strongly implies a much higher potential for graduations. It should be stressed this is based on informed but subjective speculation rather than what has happened. It is also difficult to draw conclusions from this, because of the high proportion of cases expected to close soon where the client is not currently in Housing First accommodation. This applies to 33 of the 62 cases expected to close in one - two years, and 21 of the 46 cases expected to close in two - five years. We carried out a follow up survey to clarify how far these cases could be classified as graduations or were likely to be cases closed for other reasons.
- 3.60 We asked how many of the current clients support workers thought would be exiting Housing First in the next five years and what their circumstances were likely to be when they exited. One of the options was: *They are likely to be in a tenancy and able to live without the support provided by Housing First (at least for the time being)*. The results were as follows:

| Length of time anticipated until exiting Housing First | Number of service users |
|--|-------------------------|
| For up to 12 months                                    | 17                      |
| 1 to 2 years   | 21                      |
| 2 to 5 years   | 43                      |
| <b>TOTAL</b>   | <b>81</b>               |

**Table 13: Breakdown of answers to question as to those people likely to be in a tenancy when they exit Housing First broken down by length of time expected to be in the service.** Source: Snapshot Survey of current Housing First clients – January 2022

- 3.61 In order to translate this into an estimate of the number of graduations within five years of starting on the Housing First service we did three things:
- We assumed that the largest group i.e. those who may exit within another two to five years, would on average do so within four years. We added this to the amount of elapsed time that they had already been receiving the service. This then put some projected exits outside the five-year timeframe
  - We applied an established modelling principle of “optimism bias” to reflect the potential over-optimism of staff. This involved applying a deflator of 20%
  - We added in the three graduations that had already taken place.
- 3.62 Based on this we estimate that the graduations could be as high as 66 cases, five years from the start of the Housing First service. This would be much higher than previous research has shown to be achievable. It has to be emphasised this is based on opinions and projections and therefore may still be a considerable over-estimate. On the other hand, there is little research in the UK that has actually looked at what might happen with Housing First over the longer timeframe, and it has to be remembered that this is a projection over five years for individual clients but over seven years for the service as a whole (because the pilot has been in operation already for two years).

### The need for on-going support

- 3.63 It is important, as stressed in the report quoted above, that “graduation” itself needs qualification. It does not mean that the need for support ends. It could mean that the person may need Housing First at some point in the future. In the snapshot survey, we asked what the support worker felt the person would need after leaving Housing First, the results were:

| Expected client needs at the point at which they exit Housing First                                   | Number     | %           |
|---|------------|-------------|
| They will stay in current accommodation or similar, without significant support                       | 19         | 6%          |
| They will stay in current accommodation or similar, but initially will need support from elsewhere    | 54         | 14%         |
| They will stay in current accommodation, or similar, but still need some kind of support periodically | 61         | 30%         |
| They will need to move to another type of accommodation   | 24         | 22%         |
| Not applicable – expected that they will always need the services                                     | 38         | 18%         |
| Other <sup>13</sup>   | 14         | 24%         |
| <b>TOTAL</b>  | <b>210</b> | <b>100%</b> |

**Table 14: Breakdown of answers to question as to expected client needs at the point that leave the service.**

*Source : Snapshot Survey of current Housing First clients – January 2022*

<sup>13</sup> Most of the cases of “Other” are those that are not currently engaging with staff or in a tenancy, and will have been included in the 12 people who do not need or will not benefit from the service. Two people are in such poor health that they are not expected to survive very long or need any kind of “follow on” service.

- 3.64 Not only does this indicate that around 40% will need Housing First support indefinitely or until their state of health requires them to move to a different type of accommodation, but also a further 30% are likely to need an open-ended offer of support to sustain them in accommodation even if they will no longer need the very intensive support available from Housing First.

### Estimating the number of new clients requiring Housing First

- 3.65 In order to get an idea of the number of new clients entering the LTH Cohort on an annual basis, we drew a report from MainStay on the number of people meeting the criteria set out in para 3.49 above, in each year from 2018 to 2021. We then added into each year's total the number of known Housing First clients i.e. the 221 recorded on MainStay. The results are set out in table 15 (below):

| Year | Total meeting LTH criteria<br>(excluding known Housing<br>First clients) | Total meeting LTH criteria<br>(including known Housing<br>First clients) |
|------|--|--|
| 2018 | 300  | 521  |
| 2019 | 381  | 602  |
| 2020 | 387  | 609  |
| 2021 | 340  | 561  |

**Table 15 : Number of people meeting criteria for long-term homeless cohort logged on Mainstay by year**

*Source: Specific query run on MainStay data system*

- 3.66 The pattern year on year is likely to vary, whilst it is also to be expected, given the length of time people with this level of disengagement tend to stay in the system, that over time the size of the cohort will go up. On the basis of the above figures the size of the LTH cohort has gone up by 7.1% over three years. If this is translated into a five-year estimate this would amount to 11.9% over five years. This compares to the lowest anticipated level of new people falling into the long-term homeless cohort, which was estimated as being 13.5% in the model. If a true reflection of the situation in the Liverpool City Region this would appear to indicate that the overall range of homeless service provision made within the homelessness field is having a positive impact on the prevention of long-term homelessness. However it should be noted that this figure could be a side effect of the Covid -19 pandemic.
- 3.67 The net impact of examining all these local indicators of need is as follows:
- Based on the analysis of MainStay records, there would appear to be a reasonable level of latent unmet need for Housing First, which means that the service should be allowed to expand to meet the latent need in the near future. This growth would need to focus on Liverpool City.
  - The projections about future exits from the service – both on grounds of the potential for graduations and the deterioration in health, should allow for the service to contract over subsequent years. This is backed up by evidence suggesting that the number of people

departing the long-term homeless cohort is projected to outnumber the number of people falling into the long-term homeless cohort afresh.

- For a substantial number of Housing First clients, however, the service will be required on a very long-term basis, and for the majority some form of support will be required to sustain their tenancy for the foreseeable future.
- Housing First has proved to be a highly successful service intervention for a very chaotic and complex cohort, but at any one time there is a substantial group of that cohort that is not able to take up the offer, or that is better served by other services.
- The net effect of the analysis indicates that the need for Housing First places was on average 50 places higher than the current caseload of 228. We would suggest that a moderate increase is planned and budgeted for in the early years of the next phase and kept under review in relation to the number of graduations.



---

## Summary of findings

- 3.68 The locality-based model developed after the “test and learn” phase has been very positively received.
- 3.69 Stakeholders appreciate the dual role that the CA has taken to drive forwards aspects of the programme centrally, while also being very supportive of the operational control delegated to locally based, multi-agency panels.
- 3.70 The CA is commended for its flexible problem-solving approach e.g. the creation of the psychologist service and work to increase access to suitable housing.
- 3.71 It is important to see Housing First in the context of a wider spectrum of services provided within the pilot area, including prevention services. This finding is further emphasised by the relatively high proportion of referrals to Housing First that do not lead to a service being offered or accepted. Housing First is not a universally appropriate service at any particular time for all of the eligible cohort. All the indications are that this spectrum of services approach is working well.
- 3.72 Additionally, a significant number of people waiting for a tenancy (or waiting to look for a tenancy) are receiving other support services. This should be recognised as a valuable part of the Housing First model.
- 3.73 The pilot is likely to meet the revised target in terms of clients ahead of schedule, and this is an impressive achievement.
- 3.74 Death is the commonest reason for exiting the service to date, and this is in line with expectations and consistent with other recent research published by Homeless Link.
- 3.75 Graduation rates have been low to date, as would have been expected. But estimates based on support worker opinions would suggest that in the next three years graduations will increase more rapidly than research has previously indicated.
- 3.76 Our model suggests that the pilot’s size was approximately right. However, local data would also suggest that there is still some latent unmet demand for the Housing First service from people who have been repeatedly homeless for many years – particularly in Liverpool, and that the pilot should expand to accommodate this.
- 3.77 If projections are correct then there is scope for the size of the service to contract somewhat over future years. However, there is also a need for a clear commitment to ongoing support for the majority of Housing First service users.

## 4. Evaluation Aim 2: Understanding the factors shaping the pilot's delivery and performance

### Introduction

- 4.1 This section focusses on examples of system change, the governance arrangements and strategic, political and operational relationships, the embedding of lived experience, barriers and challenges encountered, the pilot's performance against targets and expectations and stakeholders' views of what is working well and what is not.

### Examples of system change

- 4.2 One of the aims of the Housing First pilot was to achieve system change in the way homelessness and complexity of needs is addressed. We have been given many examples of how the Housing First pilot has been the catalyst for cultural and system changes, often at a granular level. Some of these are set out below.
- 4.3 Multi-agency panels (consisting of a range of housing, adult social care, criminal justice, health, housing provider representatives) 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. Housing First has developed and embedded this approach, which was further adapted by the Everyone In programme. Panels have taken a risk-sharing and problem-solving approach to find the most appropriate solution for each individual. Where approaches have not worked, clients have then been referred back to panel for alternatives to be agreed and actioned. One authority does not have a panel. However, it operates daily triage of referrals to Housing Options and/or assessment beds. It also has an RSI Panel, attended by Mental Health and Adult Social Care both of which can make referrals into the Housing First service.
- 4.4 This way of approaching the multiple and complex needs of individuals means that there is one locus of responsibility for identifying the best solution for individuals who may not meet thresholds for statutory support or are perceived as too risky to offer a Housing First tenancy, due to previous anti-social behaviour. Stakeholders highlighted that this is particularly valuable, as many Housing First referrals are already known to housing associations.
- 4.5 The risk-sharing and problem-solving approach has impacted more widely on the homelessness system. For example, a number of interviewees highlighted that social housing providers are now more engaged in working in a trauma-informed<sup>14</sup> way and are more willing to look at housing these individuals. This is because there is a sense of shared risk and that the landlord will not be left to manage a tenant who is struggling entirely on their own. Other changes cited were: greater flexibility in the application of transfer policies, housing associations changing policies around pre-eviction and at-risk tenancies, working

---

<sup>14</sup> Trauma Informed Care is an approach which can be adopted by organisations in order to improve awareness of trauma and its impact, to ensure that the services provided offer effective support and, above all, that they do not re-traumatise those accessing or working in services. <https://www.homeless.org.uk/trauma-informed-care-and-psychologically-informed-environments>

flexibly with Housing First teams to find solutions, rather than taking a procedural approach based on letters and notices. This approach is perceived to have increased tenancy sustainability.

- 4.6 The inclusion of the Lived Experience Group as part of the Governance arrangements, and their ability to influence the recruitment of the Housing First teams, as well as other aspects of homelessness reduction across the region, has been important in ensuring the insight of homeless people is included in how the pilot has been developed to date and will develop of the next period.
- 4.7 Interviewees also stated that system change is happening at a local authority level and that this is making a difference to crisis use of homeless/other services and driving solutions for very complex people. For example, there were now fewer exclusions from choice-based lettings (CBL) systems due to criminal convictions. At least one local authority has amended its CBL system to place Housing First clients into Band A in its system, and another local authority is now using Temporary Accommodation flexibly to accommodate Housing First clients.
- 4.8 One other factor was the embedding of Housing First within the wider homelessness offer of the local authorities. For example, one authority has embedded Housing First within its housing and homelessness strategy. Housing First is regarded as a key intervention towards their ending rough sleeping plan, and the need for one bedroom accommodation to support Housing First has been incorporated into the authority's spatial planning.
- 4.9 The Housing First pilot has demonstrated the value of providing intensive support to people with complex needs in terms of preventing homelessness, thereby increasing the likelihood of local authorities funding such services in future. Several stakeholders mentioned that Housing First was driving changes in commissioning services for homeless people. This included developing more flexible service specifications, which allow for greater dialogue between the local authority and commissioned provider around client needs and contract targets. One provider is planning to reconfigure local hostel provision, so accommodation better meets clients' assessed levels of need.
- 4.10 This shift has been partly due to the pilot generating examples of this approach, leading to successful tenancy sustainment and also of housing officers coming to understand that Housing First teams will continue to provide support after someone has been rehoused with them.
- 4.11 An example was also given of how consideration is being given to some of the training available to Housing First staff (in safeguarding, risk assessment, lone working and other safe working practices) being extended to the CA staff in Transport projects. This indicates that the Housing First approach to working safely with people with complex needs and a trauma-informed approach is being extended across the CA. Other examples cited included probation and health services taking a more flexible approach with clients. This included probation not breaching individuals who are engaging well with Housing First; both services being more flexible with appointments - holding sessions wherever the individual feels comfortable, making more than one attempt to work with an individual and offering choice of staff.

- 4.12 The LCRCA pilot has adopted a high fidelity approach to delivering Housing First, this means that adherence to the seven principles<sup>15</sup> of Housing First is regularly audited against a compliance framework to ensure fidelity to the model is maintained. One of the seven Housing First principles is that of client choice. Several interviewees felt that the concept of client choice was becoming more culturally acceptable for local authorities, including temporary accommodation teams. However, other interviewees raised issues regarding the need to negotiate and have honest dialogue about housing choice. They highlighted the need for honest conversations between the housing association and the Housing First Team, as well as the Housing First team and the client. This included aiming to avoid placing people in blocks or estates that have existing anti-social behaviour (ASB) or drug-related issues that would put them at further risk. Some interviewees also stated the importance of having enough information about each case to carry out a good informed pre-tenancy assessment.
- 4.13 One interviewee cited the attendance of police at their panel as a useful way to understand what the issues and risks might be in terms of ASB in a particular area or estate. Another cited that it was very useful having the housing association in attendance for the same reason and that there was an ongoing dialogue around choice and availability and enabling clients to weigh up their options.
- 4.14 A few respondents suggested a commitment to high fidelity on housing area choice meant that there were a lot of refusals of housing offers by clients and that this had resulted in people staying longer in hostels. In some cases, delays in suitable housing offers were associated with clients disengaging from the Housing First service. However, the Housing First Lettings Report for November 2021 identified that a significant majority of people (69%) had accepted their first offer. There is also evidence that people are able to exercise choice, as the data shows that of the 59 housing offers refused by clients, 41 were on the basis of location. Sometimes these refusals relate to risks to the individual from living at that location. An additional complicating factor is the direct matching approach taken which meant that any one bedroom vacant units were offered to Housing first clients in the first instance.
- 4.15 One interviewee from the lived experience group provided a hypothetical example of how a good open and honest conversation with a client around choice of area might work. A client might want to be housed in a particular area because they had grown up there, but this area had very little suitable accommodation available. There might be a role for a peer mentor or Lived Experience Group member accompanying the client to the area to examine whether they did actually want to live there now and if it was as the client remembered it. Other workers cited examples where their conversations with service users were framed around understanding why a client wanted to be in a particular area (which could include proximity to a service they used, or family members or other networks) and then looking at things like

---

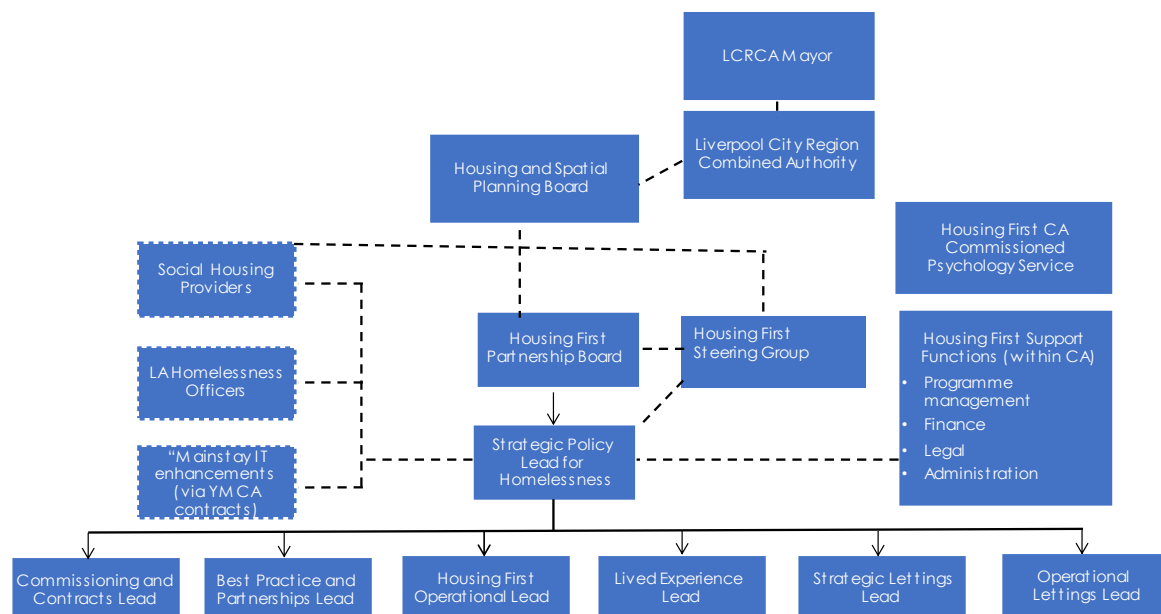
<sup>15</sup> These are set out by Homeless Link at <https://www.homeless.org.uk/sites/default/files/site-attachments/Housing%20First%20in%20England%20The%20Principles.pdf> and are 1) People have a right to a home; 2) Flexible support is provided for as long as it is needed; 3) Housing and support are 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.

transport links to the area and how the client could access the area easily if it was going to be difficult to find suitable housing for them in that exact locality.

### Governance arrangements

- 4.16 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.
- 4.17 The LCRCA Housing First Project Board, which includes LCRCA senior officers, is in turn responsible for driving the pilot forward towards delivering its aims.
- 4.18 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, adult social care), as well as representatives from housing associations, the voluntary sector, and criminal justice, is responsible for operational oversight.

### LCRCA Housing First- Governance Arrangements



- 4.19 The governance arrangements were felt to be appropriate and working well. Some interviewees appreciated the fact that the Housing First pilot was within the remit of the Housing and Spatial Planning Advisory Board, seeing this as a positive for supporting future housing supply and increasing access to one bedroom properties suitable for Housing First.

The Steering Group was also felt to be effective with the right officers around the table. There were some concerns regarding consistent attendance of Steering Group members and that while discussions were good and had the right decision-makers around the table, there may need to be a more solution-focused approach in the future.

- 4.20 The Project Board received the most comment from interviewees. The key points made were that Project Board is very supportive, had played a key role in promoting collective thinking and action and had helped to engage the local authorities with the pilot. However, it was also considered that it would be useful for the Board to have greater planning powers and ability to change service specifications, if needed. It was also felt that the Project Board could be more challenging and that, while having legal and audit representation was good and provided good scrutiny, more challenge was needed from other members.
- 4.21 Risk management information was also felt to be good and members had a clear understanding of the risks around the pilot. However, it was felt that some members were passive, and that attendance was dropping. It was suggested that the Project Board should be reviewed and that a discussion regarding the range and level of information to be provided to the Project Board should be looked at, with a view to increasing its capacity to challenge and scrutinise the pilot.

### **The role of lived experience in the pilot**

- 4.22 The Housing First pilot has a Lived Experience Group that is supported at the CA level to engage with Housing First. The Group is also involved in a number of other reducing homelessness initiatives. The Campbell Tickell team met with the Lived Experience Co-ordinator and with four members of the lived experience group. Stakeholders interviewed about the pilot were also asked to comment on how far the lived experience of people who have experienced homelessness was embedded in the pilot.
- 4.23 Our indicators for being embedded included:
- a) Whether people felt they were able to influence the development of the pilot and decision-making,
  - b) Whether they felt their views were listened to and how they had been supported to engage and contribute to the development of the pilot, and
  - c) How far they felt they had been involved in a process of co-production.
- 4.24 Our discussions highlighted that the group is made up of people who have experienced homelessness in the past and that currently none of the members have experience of the Housing First service. The individual lived experience group members we met did feel that they had been able to influence the development of the pilot; that they had been able to challenge some aspects and influence decision-making; and that co-production was 'built in' to the Housing First pilot.
- 4.25 One area of significant impact was in support worker recruitment; people with lived experience were part of the whole process. The process for engaging applicants with people with lived experience was devised by the group – recognising that people with lived experience can uniquely judge if job applicants are likely to build the quality of relationships

with Housing First clients needed to successfully engage and support them. As part of the recruitment process applicants were asked values-based questions such as, 'If you're going to be my Housing First support worker, then what are the three things you will need to know about me? And 'if you're going to be my Housing First support worker, then what are the three things I will need to know about you?'. The approach to this part of the process was described as being like speed dating. It ruled out some applicants and after this the process continued with a more traditional recruitment panel, which included one person with lived experience.

- 4.26 Other examples cited included: participating in the review of the Property Pool, for example putting forward the clients' point of view and impact when offers of accommodation are made and subsequently withdrawn; participating in the Project Board and getting the Board to agree that the lived experience group could access senior officers outside of the meetings and that training for the Lived Experience Group was accompanied by co-production training for the officers. Group members have also been involved in working with some teams on particular cases, talking to the clients to gain some insight into what is happening and the barriers they are facing. Members of the group were also involved in the procurement process for the Psychology Service, where they looked for experience and knowledge of homelessness and complexity of needs, and where providers have run this kind of service before.
- 4.27 The group was also able to point to their engagement with other initiatives around homelessness in the CA. These include work with families in temporary accommodation and being part of the Liverpool Homelessness Partnership Board. This includes three people with lived experience of homelessness and it has been agreed that each of its subgroups will have two people with lived experience on them.
- 4.28 The group have also put forward a proposal to the Steering Group that Housing First should work with couples or pairs of clients that want to live together, an idea that the group felt was well received.
- 4.29 We discussed how people who had experienced the Housing First service directly could be engaged and the group's thinking regarding peer mentoring. The group shared their plans for engaging Housing First clients through one to one meetings to introduce the Lived Experience Group and why they might join it. It was felt that involvement would possibly be more likely for people who were closer to graduation from the service, or who were at least in a relatively stable position. Work was beginning on this and would be ongoing for the remainder of the pilot.
- 4.30 With regard to Peer Mentoring, the group recognised that this would be beneficial in that some people would share information with a peer mentor that they would not necessarily share with a worker. It was also felt that Peer Mentoring needed to be a matter of choice for the client, a view that was shared by support workers. To be effective, Peer Mentors would need training, on-going support and, in the view of the Lived Experience Group members, to be paid for their time.
- 4.31 Overall, the Lived Experience Group felt that they were genuinely engaged in the pilot and able to influence and co-produce decisions alongside the CA officers and that they were also



engaging with the local authorities on their local initiatives around reducing homelessness. The process of lived experience engagement and being embedded in the pilot, was recognised as being very much an on-going project, with the next phase focussing on engaging Housing First clients and developing Peer Mentoring. CA and local authority officers we spoke to also recognised the valuable contribution to the pilot made by the Lived Experience Group particularly their engagement in the recruitment process.

- 4.32 It was suggested by some stakeholders that the additional perspective on client behaviour that people with lived experience have provided on a few individual cases could be extended and that this additional insight could support staff more with developing solutions for individuals.

### **Barriers and challenges**

- 4.33 The teams delivering the Housing First service felt that there was a gap in the frequency of opportunities to come together as a whole CA team for group reflection and learning as a delivery team. We understand that the CA is developing a Communities of Practice approach which may support CA wide learning. During our conversations we were provided with a number of examples where partnership working, risk sharing, dialogue and a shared responsibility for resolving system or procedural difficulties had resulted in good outcomes for Housing First clients.
- 4.34 It may be that the Communities of Practice approach, or a CA-wide forum could be used to ensure that these solutions are shared and used as points of wider system learning. It was also thought important to capture these examples of system change at the granular level and to share successes more widely. This could include sharing examples of the 'work-arounds' that have been negotiated with partners and how these have been achieved within the procedural and governance arrangements of each partner. We believe that this level of sharing success could support further good practice development and wider system change within the LCRCA.

### **Housing Supply**

- 4.35 The biggest barrier identified by all people interviewed was the lack of suitable housing, and specifically the lack of suitable one bedroom units in dispersed locations that meet client choice and do not put them at risk. Some interviewees suggested establishing a social lettings agency to support Housing First. Others also suggested working to improve access to private rented sector accommodation, although this was recognised as difficult to achieve given the housing pressures within the private rented market in the region and in different council areas. The CA would also not want to cut across or undermine any PRS initiatives of the local authorities. Undoubtedly Covid 19 has also had an effect on the number of void units becoming available for relet generally as well as specifically for Housing First clients.
- 4.36 The CA has sought to address the shortfall in housing through the three CA roles dedicated to working with housing association partners, the panels, the choice-based lettings systems, Property Pool Plus and Under One Roof to flexibly respond to the housing choices and preferences of clients. The CA is also seeking to increase the supply of housing for Housing



First by working with social investors to secure 30 units of suitable accommodation for Housing First clients.

### **Social Housing Provider Engagement**

- 4.37 A number of housing association partners have engaged well with the pilot and attend the Housing Associations Working Group – even where they have not made recent offers of accommodation. A number of landlords have embraced the opportunity to work on Housing First and have worked in partnership with the CA and their local Housing First teams to adapt and flex their processes and this has contributed to 88% of those housed sustaining their tenancy (elsewhere in this report we note that 62% of the cohort accepted at the test and learn phase were still in their tenancy at the end of two years, and 68% of clients were retaining their tenancy for six months or more).
- 4.38 There were a number of challenges identified. These included uneven or no engagement from some, including some larger housing providers. The CA had developed a Service Level Agreement with varying success in getting housing associations to sign up to this. There are now plans to move to a Collaboration Agreement which will encourage dialogue and understanding of Housing First and the requirements around housing for clients.
- 4.39 One specific challenge has been the fact that for some landlords the Housing First clients being referred are often well known to them, having been previously evicted for anti-social behaviour or other tenancy breaches. This can make them reluctant to take on tenants they perceive will be high risk for them as a landlord and for their other tenants in the vicinity. It also means that the client is not necessarily able to start with a ‘clean slate’. As outlined above, in a number of cases it has been possible to overcome this reluctance by explaining the nature of the support available to the client through Housing First and the multi-disciplinary team (MDT) approach.
- 4.40 The most engaged associations are part of the MDT approach or engaged in continuous dialogue. It is however recognised that a number of associations could make stronger commitments and that more associations attending the panels would help to increase the options for clients, as well ensure that landlords are part of the partnership/risk sharing approach and can participate fully in discussions around managed moves and sensitive allocations. However, it is also recognised that the short-term funding for the pilot creates risks for landlords.
- 4.41 We understand that at the beginning of the Housing First pilot CA officers met with the Chief Executives of housing associations to seek their commitment to the pilot. One stakeholder suggested that the CA should meet again with all the Chief Executives of the housing associations and seek their support and actual pledges of units for Housing First at that strategic level. We understand the Manchester Housing First pilot adopted this approach with some success we believe. We would recommend that the LCRCA pilot also adopt this approach.
- 4.42 Another option that could also be considered is that of a CA-wide agreement on reciprocal referrals, enabling clients who have a problematic history with one housing association to be housed by another across the CA, or within the local authority area (where more than

one housing association operates there). If implemented, this would still of course need to be underpinned by client choice.

- 4.43 The Housing First lettings team has provided training to housing association staff on Housing First and has done much work to broker offers of housing and be in continuous communication with the various landlords to ensure that barriers can be overcome. A number of the housing associations have as a result been flexible in their approach to tenancy issues where they have arisen to support tenancy sustainment or transfers.
- 4.44 There is a recognition that the issue of housing supply is structural and that there is a need to think more creatively about increasing supply. Housing First needs to be integrated into wider CA and local authority housing strategy work on supply, including looking at brownfield sites, absentee landlords, PRS.

### **Engagement of health and social care services**

- 4.45 Other challenges cited included a variable response from mental health services, issues with getting people referred and assessed by mental health services, difficulties getting support for people with a dual diagnosis (mental health and substance/alcohol misuse).
- 4.46 In some localities the links between the supported housing system (including Housing First) and GPs, physical and mental health nurses were more embedded and facilitated access; in others there was still work to do and while there is strategic commitment this doesn't always translate into practice on the ground.
- 4.47 There is also variable engagement from adult social care services. In some local authorities adult social care was engaged and adopting a more trauma-informed approach. However, in other areas it was difficult to get access to services and the appointment-based system used was not helpful for Housing First clients.
- 4.48 One interviewee suggested that there should be health and criminal justice input on the steering group, another that it would be good to look at having a Trusted Assessor/social worker role that is accepted by all the localities and could act as a broker for access to services especially adult social care.

### **Are the needs of service users in line with expectations?**

- 4.49 The Pilot has used three criteria to assess applications as follows:
- Experience of repeat homelessness
  - Complexity of need
  - A high score in relation to the NDT Index
- 4.50 Our analysis below sets out how far the pilot has met these criteria, taking each of the above criteria in turn.

## Repeat Homelessness

- 4.51 The CA undertook an analysis of clients' own perception of the length of time they would say they had been homeless<sup>16</sup> in 2021, with a total of 99 clients participating. The times detailed are cumulative rather than continuous i.e. they may not have been homeless for the whole period, but it is assumed that they would have been homeless for the majority of time specified. The results were as follows:

| Length of time homeless      | Total     | % of total  |
|------------------------------|-----------|-------------|
| Not Applicable <sup>17</sup> | 15        | 15%         |
| Up to 1 year                 | 16        | 16%         |
| 1 – 3 years                  | 24        | 24%         |
| 3-5 years                    | 17        | 17%         |
| 5-10 years                   | 18        | 18%         |
| 10 years +                   | 9         | 9%          |
| <b>TOTAL</b>                 | <b>99</b> | <b>100%</b> |

**Table 16: Length of time that Housing First clients saw themselves as having been homeless**

*Source: Internal research undertaken by LCRCA in 2021*

- 4.52 The LCRCA has the advantage of having had a comprehensive information system used by homelessness services across the six local authorities for a number of years i.e. MainStay. This enables CT to check how long Housing First clients had been known to services, by identifying the first date that they were assessed for service provision as a result of their homelessness.
- 4.53 All Housing First clients are supposed to be registered on MainStay when they start or cease receiving the service. A total of 221 Housing First clients have been registered on MainStay. Of these, 215 clients had a MainStay record prior to being registered for Housing First.
- 4.54 The length of time between first appearing on the MainStay system and starting on Housing First can be summarised as follows:

<sup>16</sup> This includes times spent rough sleeping, sofa surfing, in hostels or other temporary accommodation

<sup>17</sup> It is assumed that this means that these individuals did not perceive of themselves as having been homeless

| Length of time since first appearing on MainStay | Total      | % of total  |
|--|------------|-------------|
| Up to 1 year                                     | 19         | 8.8%        |
| 1 – 2 years                                      | 20         | 9.3%        |
| 2-5 years  | 90         | 41.8%       |
| 5-8 years <sup>18</sup>                          | 86         | 40%         |
| <b>TOTAL</b>                                     | <b>215</b> | <b>100%</b> |

**Table 17: Breakdown of Length of time since Housing First clients had appeared on Mainstay.** *Source: Specific query run on MainStay data system*

- 4.55 This suggests that the vast majority of the caseload have been circulating within the system – dipping in and out of homelessness for a considerable period of time. The average time since first presenting as homeless is at least 5 years. This suggests that the experience of homelessness has in fact been going on for longer for the majority of the caseload.
- 4.56 MainStay records how many previous accommodation placements the Housing First clients have had. The number of separate service placements in the period since first registration on MainStay can be summarised as follows:

| Number of placements since first appearing on MainStay | Total      | % of total  |
|--|------------|-------------|
| No Placement   | 22         | 10%         |
| 1 Placement  | 29         | 13%         |
| 2 Placements   | 40         | 18%         |
| 3 Placements   | 29         | 13%         |
| 4 Placements   | 27         | 12%         |
| 5 Placements   | 19         | 9%          |
| 6 Placements   | 13         | 6%          |
| 7 Placements   | 16         | 7%          |
| 8 Placements   | 10         | 5%          |
| 9+ Placements  | 16         | 7%          |
| <b>TOTAL</b>   | <b>221</b> | <b>100%</b> |

**Table 18: Breakdown in number of placements for Housing First clients since first appearing on Mainstay**  
*Source: Specific query run on MainStay data system*

<sup>18</sup> MainStay has only been actively used for the last 8 years

- 4.57 The average number of accommodation placements for Housing First clients was 3.84.
- 4.58 Some of these placements would have been for a reasonable length of time. Our analysis shows that 71 out of the 199 (35.6%) clients who were recorded as previously receiving an accommodation service had a length of stay in at least one of their placements of 12 months or more.
- 4.59 Of the 162 people referred but not accepted on to Housing First 119 were previously known to MainStay, with an average of 4.5 years elapsed time since they first appeared. This confirms the idea that a significant number of those not accepted would still meet the criteria for receiving a Housing First service.
- 4.60 Overall, this provides a clear indication that the majority of people receiving Housing First could be said to have experienced repeat homelessness and have been in the homelessness system for a considerable period of time.

### Complexity of Need

- 4.61 There are a number of definitions of “complexity” available and a number of factors that contribute to the assessment of the level of complexity. In relation to the Pilot the following aspects of service user case history have been monitored and could therefore contribute to an assessment of complexity of need:
- Offending history
  - History of mental ill-health
  - History of substance misuse
  - Physical disability.
- 4.62 The degree of overlap between these four factors is a reasonable measure of the degree of complexity. The breakdown of the number of complex need areas for those accepted on to the Housing First programme by individuals is set out in table 19:

| Number of complex need areas | Total      | % of total  |
|------------------------------|------------|-------------|
| 0                            | 6          | 2%          |
| 1                            | 10         | 4%          |
| 2                            | 24         | 9%          |
| 3                            | 152        | 60%         |
| 4                            | 62         | 24%         |
| <b>TOTAL</b>                 | <b>254</b> | <b>100%</b> |

**Table 19: Breakdown of number of “complex need areas” per client.** Source: Extract from InForm – December 2021

- 4.63 Again, this would indicate that the caseload shows a high degree of complexity of need with 84% of the caseload having 3-4 complex needs areas.

## New Directions Team (NDT) Chaos Index<sup>19</sup> Scores

- 4.64 The NDT Index assesses people against the following 10 domains (set out here with definitions for the top two highest indicators for levels of chaos):

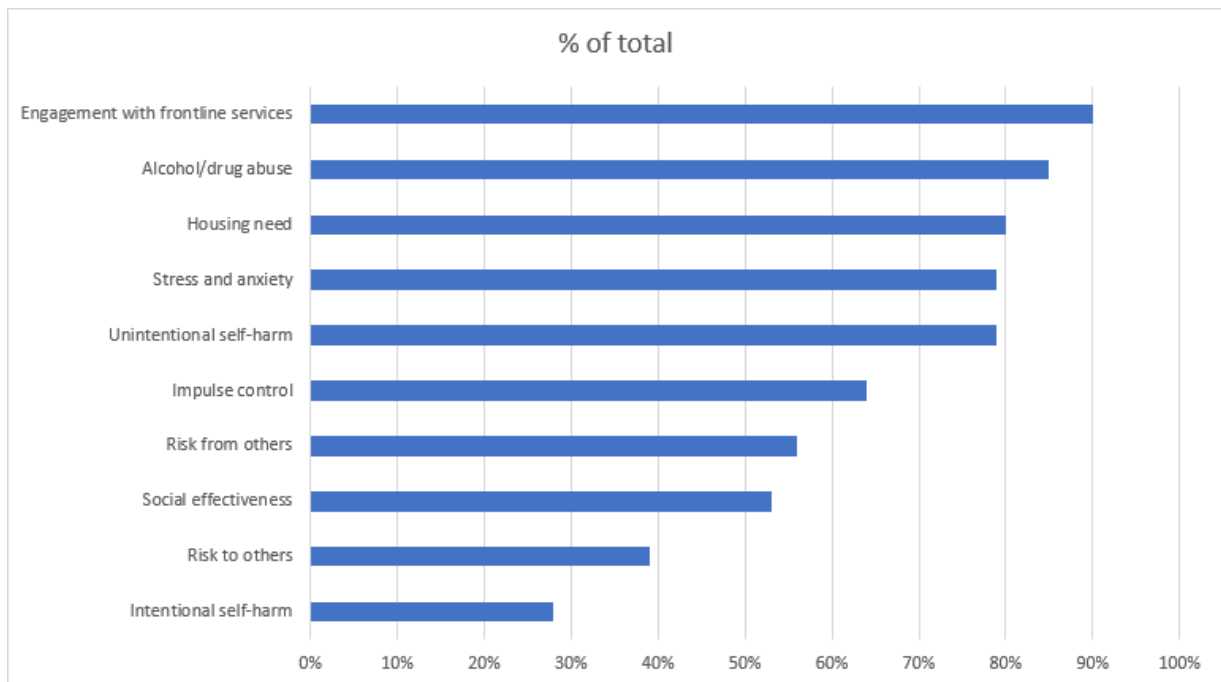
| Domain                             | Definition of top two levels  |
|------------------------------------|---|
| Engagement with frontline services | Non-compliant with routine activities or reasonable requests; does not follow daily routine, though may keep some appointments<br>OR<br>Does not engage at all or keep appointments   |
| Intentional self-harm              | High or immediate risk to physical safety as a result of deliberate self-harm or suicide attempt  |
| Unintentional self-harm            | High or immediate risk to physical safety as a result of self-neglect, unsafe behaviour or inability to maintain a safe environment   |
| Risk to others                     | High or immediate risk to physical safety of others as a result of dangerous behaviour or offending / criminal behaviour  |
| Risk from others                   | Probable occurrence of abuse or exploitation from other individuals or society<br>OR<br>Evidence of abuse or exploitation from other individuals or society   |
| Stress and anxiety                 | Obvious reactivity; very limited problem solving in response to stress; becomes hostile and aggressive to others<br>OR<br>Severe reactivity to stressors; self-destructive, antisocial, or have other outward manifestations                            |
| Social effectiveness               | Uses only minimal social skills; cannot engage in give-and-take of instrumental or social conversations; limited response to social cues; inappropriate<br>OR<br>Lacking in almost any social skills; inappropriate response to social cues; aggressive |
| Alcohol/drug abuse                 | Recurrent use of alcohol or abuse of drugs which causes significant effect on functioning; aggressive   |

<sup>19</sup> The NDT Chaos Index was originally devised by the twelve pilots from the Adults Facing Chronic Exclusion (ACE) national programme (2008) and is an accepted categorisation of indicators of chaotic living.

| Domain          | Definition of top two levels   |
|-----------------|--|
|                 | behaviour to others<br>OR<br>Daily abuse of alcohol or drugs which causes severe impairment of functioning; inability to function in community secondary to alcohol/drug abuse; aggressive behaviour to others; criminal activity to support alcohol or drug use |
| Impulse control | Impulsive acts which are fairly often and / or of moderate severity<br>OR<br>Frequent and / or severe outbursts / aggressive behaviour e.g.-behaviours which could lead to criminal charges, Anti-Social Behaviour Orders, risk to or from others / property     |
| Housing need    | Immediate risk of loss of accommodation; living in short-term / temporary accommodation; squatting; sofa surfing; high housing support needs<br>OR<br>Rough sleeping; living in high risk exploitative accommodation under coercive arrangements                 |

Source: NDT Chaos Index

- 4.65 The assessor is asked to choose from a number of statements that best describe the individual's current status. state of mind / experience against each of these domains. These are then scored according to the level of capacity / need indicated against each domain. For most of the domains the score goes from 0 to 4, but for the risk to self and risk to others the score goes from 0 to 8. The scores on the individual domains are then added together to get an overall score. Guidance was issued in relation to the eligibility criteria for Housing First, which suggested that an overall Index Score of at least 24 should be the norm.
- 4.66 Records of the NDT Index Score was found for 188 of the clients accepted on to the service. Seven of these clients did in fact have a score of less than 24, this is only 4% of the total. The average score is 32 (both mean and median). Our analysis found that 19 clients had a score of over 40, and one had the maximum score of 48, there was however no ceiling applied on the complexity score. Clearly based on this, the Housing First cohort is very substantially chaotic and disengaged from services, and the service has been well-targeted.
- 4.67 In order to identify which domains are most significant in terms of the needs of those receiving Housing First, we summarise below the proportion of clients who scored one of the two highest graded levels in each domain:



**Table 20: Proportion of clients who scored one of the two highest graded levels in each domain of the NDT Chaos Index Assessment by separate domains.** *Source: NDT Chaos Index*

- 4.68 According to the NDT Chaos Index guidance, clients should score 3 or 4 under “engagement with frontline services” or else the assessment should not proceed. So, it is not surprising if that domain has the highest percentage of scores in the top two levels. The majority of clients have issues with engaging with front line services (90%) and a severe housing problem. The other most significant areas are “Alcohol / Drug Abuse”, “Stress / Anxiety” and “Unintentional Self-harm”. Risk **from** others is more significant for clients than risk **to** others.

## Demographics

- 4.69 In terms of age group, the breakdown for those accepted on to the service was as follows:

| Age group    | Total referred | Total accepted | % referrals accepted | % of Housing First caseload |
|--------------|----------------|----------------|----------------------|-----------------------------|
| 18-24        | 31             | 13             | 42%                  | 5%                          |
| 25-34        | 85             | 46             | 54%                  | 18%                         |
| 35-44        | 138            | 90             | 65%                  | 36%                         |
| 45-54        | 117            | 80             | 68%                  | 32%                         |
| 55-64        | 35             | 18             | 51%                  | 7%                          |
| 65+          | 7              | 4              | 57%                  | 2%                          |
| Not Known    | 3              | 3              | 100%                 | >1%                         |
| <b>TOTAL</b> | <b>416</b>     | <b>254</b>     |                      |                             |

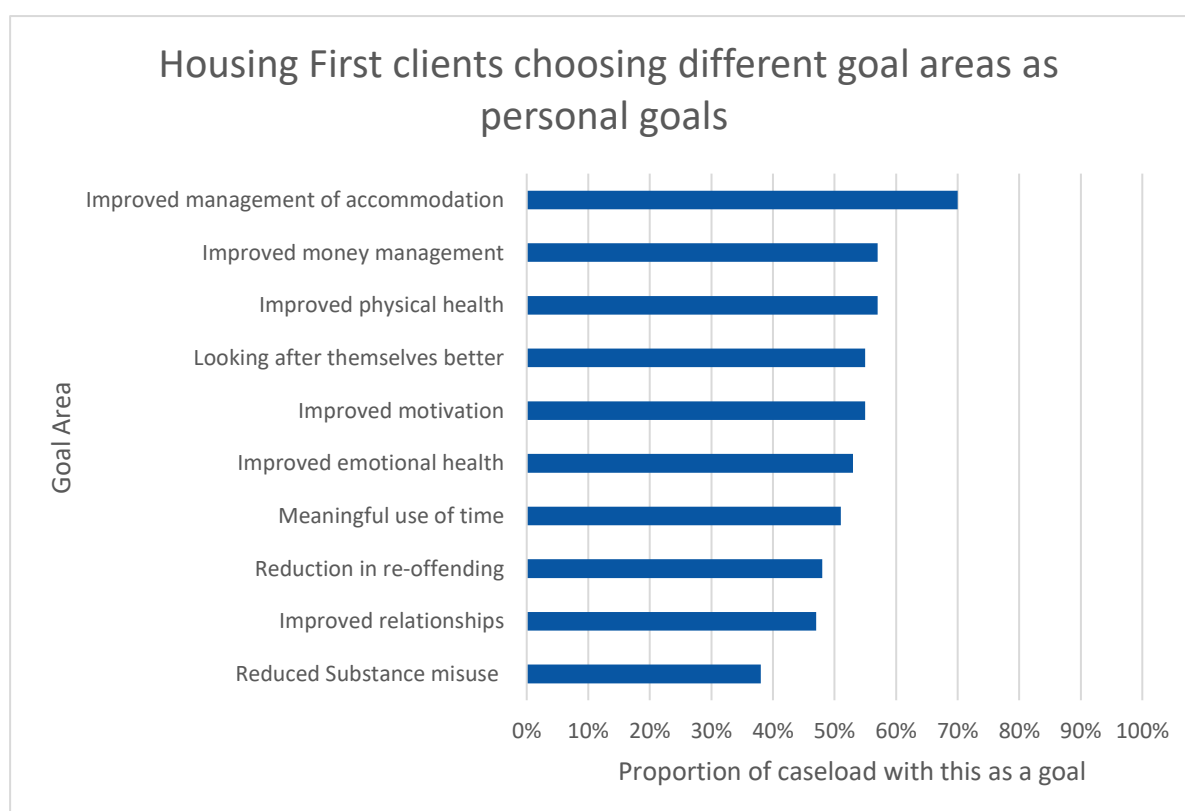
**Table 21 :Breakdown of referrals and acceptances by age group.** *Source: Extract from InForm – December 2021*



- 4.70 Housing First's caseload appears to be slightly younger than one might expect from a typical profile of a long-term homeless cohort – with 60% under the age of 45. On the other hand, a lower proportion of referrals in the lowest age bands entered the Housing First service – with only 42% of the referrals of people aged 18 - 24 being successful. The age band with the highest success rate was in fact 45 - 54 year olds.
- 4.71 In terms of gender – 68% of those accepted on to the service (where gender was recorded) were male.
- 4.72 In terms of ethnicity – 93% of those accepted on to the service (where ethnicity was recorded) were White UK British.

### Did the pilot deliver the activities it set out to in the way that was expected?

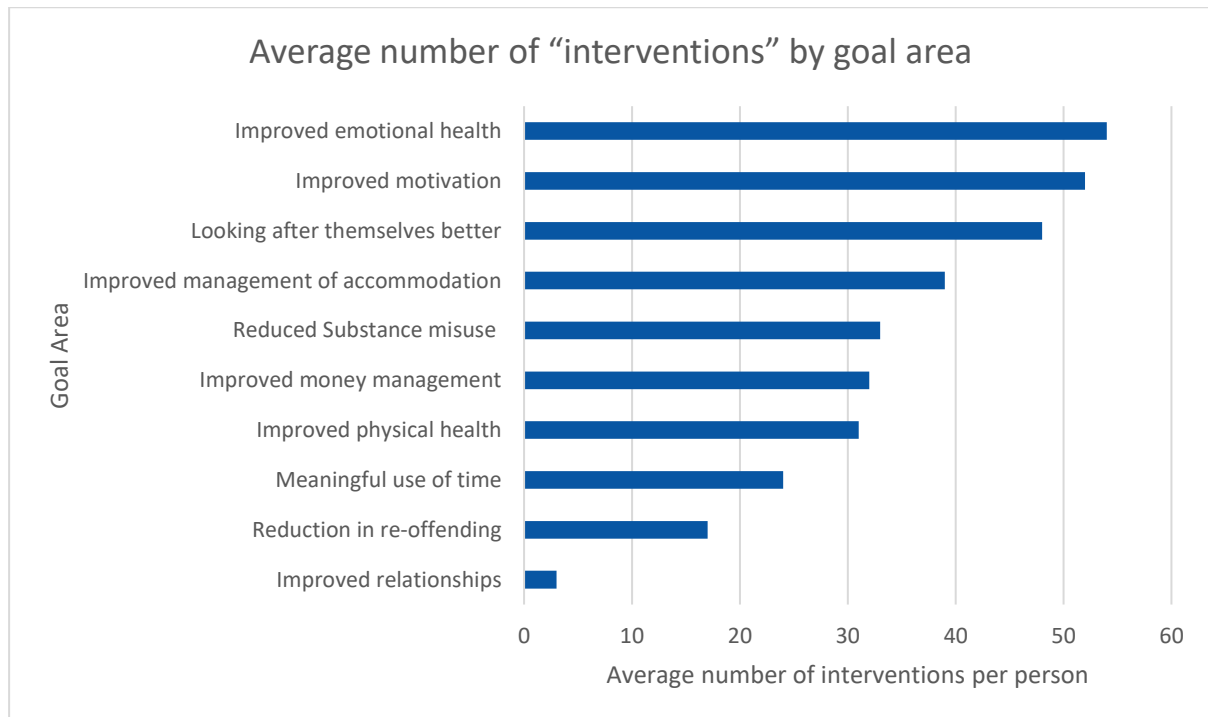
- 4.73 In this section we summarise what the support provided by the Housing First Pilot focussed on and how it was delivered. We consider the support needs that the service has sought to meet, and the level of staff input required to deliver this. The primary goals and aspirations of each Housing First client are categorised under the following 10 headings. Analysis undertaken by LCRCA between October 2020 and November 2021 identified that these goals were fairly evenly spread across the caseload, with the proportion of the caseload identifying these as goals being as follows:



**Table 22: Total number of Housing First clients choosing different goal areas as their own personal goals**

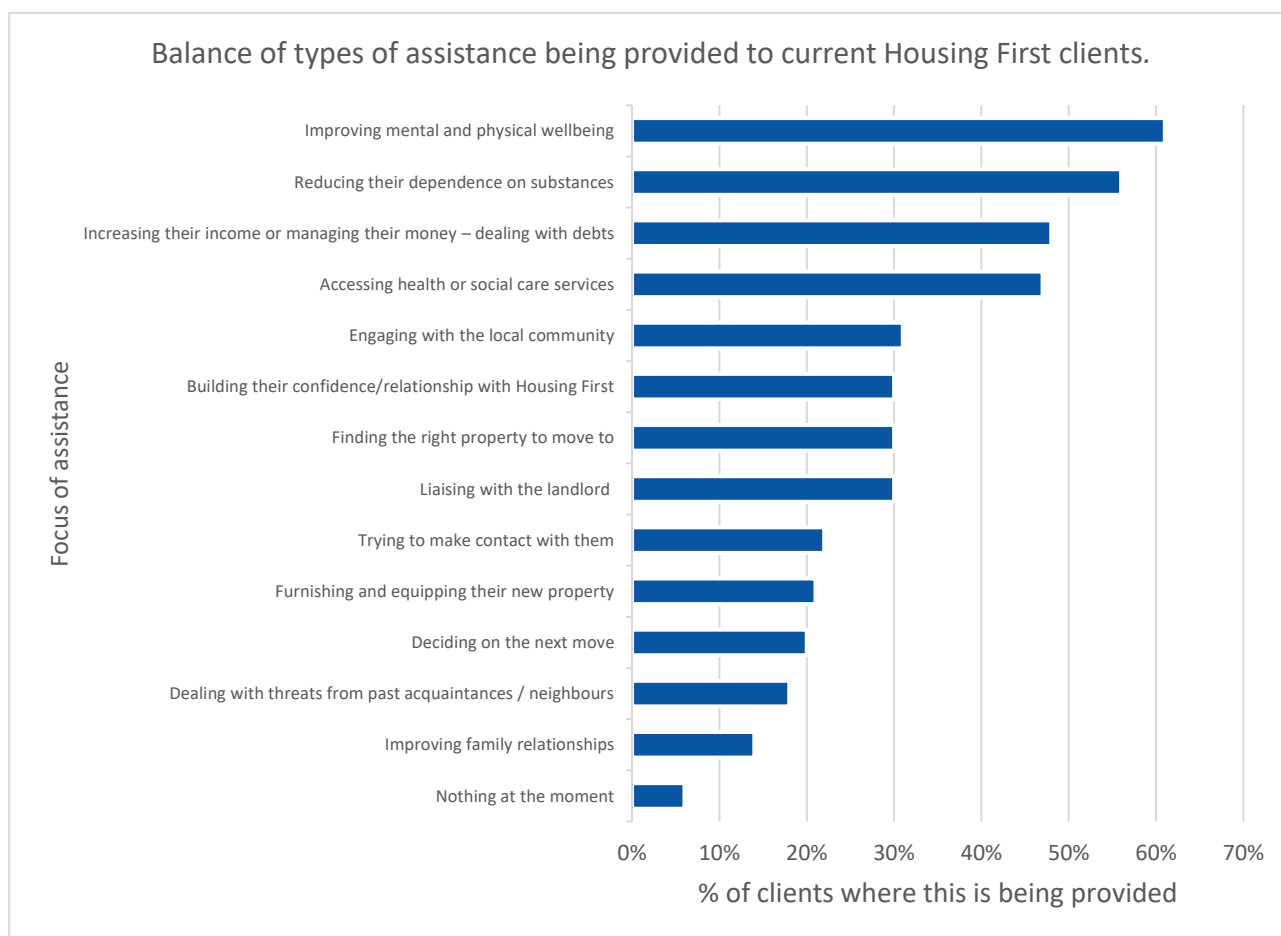
Source: Extract from InForm – December 2021

- 4.74 This indicates a very even distribution in terms of goals. It also suggests a high number of goals per person – with the average being just over 5. This suggests a level of support needs that is higher than would for example be the case in most supported housing services. This is in line with expectations, although the relatively low priority attached to reducing substance misuse may be less so.
- 4.75 LCRCA also analysed the number of “interventions” by support staff where the focus of the intervention included assistance to meet that goal. The results of this are summarised in table 23:



**Table 23: Average number of “interventions” by goal area category/** *Source: Extract from InForm – December 2021*

- 4.76 This provides a slightly different picture. In terms of the extent to which the different goals require interventions from the staff. The most significant would appear to be:
- Improved emotional health
  - Improved motivation
  - Looking after themselves better
- 4.77 We also looked at the focus of support for those cases open on January 12<sup>th</sup> 2022 through a ‘Snapshot’ Survey. The survey had a longer list of options, where the support workers were asked to specify the number of areas that they were currently working on with clients. Out of the total of 210 clients for whom a snapshot survey was completed, the balance of types of assistance currently being provided was as follows:



**Table 24: Balance of types of assistance being provided to current Housing First clients.** *Source: Snapshot Survey of current Housing First clients – January 2022*

- 4.78 This is an average of 4.5 areas of support being worked on at the moment per client, which confirms the picture from the goals analysis. The relative priority given to managing substance misuse is however in stark contrast to the goals analysis – and is more in line with what would be expected. This would suggest that workers see this as a priority more than clients do, or that it is an important part of the work assisting clients to sustain their tenancy. We would suggest that teams explore the reason behind this seeming disparity to see if it implies any need to challenge practices. Emotional support aimed at improving wellbeing remains the most significant area of support.

- 4.79 Support workers were also asked which of these areas of support was the current priority. The results were as follows:

| Focus of assistance  | Number of clients where this is currently the priority issue | % of total number of clients where this is the current priority issue |
|--|--|---|
| Building their confidence/relationship with Housing First            | 12   | 6%  |
| Deciding on the next move  | 12   | 6%  |
| Finding the right property to move to                                | 23   | 11%   |
| Furnishing and equipping their new property                          | 11   | 5%  |
| Liaising with the landlord   | 11   | 5%  |
| Accessing health or social care services                             | 16   | 8%  |
| Dealing with threats from past acquaintances / neighbours            | 7  | 3%  |
| Engaging with the local community                                    | 1  | >1%   |
| Improving family relationships                                       | 1  | >1%   |
| Increasing their income or managing their money – dealing with debts | 22   | 10%   |
| Improving their mental and physical wellbeing                        | 36   | 17%   |
| Reducing their dependence on substances                              | 30   | 14%   |
| Trying to make contact with them                                     | 18   | 9%  |
| Nothing at the moment  | 10   | 5%  |
| <b>TOTAL</b>   | <b>210</b>   | <b>100%</b>   |

**Table 25: Priority areas of assistance being provided to current Housing First clients.** *Source: Snapshot Survey of current Housing First clients – January 2022*

- 4.80 This does not give a significantly different picture, although when focussing on the priorities only, “finding the right property to move to” becomes relatively more important and engaging with the local community becomes relatively less important. There is also a higher priority and effort put into dealing with substance misuse issues than would be assumed to be taking place from the lower priority it is given by clients.

4.81 LCRCA monitors the amount of time spent by staff on different tasks through the case notes function on In-Form. The diagram below classifies these tasks under a number of headings summarised under the master-headings of:

- Active support
- Agency engagement
- Inactive support
- Miscellaneous
- Other

4.82 We attempted to calculate the amount of time spent per client per week on the three main overview headings above for each month from January to December 2021. However, we were not able reach any firm conclusions because we were informed that some aspects of staff time spent with clients were not being recorded sufficiently robustly to enable us to draw firm conclusions.

4.83 We have developed a case categorisation framework, based on whether the client is housed and the extent to which they are engaging with the service.<sup>20</sup> The answers provided did not allow for the categorisation of 10 of the current clients. The rest divided as follows:

| Case Category   | Number falling into each category currently | % of total caseload (ignoring those not categorised) |
|---|---|--|
| Housed and stable   | 6   | 3%   |
| Housed and actively engaging  | 65  | 33%  |
| Housed but limited engagement   | 29  | 15%  |
| Housed but not engaging or not living at the property                         | 6   | 3%   |
| Not housed but actively pursuing offers                                       | 27  | 14%  |
| Not yet housed and currently housed elsewhere or not actively pursuing offers | 11  | 5%   |
| Not housed and not engaging   | 42  | 21%  |
| Imprisoned  | 14  | 7%   |
| <b>TOTAL</b>  | <b>200</b>                                  | <b>100%</b>  |

**Table 26: Split of current cases into Campbell Tickell case categories.** *Source: Analysis based on Snapshot Survey of current Housing First clients – January 2022*

<sup>20</sup> The framework used here is a slight adaptation of the one originally developed for the WMCA Housing First pilot, local evaluation conducted by CT in 2020

- 
- 4.84 The analysis that we were able to carry out using current recording of hours did indicate that the two most resource-heavy case categories in terms of staff time, related to when clients were housed and actively engaging with the service, and when they were housed but not engaging. This indicates that sometimes it can be as time-consuming to try and stimulate a response from a non-engaging client than supporting someone that is.
- 4.85 We would recommend that the CA works with the Housing First teams to clarify the requirements and develop an appropriate approach to recording time spent on different activities by Housing First workers, using the above (or similar) categories. Recording and analysing the number of hours per client per week against these categories would enable the CA to model staff numbers and client ratios based on the case load profile as the pilot progresses. We raise this because previous research carried out with the West Midlands Combined Authority Housing First pilot indicated that as the pilot matured staff to tenant ratios could be increased from 1.6 to 1.7 or subsequently even 1.8. We were not able to draw similar conclusions from the data available from the LCRCA.
- 4.86 The anticipated overall trend is that hours required to support and sustain Housing First clients in a tenancy are expected to reduce over time. This was demonstrated by research undertaken by Pleace and Brotherton, looking at the time spent on Housing First support in 2019<sup>21</sup>. This study based its conclusions on returns from 15 separate Housing First services. It found that once the tenancy is established, there is less need for staff time to support individuals, and therefore the total number of support hours required for the service as a whole ought to go down, as the proportion of people placed in a tenancy increases.
- 4.87 The same research identified that all the services reported that the bulk of worker time was spent delivering support and case management. The mean proportion of time spent on this was 68% and the median was 64%.
- 4.88 The extent to which clients are engaging and where they are in their rehousing journey makes all the difference to the number of cases that can be supported. The difficulty is that this can change significantly at very short notice, and this makes the caseload difficult to manage.

---

<sup>21</sup> *The cost effectiveness of Housing First in England* Nicholas Pleace and Joanne Bretherton, March 2019

## Summary of findings

- 4.89 The Housing First pilot has delivered a range of system changes in the LCRCA region; these, include development of multi-agency arrangements and adapted housing association policies and procedures, and the inclusion of the Lived Experience Group as part of the governance arrangements and operational development. These changes have undoubtedly increased access to Housing First tenancies for complex needs rough sleepers and helped them to sustain tenancies.
- 4.90 The collaborative and risk-sharing approach to multi-agency working has also helped to bring about cultural changes in housing associations' working practice, such as Psychologically Informed Environment (PIE)<sup>22</sup> approaches and a more flexible approach to evictions.
- 4.91 The high fidelity approach to area choice in housing supports clients' commitment to maintaining their tenancy, but has involved a high number of refusals overall and meant longer stays in hostels and other temporary accommodation for some clients. In some cases, this has been linked to disengagement from the Housing First pilot. Refusal of offers has been slightly complicated by the direct matching approach taken initially whereby clients were offered one bedroom vacant units as they became available, rather than looking to fully match their preferences.
- 4.92 Governance arrangements are appropriate and working well. There is scope to increase the scrutiny role of the Project Board.
- 4.93 The Lived Experience Group has played an influential role within the pilot, for example its involvement in the staff recruitment process and advice given to individual Housing First services on local lived experience initiatives. The dedicated Lived Experience role has facilitated engagement with other CA initiatives. There is scope, and work is being initiated, to strengthen the lived experience perspective by including people with lived experience of Housing First within the group.
- 4.94 It has proved challenging to ensure a sufficient supply of suitable one-bed properties. Some housing associations have engaged well, but a stronger commitment is required from others. The CA's input has gone some way to address the shortfall in supply and the new approach presented by the Collaborative Agreement in development, alongside further CA approaches to housing association Chief Executives to obtain pledges of housing units and a CA-wide reciprocal referrals policy might all assist. However, supply also needs to be addressed structurally, by integrating Housing First into CA and local authority housing strategy and housing supply work.
- 4.95 Securing consistent support from adult social care and mental health services has also proved challenging. This is recognised as an issue which is common to many other areas in England and which probably requires national policy and guidance to address. One potential

---

<sup>22</sup> Psychologically Informed Environments are services that are designed and delivered in a way that takes into account the emotional and psychological needs of the individuals using them.

[https://www.homeless.org.uk/sites/default/files/site-attachments/TIC%20PIE%20briefing%20March%202017\\_0.pdf](https://www.homeless.org.uk/sites/default/files/site-attachments/TIC%20PIE%20briefing%20March%202017_0.pdf)

local change could be the introduction of a social worker role, to broker access for clients into statutory services.

- 4.96 The Housing First pilot is working with its target clients, ie: long-term homeless people, who are likely to have a history of failed accommodation placements/repeat homelessness, have high levels of support needs and/or a chaotic lifestyle. NDT Index scores indicate a high level of non-compliance with routine activities, risk of self-neglect/arm, inability to manage stress and substance misuse.
- 4.97 Clients are receiving support in the range of areas needed to support tenancy sustainment, particularly emotional support to increase well-being and clients are actively setting and working towards goals in a number of these. Much work is also being carried out to help clients reduce their substance misuse, though clients themselves may not prioritise this area of work.
- 4.98 Initial analysis indicates that the amount of support required to re-engage clients who are not engaging may be as intensive as that required for more actively engaging Housing First tenants. More work is required however to develop and use a suggested case categorisation model to support the CA in planning future staff to tenant ratios.



## 5. Evaluation Aim 3: What has been achieved by the Pilot?

5.1 In this section we look at the interim outcomes from the Pilot in relation to the following key objectives

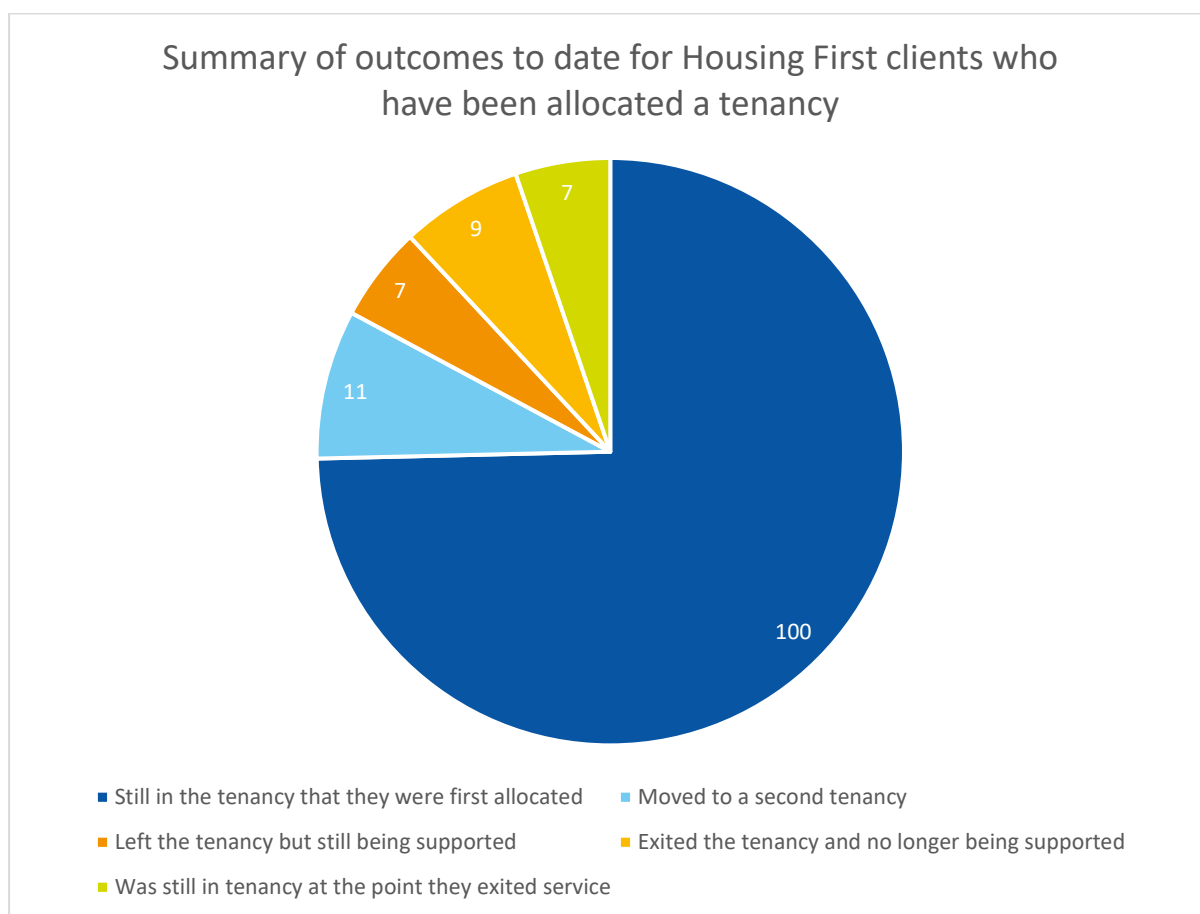
- Assist the target group to secure and sustain independent housing
- Improve the target group's engagement with front-line services
- Reduce levels of rough sleeping

5.2 This is with a view to informing the following research questions:

- a) How has the Housing First Pilot performed against its targets and activities?
- b) What are the outcomes for the service users that the LCRCA Housing First pilot has worked with?

### Secure and sustain independent housing

5.3 As of mid-December 2021, a total of 133 people had moved into a Housing First tenancy – this is 52% of the total accepted on to the service. At that point the result for these people was as follows:



**Table 27: Summary of outcomes to date for Housing First clients who have been allocated a tenancy**

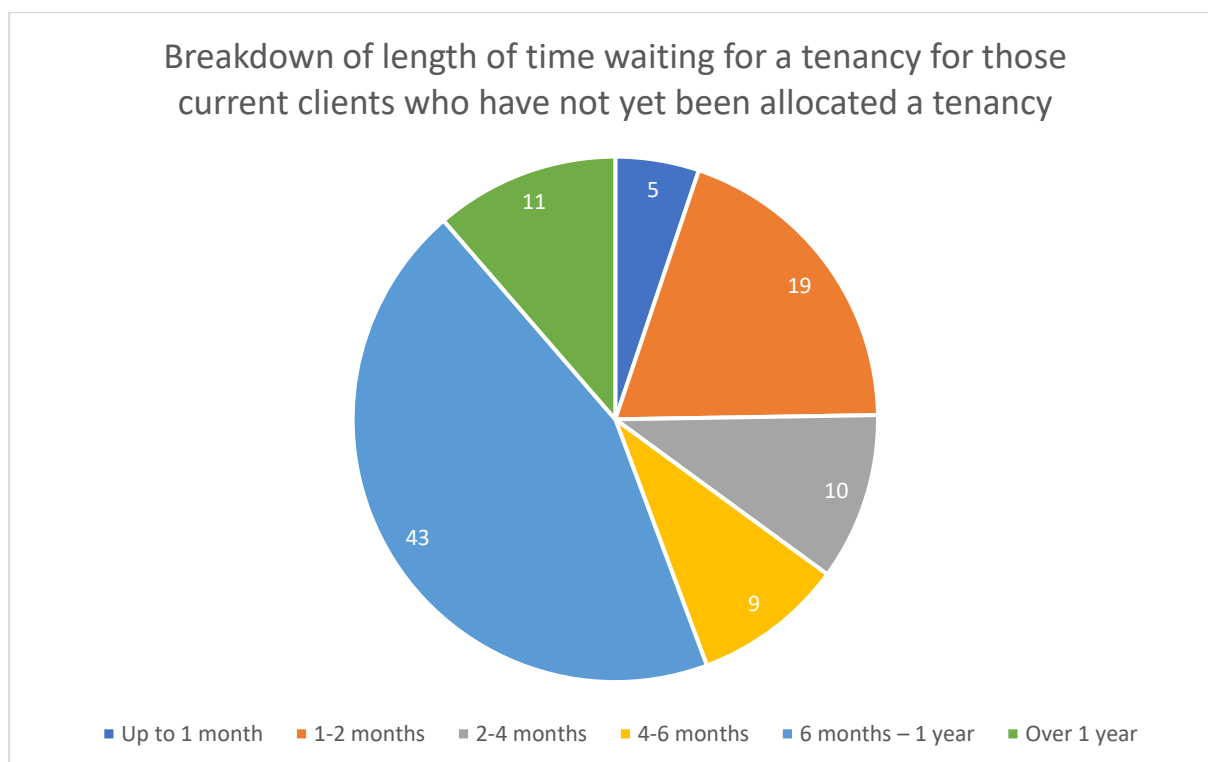
Source: Extract from InForm – December 2021

- 5.4 Overall, the breakdown in terms of time between being accepted onto the service and first moving into a tenancy is set out in table 28 below:

| Length of time until first tenancy | Total      | % achieving this |
|------------------------------------|------------|------------------|
| Up to 1 month                      | 8          | 6%               |
| 1-2 months                         | 19         | 14%              |
| 2-4 months                         | 29         | 22%              |
| 4-6 months                         | 27         | 20%              |
| 6 months – 1 year                  | 40         | 30%              |
| Over 1 year                        | 7          | 5%               |
| In tenancy before support started  | 3          | 2%               |
| <b>TOTAL</b>                       | <b>133</b> | <b>100%</b>      |

**Table 28: Summary of length of time between acceptance on to Housing First and award of first tenancy for First clients who have been allocated a tenancy.** Source: Extract from InForm – December 2021

- 5.5 Additionally, 18 clients exited the service without achieving a tenancy.
- 5.6 Of the 97 clients, as of mid-December 2021, that had not moved into a tenancy yet, the balance of waiting times was as follows:



**Table 29: Breakdown of length of time waiting for a tenancy for those current clients who have not yet been allocated a tenancy.** Source: Extract from InForm – December 2021

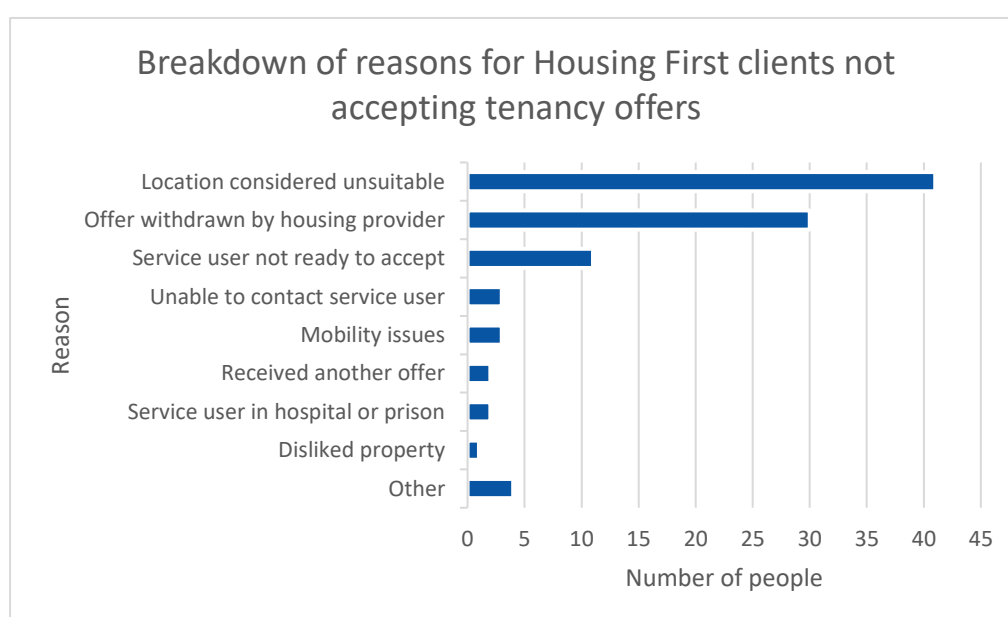
- 5.7 Not all of these 97 clients are actively looking for a tenancy: the LCRCA Lettings Report for November 2021 stated that 45 people were waiting for an offer. The majority of people waiting therefore had not reached that stage – and this is an important point to take into account. Being accepted on to Housing First does not necessarily mean that the search for a tenancy starts straight away.
- 5.8 This is supported by the ‘Snapshot’ Survey results. As explained in Para 4.83 above, we used a case categorisation system that identified whether people were actively looking for a tenancy, and only 27 of the 94 clients not housed and categorised fell into the case category “Not housed but actively pursuing offer” – that is only 29%.
- 5.9 The Lettings Report set out the process involved in obtaining a tenancy and analysed the average time involved in moving from one stage to the next. The stages and the calculated average time for each step were as follows:

| Stage in the process of allocation of tenancy                  | Average number of weeks |
|--|-------------------------|
| From starting on the service to a property request submission  | 3 weeks                 |
| From property request submission to circulation to HA partners | 4 weeks                 |
| From circulation to HA partners to successful offer            | 6 weeks                 |
| From successful offer to tenancy start date                    | 3 weeks                 |

**Table 30: Average number of weeks for completion of each step in the process of allocation of tenancies**

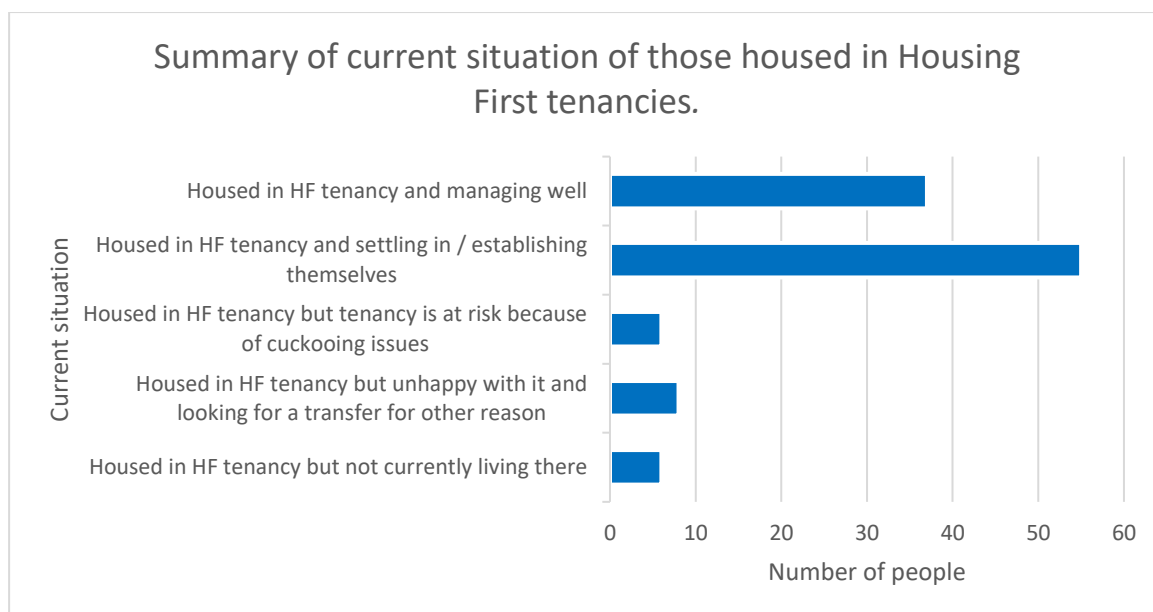
Source: LCRCA Lettings Report – November 2021

- 5.10 One of the explanations put forward for the long time taken to secure a suitable tenancy, is that a number of offers are turned down. A total of 97 offers were turned down or did not proceed. The balance of reasons is set out in table 31:



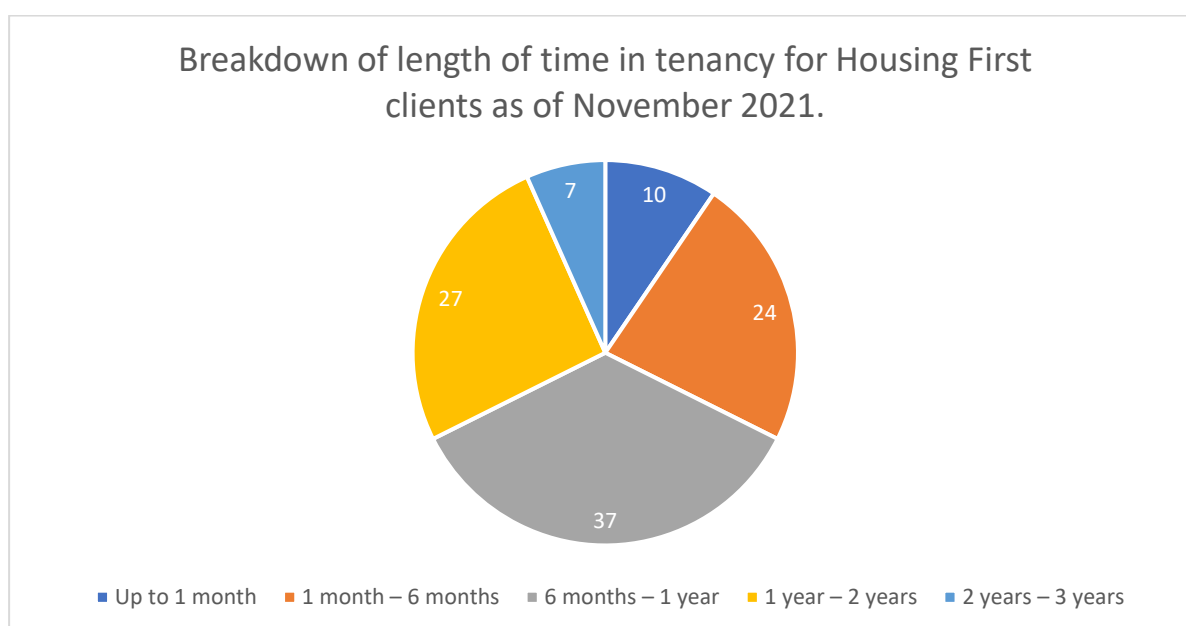
**Table 31 : Breakdown of reasons for Housing First clients not accepting tenancy offers.** Source: LCRCA Lettings Report – November 2021

- 5.11 The majority of service users accept their first offer (69%), but for 13 clients between three and five offers were made before they accepted one.
- 5.12 Critically, the objective of Housing First is not just to enable the target group to access independent housing but also to then assist them to sustain this. This is far from straightforward, and the reality is that at any one time a number of tenancies are likely to be at risk for a number of reasons. This is demonstrated by the results of the ‘Snapshot’ survey. The current status of those in a tenancy was described as follows:



**Table 32: Summary of current situation of those housed in Housing First tenancies.** *Source: Snapshot survey of current Housing First clients – January 2022*

- 5.13 In the DLUHC report for November 2021 the current length of tenancy was summarised as follows:



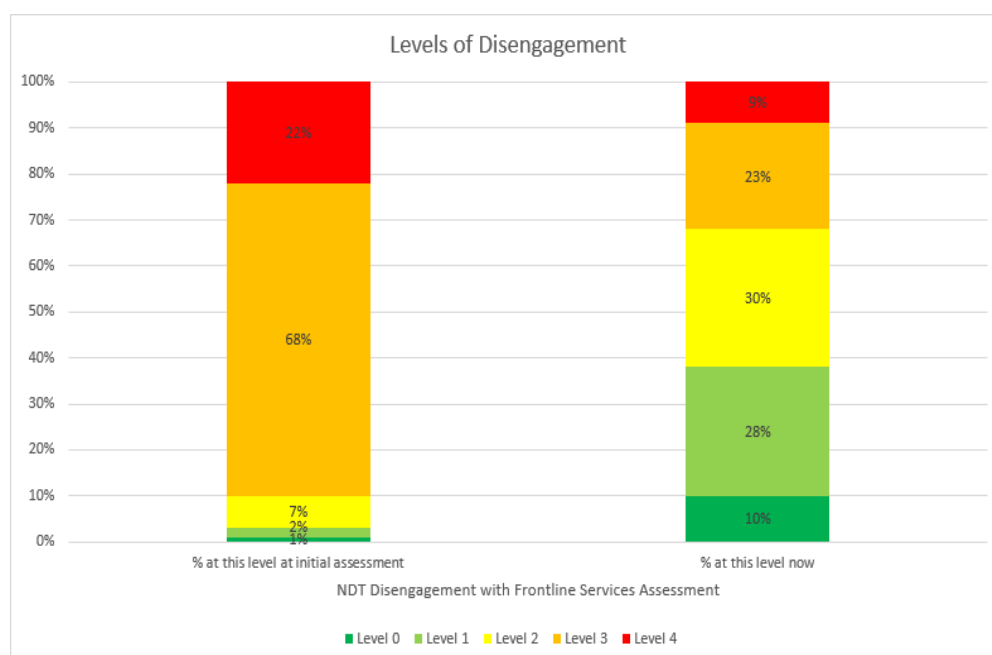
**Table 33: Breakdown of length of time in tenancy for Housing First clients as of November 2021.** *Source: LCRCA report to DLUHC – November 2021*

## Improve engagement with frontline services

- 5.14 The underpinning assumption is that the homelessness of the Housing First cohort is linked to their disengagement from the frontline services that are needed to help address their underlying needs. This means that an improvement in this level of engagement is likely to be associated with an improvement in tenancy sustainability – and vice versa.
- 5.15 The NDT Index uses a gateway question about generic levels of engagement. This asks for people to be assessed against the following scale:

|         |  |
|---------|--|
| Level 0 | Rarely misses appointments or routine activities; always complies with reasonable requests; actively engaged in tenancy/treatment                |
| Level 1 | Usually keeps appointments and routine activities; usually complies with reasonable requests; involved in tenancy/treatment                      |
| Level 2 | Follows through some of the time with routine activities; usually complies with reasonable requests; is minimally involved in tenancy/treatment  |
| Level 3 | Non-compliant with routine activities or reasonable requests; does not follow through with routine activities, though may keep some appointments |
| Level 4 | Does not engage at all or keep appointments  |

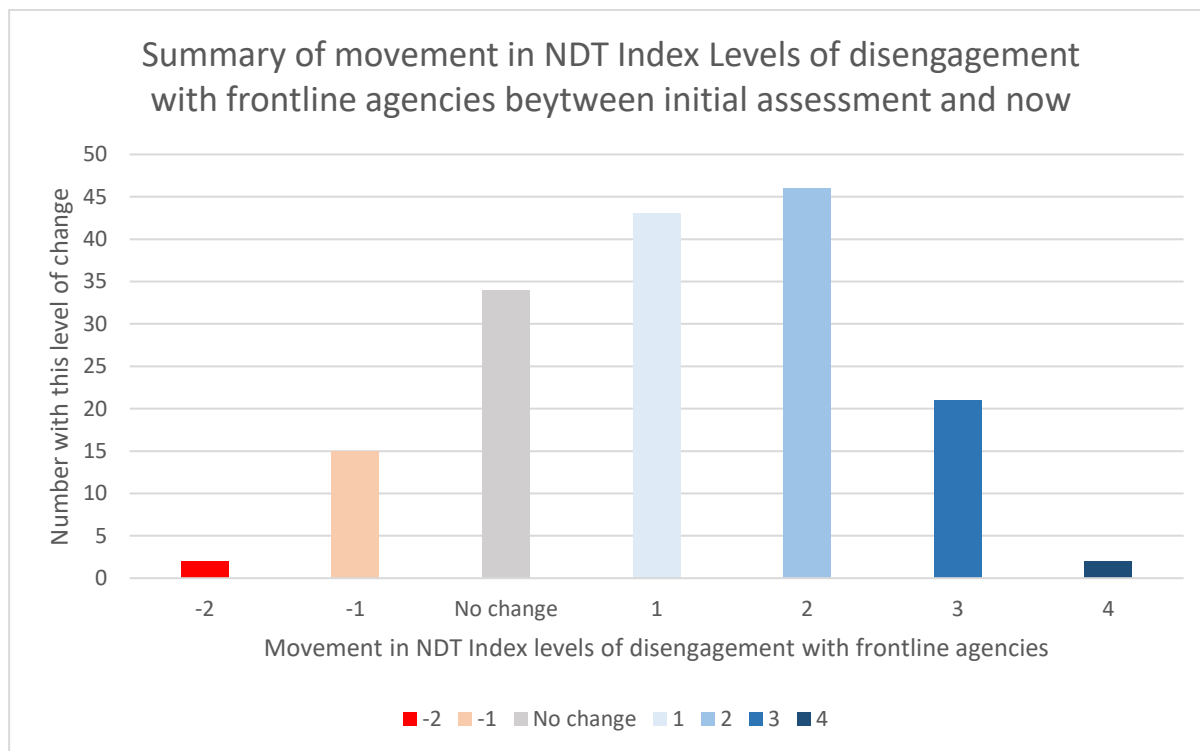
- 5.16 At the moment, potential clients for Housing First are assessed against this scale, and it is a guideline that all clients should be categorised as Level 3 or 4 in order to proceed with the NDT Index. On the other hand, this assessment is not routinely repeated to see if there has been any improvement as a result of the delivery of Housing First. We therefore asked support workers to re-assess current clients against this scale to assess the level of improvement if any. The relative proportions for the caseload as a whole was as follows:



**Table 34: Comparison of proportion of caseload assessed as at different NDT Index levels initially and now.**

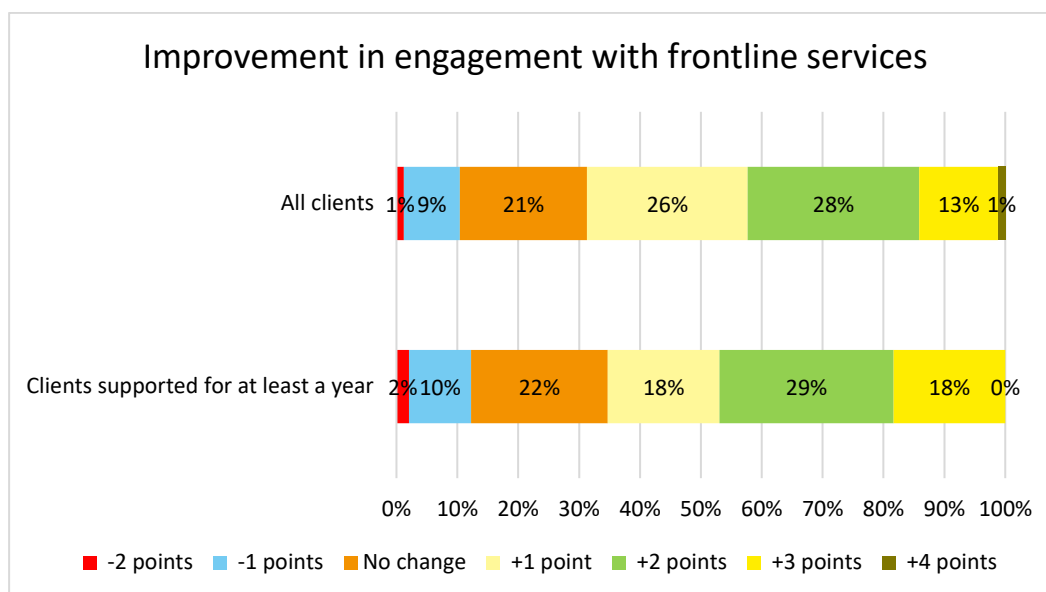
Source: Combination of Extract from InForm as of December 2021 and Snapshot Survey of Caseload – January 2022.

- 5.17 It should be remembered that this is based on subjective judgement, but this is a major shift – with 90% scoring at Level 3 or 4 at their initial assessment, and only 32% still scoring at these levels in the snapshot survey.
- 5.18 Looking at the progress made by individual clients the results are set out below. This excludes the 47 clients where there was not any information available about their initial assessment score:



**Table 35: Summary of movement in NDT Index Levels of disengagement with frontline agencies between initial assessment and now.** Source: Combination of Extract from InForm as of December 2021 and Snapshot Survey of Caseload – January 2022

So, for 10% of clients there is a seeming deterioration in their engagement with frontline agencies, but for an impressive 68% there has been a significant improvement. We also looked at a sub-group of those who had been supported for at least a year. Here the figures were slightly lower, but the improvement had largely been maintained.



**Table 36: Improvement in engagement with frontline services** Source: Combination of Extract from InForm as of December 2021 and Snapshot Survey of Caseload – January 2022

## Reduce rough sleeping

- 5.19 As street outreach teams now use MainStay to record rough sleeping “events”, we looked to compare the number of rough sleeping events since the client had been supported by Housing First, with the number of rough sleeping events for the equivalent period prior to Housing First. So, if the client had been supported by Housing First for 300 days we compared the number of rough sleeping events since they started with Housing First, to the number of rough sleeping events in the 300 days prior to Housing First. On average this group of people had been in Housing First for 502 days (approx. 1.4 years).
- 5.20 It was only possible to do this for people rough sleeping in Liverpool City, because other outreach teams have only started using MainStay to record rough sleeping relatively recently. A total of 43 Housing First clients did have a history of rough sleeping in Liverpool in one of these periods. The results of this analysis were inconclusive. Overall, 22 clients had decreased levels of rough sleeping since starting on Housing First, while 21 actually had increased levels<sup>23</sup>.
- 5.21 The total number of rough sleeping events for Housing First clients did however go down from 424 to 344 over a directly comparable period of time – a decrease of 19%, so the 43 individuals who rough slept in Liverpool during one these periods, between them, had 344 rough sleeping sightings after starting with the Housing First service and this was a reduction from the previous period when there were 424 sightings of rough sleeping. Nevertheless, the main conclusion to draw from this is confirmation that the journey taken by Housing First clients is not one-directional, with periods where their situation gets worse and people may return to the streets. The key to ultimate success is maintaining contact and support during these periods.

<sup>23</sup> This includes rough sleeping while waiting for a tenancy.

---

## Summary of findings

- 5.22 The evaluation looked at the performance and outcomes of the service in relation to securing and sustaining tenancies; and engaging with frontline agencies' support. The data is based on a snapshot in time – mid-December 2021. We know from previous research and experience that people's journeys through Housing First are not straight forward – at any one time, a number of tenancies will be at risk and individual progress is not 'one directional', but will include periods where people's situations worsen as well as improve. It is the combination of tenancy sustainment and sustained engagement with support that is key to success. At mid-December 2021:
- Half (52% or 133 individuals) of all accepted onto Housing First had moved into a tenancy.
  - Of those, three quarters (75% or 100 individuals) were in the tenancy they were first allocated;
  - a further 5% were still in the tenancy when they left the service; and
  - a further 8% had moved to a second tenancy.
  - 42% waited four months or less for a tenancy
  - 37% waited six months or more, while
  - 18 individuals had left the service without ever being housed.
- 5.23 The search for a tenancy does not necessarily start straight away. Other forms of support may be provided prior to the tenancy itself or even the active seeking of a tenancy. This explains why fewer than half (47% or 45) of the 97 people who had not yet been rehoused were reported to be 'awaiting an offer' (November 2021 Lettings Report); and why even fewer (29% or 27) of 94 people who had not yet been rehoused were described as 'actively pursuing' an offer of rehousing (Mid-December snapshot survey).
- 5.24 Most people (69%) accept the first tenancy offer they receive. In a minority of cases (13 individuals), between three and five offers were made before one was accepted. The main reasons were:
- location considered unsuitable,
  - offer withdrawn by housing provider (sometimes due to unsuitability of the location,) and
  - service user not ready to accept.
- 5.25 At mid-December, 74% (112) of tenancies were either managing well or settling in/establishing themselves. From other data collected around the same time by DLUHC, we know that 68% of tenancies had been sustained for 6months or more. A minority were at risk or the tenant wanted to transfer to another property.
- 5.26 There has been a positive change in engagement of Housing First clients with frontline support services. At mid-December, we can see that there has been an improvement in engagement with frontline services for 68% of the current caseload and a significant improvement for 42%.



## 6. Value for Money Assessments

- 6.1 In order to assess the value for money provided by the Housing First pilot, we have undertaken a cost effectiveness analysis and a separate cost benefit analysis. The main underpinning commentary to these exercises is that for a number of reasons this is really too soon in the life of the Housing First programme to get definitive results, and this should always be borne in mind in the drawing of any conclusions.
- 6.2 It is felt that the minimum time period over which to assess the impact of Housing First is 2 years. We identified that there were 58 clients who had started on Housing First at least 2 years ago – and this is the cohort that we used to assess the value for money provided in both exercises.

### Cost effectiveness analysis

- 6.3 A cost effectiveness analysis is designed to measure whether a service intervention is more cost effective in achieving the specified outcome for the target group of service users than what would have happened if the intervention had not been available i.e. what is referred to as the counterfactual or business-as-usual case. It is always possible that the intervention could be more effective at achieving the specified outcomes but less cost effective than business as usual.
- 6.4 In order to undertake a cost effectiveness exercise the following clarity is required:
- A defined **outcome** that the service intervention is aimed at achieving and against which the cost effectiveness is assessed and a way of measuring the extent to which this outcome has been achieved
  - An **evidence basis** upon which to project what would have been the likely outcome if the service intervention had not been available (the “counterfactual”)
  - The **costs of the intervention** and of the business-as-usual case.

Each of these is considered below:

### Outcomes

- 6.5 We take the intended outcome of Housing First to be to help the target group secure AND sustain a mainstream tenancy (in either the private or social housing sector). We measured the effectiveness to which the outcome is met by the number of people in a tenancy, a fixed period of time after they started receiving support from Housing First.

### Evidence for the counterfactual

- 6.6 The source of evidence for what might have happened to this cohort of people if Housing First had not been available is the records contained on MainStay. We identified a comparator cohort of people, and then looked to identify how many of them we had good reason to believe were in a tenancy 2 years after a fixed point at which they were receiving another homelessness service., We chose the fixed period to be the 2 calendar years prior to Housing First starting i.e. 2017 and 2018. The main reasons for this were:

- If we made it contemporaneous with Housing First then it is less likely that this was a comparable group because it was by definition those who had not been referred to or accepted on to Housing First
- The impact of the pandemic makes the period from 2020 onwards too “atypical” to meaningfully inform the counterfactual
- Using an earlier time period to inform the counterfactual also has the advantage of making it clearer that we are not directly comparing Housing First to other alternative services but merely looking for evidence that informs the counterfactual.

6.7 The criteria for the comparator cohort was the same as set out in para 3.49, except that it did not exclude people who were subsequently in receipt of the Housing First service – the comparator group therefore included people who were subsequently Housing First clients and those who were not. The remaining criteria for defining the comparator group were:

- Clients who at the end of the previous calendar year (2016) would have presented at least 4 times <sup>24</sup>since MainStay started recording. (at least 90 days between MainStay assessments and recorded as First or Repeat Presentation)
- Assessed in That Year
- 2 “High” or “Very High” Risks in relation to the domains of “Drugs”, “Alcohol”, “Offending”, “Mental Health”, “Physical Health”, “Violence” or “Vulnerability”.

6.8 To be included in the comparator cohort they also had to be in a homelessness service on 1<sup>st</sup> January 2017. This gave us a total cohort of 72 people.

---

<sup>24</sup> We did vary this for clients outside of Liverpool City and used 3 previous assessments instead of 4. The justification for this is that other areas had not been using MainStay for as long and the elapsed time since they started using MainStay made it very difficult for people to have had 4 separate assessments

## Identifying Costs

- 6.9 The question of costs is less straightforward than it would seem. The costs of the business-as-usual case is the most complex. This is because the reality is that for many of the cohort, business-as-usual was a series of dipping in and out of a range of services. In order to cope with this, when the 2017 feasibility study undertook the cost effectiveness exercise the cost of the alternative to Housing First was based on external research that identified the cost of homelessness service consumption for a sample of 86 people experiencing homelessness over a 3-month period. This was drawn from 2016 research – *Better than Cure. Testing the case for Enhancing Prevention of Single Homelessness in England*<sup>25</sup>. We have used this as the source of “benchmark costs” here as well. The annual cost benchmarks used are as follows:

| Homelessness Service Type  | Annual Benchmark Unit Cost |
|----------------------------|----------------------------|
| Hostel / Supported Housing | £18,000 <sup>26</sup>      |
| Floating Support           | £2,600                     |
| Outreach Service           | £1,600 <sup>27</sup>       |

**Table 37: Benchmark costs used in value for money assessments.** Source: *Better Than Cure* research

- 6.10 For the purposes of this exercise, we have identified the use of each of these service types for the comparator group for the 2 years that we are looking at.
- 6.11 The cost of Housing First itself is also more complex than it would first appear, and more complex than the model used in 2017. The costs of the Housing First service has to be based on a per person per week cost – taking into account dates of exiting. We have calculated using outturn figures for 2020/21 and the first 7 months of 2021/22 that the unit cost is in the region of £10,000. Additionally, however, the fact is that for most cases there is a period before a tenancy is allocated, and this frequently involves a duplication of service if they spend this time in supported housing. This should be reflected in the costings of Housing First. This means we also captured the usage of other homelessness services by the cohort of 58 Housing First clients in the two years after they started with Housing First.

<sup>25</sup> Pleace, N, and Culhane, J (2018), *Better than Cure. Testing the case for Enhancing Prevention of Single Homelessness in England*, Crisis, London

<sup>26</sup> This is an interpretation of the figure used by Pleace and Culhane. They had used £24,000, which is 50% rental costs and 50% support costs. We have reduced this to £18,000 to reflect the fact that it should only be rental costs beyond and above standard non-supported rents.

<sup>27</sup> This is also an interpretation based on £70 per contact

## Summary

- 6.12 To summarise, the cost effectiveness exercise is structured as follows:

*(The cost of the provision of Housing First for those 58 clients over 2 years based on per person per week unit costs PLUS the average cost of other homelessness services per year multiplied by the number of years' service received) **divided by** (the number of people in a tenancy at the end of 2 years PLUS those who have left the service during the 2 years with a tenancy intact PLUS those who died while still in a tenancy).*

- 6.13 This gives you the cost per successful outcome, and the net cost effectiveness ratio is then expressed as the result for Housing First divided by the result for the business-as-usual case.

## Results

- 6.14 The results from the two cohorts were as follows:

| Cohort               | Number in tenancy at the end of 2 years or died while in tenancy | Numbers securing tenancy and then losing it within 2 years | Numbers not securing tenancy | Total |
|----------------------|--|--|------------------------------|-------|
| Housing First cohort | 36   | 11   | 11                           | 58    |
| Comparator cohort    | 12 <sup>28</sup>   | 0  | 60                           | 72    |

**Table 38: Services consumed by the Housing First and comparator cohorts.** *Source: Specific query run on MainStay data system*

- 6.15 This means that 62% of the Housing First cohort were in a tenancy at the end of two years. For the comparator cohort the figure was 17%. In the counterfactual scenario the number of people who might have expected to be in a tenancy after two years would have been 10. This makes Housing First 3.5 times as effective as the business-as-usual case.
- 6.16 The results in terms of the consumption of other homelessness services as recorded on MainStay over the 2 years was as follows (expressed as number of days). The figures for the comparator group are the estimated number of days in service for the pro-rated equivalent number of 58 people as in the Housing First cohort – these are the figures used.

| Cohort               | Number of days in Accommodation Based services | Number of days in Floating Support | Number of days in Outreach Support |
|----------------------|--|------------------------------------|------------------------------------|
| Housing First cohort | 6434   | 3384                               | 1099                               |
| Comparator cohort    | 16344  | 2651                               | 2411                               |

**Table 39 Number of days service received by the Housing First and comparator cohorts.** *Source: Specific query run on MainStay data system*

<sup>28</sup> This is based on the best interpretation of the data extracted from MainStay. We cannot be certain that other people have not secured their own tenancy and sustained this without this being recorded on MainStay.

- 6.17 This translated into the following costs estimate for the delivery of Housing First and for the counterfactual if Housing First had not been developed:

| Cohort               | Cost of Housing First | Cost of other homelessness services | Total      |
|----------------------|-----------------------|-------------------------------------|------------|
| Housing First cohort | £1,030,700            | £346,216                            | £1,376,916 |
| Comparator cohort    |                       | £835,434                            | £835,434   |

**Table 40: estimated cost of Housing First and the counterfactual for the Housing First clients that started the service at least 2 years ago.** *Source: Specific query run on MainStay data system*

- 6.18 This indicates that Housing First is between 1.5 times and twice as expensive as the business-as-usual case would be. This might be considered surprising, because on a week by week basis Housing First is cheaper than the main supported housing alternative, but it turns out to be more expensive for two main reasons:

- Under the Housing First model there is a period where effectively there is double-funding while the person is waiting for a tenancy to move to. This is due people requiring support from Housing First workers either to avoid eviction, or to ensure they receive the intensity of support they need while waiting for their tenancy.
- Even more significant is the fact that the nature of the cohort means they spend a significant amount of time not receiving any services or moving from short-term solution to short-term solution. The comparator group spent less than 50% of their time in supported housing, overall this reduces the cost of services that they received. The resulting cost effectiveness calculation is therefore as follows:

| Cohort               | Number of successful outcomes | Total Cost | Cost Per Successful Outcome |
|----------------------|-------------------------------|------------|-----------------------------|
| Housing First cohort | 36                            | £1,376,916 | £38,247                     |
| Comparator cohort    | 10                            | £835,434   | £83,543                     |

**Table 41: Cost effectiveness calculation.** *Source: Calculations*

- 6.19 Housing First is therefore 2.2 times as **cost effective** as the business-as-usual case in delivering outcomes for this target group. If it were possible to house people in to Housing First tenancies more quickly the period of double-funding would reduce and this would further increase cost effectiveness.

## Cost benefit analysis

- 6.20 A cost benefit analysis goes one step further to try and draw conclusions about the value of additional benefits that follow from achieving the stated outcomes i.e. in this case the securing and sustaining a mainstream tenancy, and thereby exiting homelessness.
- 6.21 The core of such an exercise is usually a measure of the cost offsets, or cost avoidance, from a reduction in use, or unplanned use, of other services that the individual consumes, with a general assumption that overall this consumption is less, or is more planned and thereby less expensive, if they are not homeless. There is however an absence of comprehensively recorded data in LCRCA about changes in service usage as a result of receiving Housing First at any kind of global scale. We did not believe therefore that we had the means to undertake this kind of analysis in full. We understand that a parallel commission to undertake in-depth, costed case studies for a limited number of individuals would be addressing this issue.
- 6.22 We would recommend that the CA reviews with the service delivery teams 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 on a before and after basis. For example by developing evidence on a systematic basis of how far the Housing First services has reduced individual’s use of other services, or at least higher cost/crisis use of such services. Tracking 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.
- 6.23 As an alternative we sought to try and calculate the specific benefit of preventing tenancies from breaking down. In other words, helping to position Housing First as a preventative service. This takes into account such things as the additional costs for landlords if a tenancy broke down including such things as arrears written off or property costs resulting from void inspections, as well as the additional costs for local authorities of processing and responding to homelessness applications. This focus would be particularly beneficial because any “savings” identified are far more likely to be “cashable”.
- 6.24 It is however clear from the results of the analysis of the comparator cohort that if we used a similar approach as in the cost effectiveness analysis to inform the counterfactual for the cost benefit analysis, that it would show Housing First as delivering significantly less benefit in this area. In the comparator cohort 86% of those awarded a tenancy during the 2 years were still in the tenancy at the end of the 2 years, whereas 23% of the Housing First tenancies had come to an end, without a replacement.
- 6.25 The case might be different if it were possible to use a five-year timeframe, as the MainStay results indicated that 33% of the comparator cohort tenancies in place at the end of 2 years did actually come to an end within 5 years, but we also cannot be sure that the Housing First failed-tenancy rate may not also increase.
- 6.26 More fundamental to this disparity in tenancy sustainment, is the fact that under business-as-usual far fewer people from the Housing First cohort would have been offered a tenancy by landlords in the first place. It is to an extent an inevitable outcome of Housing First that, while a significant number of long-term homeless people successfully secure and sustain

tenancies, that previously would not have happened because they would never have secured the tenancy in the first place. The only way to do a cost benefit exercise under these circumstances would be to try and evidence what would have happened for Housing First tenants if the actual award of tenancies had been equally accessible under the counterfactual. It is difficult to imagine what this evidence basis could be – possibly the best approach would be to look at the previous experience of the same individuals, and this might be worth exploring.

- 6.27 We therefore sought to return to some kind of valuation of the benefits accruing from exiting homelessness. For the reasons already given this has to be based on generic research rather than what has happened specifically in LCRCA area.
- 6.28 We made an assumption that time spent in a secure tenancy was time spent not homeless, while time spent in other forms of supported or temporary accommodation or rough sleeping / sofa surfing was counted as being homeless. We then looked at the same two cohorts as used for the cost effectiveness exercise and calculated the proportion of the time that was spent in a tenancy. The result was as follows:

| Cohort               | % of 2 years spent in a tenancy |
|----------------------|---------------------------------|
| Housing First cohort | 51%                             |
| Comparator cohort    | 11%                             |

**Table 42: Comparison between time spent in a tenancy for the Housing First cohort and the comparator group.** *Source: Combination of excerpt from InForm – December 2021 and specific query drawn from Mainstay.*

- 6.29 As explained in the report produced by Pleace and Bretherton for Homeless Link in 2019<sup>29</sup> the main potential cost offsets identified for Housing First fall into three sub-sets:
- Savings for local authorities, mainly from reductions in "frequent flyer" use of homelessness services that cannot meet the specific support requirements of homeless people with high and complex needs, but also with respect to possibly reduced traffic for preventative services and the statutory homelessness system, where for example Housing First might stop an individual with complex needs presenting multiple times.
  - Savings for the NHS. One area is with respect to emergency services, including ambulances and A&E, in that Housing First should enable someone to access the NHS via the common routes, i.e. by GP appointment and outpatient attendance by ensuring they are registered with and make use of primary care services. Better management of contact with Community Mental Health and Addiction services, rather than people experiencing long-term and recurrent homelessness only being treated when crises arise, via expensive emergency interventions.

<sup>29</sup> Pleace.N, Brotherton.J (2019), *The cost effectiveness of Housing First in England*, Homeless Link, London

- Savings for the criminal justice system, in those instances where long-term and repeated homelessness is associated with repeat offending, short term custodial sentences and frequent arrest/overnight detention.

6.30 The first of these cost offsets is effectively dealt with by the way that we have calculated the cost of the service provided. For the others we have used the calculation contained in the other Nicholas Pleace report already referenced in para 6.9<sup>30</sup>. This summarised the net annual cost offsets from avoiding homelessness by sector as follows:

| Sector           | Annual net cost offset from individual avoiding / exiting homelessness (2016 rate) | 2019 rate (based on ONS annual inflation rates) |
|------------------|--|---|
| Substance Misuse | £328   | £358  |
| Mental Health    | £504   | £550  |
| Other Health     | £1,032   | £1,125  |
| Criminal Justice | £2,398   | £2,615  |
| <b>TOTAL</b>     | <b>£4,262</b>  | <b>£4,647</b>                                   |

**Table 43: table of cost offsets, uplifted for 2019 prices** Source: *The cost effectiveness of Housing First in England*, Homeless Link, London uplifted using ONS data on inflation rates

- 6.31 This would imply that Housing First has contributed total cost offsets of c£265,000 for the cohort of 58. Considering what might have happened in the counterfactual this equates to a net additional level of cost offsets of £211,000. If repeated across the caseload this would amount to over £1 million in value. Due to the additional costs of the Housing First service this does not amount to a positive benefit cost ratio.
- 6.32 The situation over five years is likely to be different. The unit cost of Housing First is likely to decrease as people spend less time proportionally out of a tenancy. At the same time this will mean that people spend more time proportionally in a tenancy and the total benefits per year will increase. It is possible that Housing First will over five years show a positive cost benefit ratio. Over a longer period of time Housing First might in turn increase the per person per year cost of Housing First more than the counterfactual. On the other hand it is also quite likely in the longer term that more significant benefits might occur for those who have exited homelessness.
- 6.33 The clear conclusion from this and all previous research undertaken is that Housing First is highly effective at helping people who have previously been stuck in the homelessness system for years, to exit. This is of immense value for the individuals. In the short-term the case for wider cost savings is uncertain. Housing First is a long-term service aiming to create permanent change for a highly vulnerable group. The challenge is to quantify the longer-term economic value of these impacts for the individuals concerned and the value of reductions in recourse to public services.

<sup>30</sup> *ibid*



---

## Summary of findings

- 6.34 CT's cost effectiveness analysis demonstrates that Housing First is 3.5 times as effective as the business-as-usual case.
- 6.35 Housing First is between 1.5 and twice as expensive as the business-as-usual case would be. On the surface this might be considered surprising, because on a week by week basis Housing First is essentially cheaper than the supported housing alternative, but in fact turns out to be more expensive for two main reasons:
- Under the Housing First model there is a period – which can go on for more than 6 months – where there effectively is double-funding – while the person is waiting for a tenancy to move to.
  - Even more significant is the fact that the nature of the cohort means that they spend a significant amount of time not in accommodation or moving from short-term solution to short-term solution. As a result, the comparator group actually spent less than 50% of their time in supported housing.
- 6.36 Our analysis also shows that Housing First is 2.2 times as cost effective as the business-as-usual case in delivering its outcomes. If it were possible to house people in to Housing First tenancies more quickly the period of double-funding would reduce and this would further increase cost effectiveness
- 6.37 Our cost benefit analysis estimates that Housing First could have delivered wider benefits in the region of £1m in value, derived from reduced costs to local government, health and criminal justice. Nevertheless, because of the additional costs of the Housing First service itself this does not amount to a positive benefit cost ratio over the two year period we have examined.
- 6.38 We believe, that the situation over five years is likely to be different. The unit cost of Housing First is likely to decrease as people spend less time proportionally out of a tenancy. At the same time this will mean that people spend more time proportionally in a Housing First tenancy and the total cost benefits per year will increase. It is possible that Housing First will over five years show a net cost benefit and we would recommend that future cost benefit analysis of the programme (or indeed any Housing First Programme) should be determined after five years.

## 7. Evaluation Aim 4: Lessons learned and what works

- 7.1 This section aims to identify the lessons learned and what can be taken forward by the different stakeholder groups.
- 7.2 The key lesson to take from the pilot in the LCRCA is that **success is based on a strong commitment to problem solving, risk sharing and responding flexibly to those with complex needs** (who are clients of Housing First). This flexibility is needed from all partners and requires partnership building and a willingness to work collaboratively.
- 7.3 **The role of the CA officers in brokering conversations across different stakeholders and investing time and financial resources has been a key lever** in achieving system changes.
- 7.4 We have set out a number of **instances of system change, these could be seen as incremental and small scale but are none the less significant** and have had the ripple effect of promoting, choice, flexibility and risk sharing across a number of partners, local authorities, housing associations, probation service. This is one of the biggest changes achieved by the pilot and the challenge is to support this approach to be further developed across agencies such as health and social care and embedded across the CA.
- 7.5 This approach is **underpinned by an understanding of the impact of trauma on people's behaviour and looking at individual solutions for each person that are based on choice and require the different partners to use all the flexibilities available to them, within their legal and procedural operating frameworks**. Housing First has built on the multi-disciplinary team approach it has embedded this with the Panel approach and within the locality approach to service delivery.
- 7.6 What has also been evident is that where health and adult social care are already working effectively with housing and homelessness services in a local authority area they have engaged with Housing First and provided support where needed to teams and individual clients. There is however still work to do for this to be embedded across the CA. **There is a need to engage with adult social care and mental health services at a strategic and an operational level to get across the board access to services for Housing First clients and for these systems to adopt more flexible and risk sharing approaches** where they are not already doing so. The psychologist service has assisted with this process through case formulation and support to the teams with accessing neurological triage and through clinical supervision. There may also be a case for a Trusted Assessor/social worker role to operate across the CA and support social care engagement.
- 7.7 **The biggest challenge for Housing First is the large-scale need for one bedroom units in suitable and safe locations**. The revised target of housing 228 individuals in a Housing First Tenancies over three years did not take account of the likely number of suitable units being available over that period. The issue has been further impacted by 'Everyone In' and Covid. The target has also been set against the backdrop of structural housing shortage, particularly of social housing.
- 7.8 **The impact of being able to house people quickly into suitable tenancies on the cost effectiveness of Housing First has been demonstrated by this research**. The less time they

spend in supported housing waiting for a Housing First tenancy reduces the amount of double-funding required.

- 7.9 **The CA team has demonstrated considerable resourcefulness in working with housing providers, allocations systems and other partners to identify the required units** and to house 52% of clients by December 2021. There are no easy solutions to this issue and the CA is continuing to explore solutions including social investment. The fact that the Housing First pilot sits within the CA Housing and Spatial Planning Advisory Board remit could provide an opportunity to address the need for one bed accommodation to support Housing First in the future.
- 7.10 One impact of the lack of suitable and safe accommodation has been the use of hostels and temporary accommodation as interim housing. We would see this as inevitable given the housing supply issues. There are however **several housing associations that are still to engage or engage consistently with the Housing First pilot by making units available. Work on this is ongoing and will need to continue.** There may be a need to work at a strategic and CEO level to gain better commitment from housing providers to working with the pilot. There may also be a case for looking to include reciprocal referrals within a Collaborative Agreement.
- 7.11 **The CA's role in bringing economies of scale and a regionwide application of resources has been of significant benefit to the pilot.** Stakeholders felt that this was critical to the sustainment of fidelity to Housing First. While all the local authorities stated that Housing First was having a positive impact on homelessness and rough sleeping in their area and that they would want to continue with the service and embed it into their wider reducing homelessness and rough sleeping approach, they also appreciated that a purely localised service would be vulnerable to local budget or policy pressures. The resources at the CA level, the Housing First lettings team, the psychology team, the training provided, and the initiatives around social investment to increase supply were all cited as positive contributions that would be costly to replicate at an individual local authority level.
- 7.12 **Stakeholders felt that opportunities to learn across the whole CA system were missing. We understand that a Communities of Practice approach is being implemented and this could be a good opportunity to share learning and develop strategies for working on specific issues.** It was felt important to share effective ways of working on issues that were difficult to find solutions for, to look at where and how individual workers or teams had succeeded, and to understand what had made the difference, whether the same approach could be replicated, or adapted elsewhere.
- 7.13 **The Lived Experience Group, by their own words, has been able to influence the development of the pilot** and is involved at governance levels. The need to introduce people with lived experience of the Housing First service was recognised by everyone with, we understand, steps being planned for this to happen. There are issues regarding the process of engagement and at what stage someone in the Housing First service could realistically contribute at a governance level. We believe that the CA needs to develop a strategy with the Lived Experience Group for introducing small-scale co-production activities and build up from there. For example finding ways to ask individual service users their views on different

aspects of the service, testing out their views on the seven fidelity areas etc. As individuals have stable episodes in their tenancies or graduate they could be supported to become more involved and contribute to governance of the pilot more directly.

- 7.14 **We found that the complexity of needs being worked with was higher than originally anticipated and that the service was being well targeted. We found a 68% improvement in engagement with front line services and a 42% significant improvement in engagement with front line services as a result of the Housing First service.** We looked at clients who have been supported for at least a year and found that although it had dropped a little that level of engagement was being maintained.
- 7.15 **Our modelling of the cohort and likely graduations indicates that around 40% will need Housing First support indefinitely or until their state of health requires them to move to a different type of accommodation.** A further 30% are likely to need an open-ended offer of support to sustain them in accommodation even if they will no longer need the very intensive support available from Housing First.
- 7.16 Notwithstanding the fact that the Housing First pilot is a five year programme we would suggest that **the LCRCA should work with the local authorities to make Housing First a part of each local authority's accommodation pathway for rough sleepers/other vulnerable adults.**
- 7.17 **There may be scope to look at setting an annual or three-year target for making Housing First tenancies available from landlords.** The target would need to be agreed as achievable with housing providers. This should be aligned to the CA commitment to increase the supply of one-bedroom properties as set out in the CA Housing Statement (2019-24). This could include supporting social housing providers to bid for Homes England funding.
- 7.18 **There may be scope to look at jointly commissioning Housing First with Health and/or Adult Social Care in future** to increase buy-in and provide a more secure funding base, as well support health to address the wider determinants of health – an increasing focus in much of the health reforms currently underway.
- 7.19 System change has been helped by people with lived experience (and some officers) being involved at different levels and in different parts of the system e.g. members of the Lived experience Group sit on the Housing First Steering Group and have also work on changes to the Property Pool. **We believe this ability to cross fertilise ideas/ambitions across different part of the system contributes to creating levers of change at different points..**
- 7.20 Housing First requires the increasingly strengthening partnership with local authorities to work effectively. **Over the past two years the local authorities have become more receptive to Housing First because it has demonstrated success in working with a highly complex group of people. The changes needed to bring this about are in turn creating the wider system changes at local authorities, with landlords and at the CA level.**

## 8. Recommendations

- 8.1 Throughout this report we have suggested where changes could be made to improve how the pilot progresses. We summarise 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.

## **APPENDIX 1 - LIST OF PEOPLE INTERVIEWED**

### **LCRCA**

#### Senior Leadership Team

Executive Director of Investment and Delivery

Head of Policy Coordination

Senior Accountant

Human Resources

Head of Internal Audit

Head of Research and Intelligence

#### Management and Delivery Team

Homelessness Commissioning and Contracts Lead

Best Practice and Partnerships Lead

Housing First Operational Lead

Lettings Lead, Homelessness Strategy Team

Housing First Operational Lead

Lived Experience Lead

Strategic Policy Lead for Homelessness

#### Delivery Team

Housing First Senior Support Worker, Halton and Knowsley Team Leader

Housing First Senior Support Worker, Sefton Team Leader

Housing First Senior Support Worker, Liverpool A Team Leader

Housing First Senior Support Worker, Liverpool B Team Leader

Housing First Senior Support Worker, St. Helen's Team Leader

Housing First Senior Support Worker, Wirral Team Leader

### **Local Authorities**

Halton Council – Housing Solutions Manager

Knowsley Council - Principal Homelessness Officer

Liverpool City Council – Divisional Manager, Commissioning (Prevention, Wellbeing & Social Exclusion) and Commissioning and Contracts Manager

Sefton Council – Localities Manager and Homelessness Services Commissioner

St. Helen's – Head of Housing

Wirral – Senior Manager Housing & Homelessness

### **Lived Experience Group**

Four members of the group were interviewed.

**Steering Group**

Crisis – Director of Operations

Merseyside Youth Association - Chief Executive

**Housing Associations**

Regenda Homes – Director of Care and Support

Magenta Living – Neighbourhood Management Team Leader

Torus – Service Lead Allocations

Prima – Group Head of Housing



# CAMPBELL TICKELL

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

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

