Housing First
Feasibility Study
Torbay
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Glossary

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

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

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

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

Complex needs means that people have multiple issues in relation to mental health, drug use, homelessness, offending and/or learning disability, which tend to interact with each other.

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

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

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

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

Local Housing Allowance: For people renting from private landlords, Housing Benefit is based on a flat-rate ‘Local Housing Allowance’ (LHA) which was originally based on the 30th percentile of local market rents (but frozen until 2020), covering areas known as Broad Rental Market Areas.

Social Lettings Agency: A Social Lettings Agency is a not-for-profit lettings agency which provides a range of services to private sector landlords and (prospective) tenants, ranging from a tenant/property finding function right through to a full housing management service.

Devon HomeChoice: Devon HomeChoice is a joint allocation and choice-based letting system for affordable housing in Devon.

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

TESH (Torbay Ending Street Homelessness) is part of a European wide initiative to identify the true extent and nature of street homelessness in an area and support a coalition approach to ending homelessness.

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

The Nationwide Foundation is pleased to have funded this feasibility study into the potential for Housing First in the Torbay area. We hope that this report will provide the evidence needed to influence decision-makers to implement the Housing First approach across Torbay.

We funded this study as part of our Decent Affordable Homes strategy, which aims to increase the availability of decent affordable housing for people in housing need. We supported Shekinah through our Nurturing Ideas to Change the Housing System programme, which aims to tackle systemic failings in the housing system.

As a funder that seeks to facilitate systemic change, we back promising housing ideas, allowing them to be tested, and then help them move through into action, influence and ultimately widespread implementation. In this instance, while Housing First has seen great success in North America and Europe, we were keen to explore its potential in the UK where the approach is still in the early stages. The particular circumstances in Torbay and the local political appetite to explore a systems-wide approach to addressing the issue of homelessness for individuals with complex needs, provided a good testing ground.

The study provides a comprehensive review of the current services and outlines the level of investment needed to make the necessary changes. If implemented, Torbay will improve outcomes for single homeless people, as well as saving money in the future.

We will be keen to observe the next stages for Torbay as it uses this study to develop its longer-term housing strategy. As well as having regional impact, we hope that the study will inform and influence the national approach to the adoption of Housing First across the UK.

Jonathan Lewis
Programme Manager
The Nationwide Foundation

Foreword from John Hamblin, Chief Executive of Shekinah

For over 25 years, Shekinah has been supporting people who are homeless and rough sleeping. During this time we have repeatedly seen the failure of the current accommodation system to support people with multiple and complex needs. The result has been the creation of a revolving door system where people are falling in and out of services and are often left with no access to accommodation. We are hoping that through this Nationwide Foundation funded study, Shekinah and its partners can start to realise the aspiration, that everyone deserves a place to call home.

John Hamblin
CEO Shekinah
Introduction

This report has been commissioned by Shekinah, funded by the Nationwide Foundation and in partnership with Torbay Council and Westward Housing.

Crisis were keen to investigate and evidence how Housing First and housing-led models of support for homeless people can be taken to a greater scale in the UK, and in doing so whether the positive step change in outcomes for homeless people achieved in the international context can be replicated at home.

Following a wide-ranging study in the Liverpool City Region (LCR)\(^1\) which identified significant opportunities to tackle homelessness and make financial savings we were keen to see how the approach could have benefits in other parts of the UK. The approach we have taken has been heavily influenced by the work we undertook in the LCR in partnership with Imogen Blood Consultancy and we have taken content from that study where applicable in this one.\(^2\)

The aims of the study

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

Shekinah commissioned this study as part of a wider programme of work looking to end street homelessness in Torbay. The key question in this study is whether, how, under what circumstances and with what likely outcomes, Housing First can become the primary housing option for homeless people, thereby providing an alternative to existing models of provision.

The aims of the study were to answer the following questions:

1. What is the size of the cohort of homeless people within Torbay with associated support needs that could benefit from Housing First?
2. What are the specific care plans and pathways needed to rehouse or re-direct service users within traditional hostel provision to Housing First in Torbay? What are the views of providers and agencies within Torbay on how this could happen?
3. What are the required operational and commissioning changes necessary to move from traditional hostel and ‘staircase’ models of provision within Torbay?
4. Is Housing First an approach that interests homeless people themselves in Torbay?
5. Can and should the definition of Housing First be wide enough to include housing-led provision for those outside the strict model of long-term homelessness? i.e. those people homeless or threatened with homelessness who do not have any other support needs aside from their homelessness?
6. What are the requirements and implications for the allocation and provision of affordable housing for the Housing First cohort (including questions of private rented sector (PRS) vs. social stock)?
7. What are the required commissioning arrangements and costs for support services to assess clients and provide initial and ongoing support?
8. Can financial models be developed to responsibly plan for a transition from current commissioning of hostel and support services to commissioning a Housing First model?
9. What (if any) are the potential cost savings for taking Housing First to scale? Are the savings cashable, on what timescale and to whom might they accrue?
10. What are the necessary changes to local and national policy (across all associated government departments) required to best support the successful adoption of the HF model in Torbay?

The approach from Nationwide Foundation and Shekinah to undertake a similar feasibility study in Torbay was therefore of great interest to us.

The report has been authored by Chris Hancock, Head of Housing for Crisis and supported by Paul Connery in his role as an Independent Consultant employed by Crisis for this project.

Additional support on data analysis was provided by Lutfor Rahman in the Crisis Evaluation Team.

Great thanks must be given to everyone who so freely gave up their time and opinions to help us produce the report but especially people who are currently or who have been homeless in Torbay, without whose input this report would lack any credibility.

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The approach
The study ran from January to April 2018 and included the following activities:
- qualitative research to understand people’s experiences of how current service systems work with homeless people and to gather views about the proposed model and the conditions needed for it to work. This included:
  - a large scale consultation event on April 16th 2018 to present initial findings, a series of focus groups and phone and face-to-face interviews with 80 professionals from across Torbay, including local authority commissioners, local Councillors, housing and support providers, social care and health and criminal justice professionals;
  - qualitative research with a diverse sample of 61 people with lived experience of homelessness, co-produced by a team of people with lived experience working alongside professional researchers
- analysis of the available data on housing need in Torbay including data from housing support commissioned services, housing options services and Devon Home Choice
- review of local and national policies relating to: homelessness, housing strategy, benefits and the future funding of supported housing, criminal justice, health and social care, and devolution
- review of the existing evidence base on Housing First
- analysis of the potential costs of Housing First and the extent to which it may be possible to achieve cashable savings and other efficiencies.

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

Chapter 2 focuses on the increasing numbers of people with high and complex needs who are homeless within Torbay.

Chapter 3 begins to build the case for solutions which are grounded in the views and experiences of people with lived experience of homelessness. It summarises the evidence from elsewhere about Housing First and argues that, in Torbay, this should mean developing Housing First for those with high and complex needs – both in response and to prevent long term homelessness, integrated within a wider change to a housing-led approach which invests heavily in prevention. We explore the case for prevention through a series of case studies.

In Chapter 4, we present the model for the Housing First service – including details about its staffing structure, assessment and referral processes and how housing will be sourced. We summarise our calculations of the costs of these services within this section, referring the reader to our more detailed assumptions and calculations in appendix 2. We also size the potential cohort for Housing First.

In Chapter 5, we look at the financial and commissioning implications of the proposed model, considering potential cost effectiveness and how – and over what time period – funding might be transferred from current models to Housing First and the wider housing-led model proposed.
Chapter 1: The current homelessness system in Torbay

1.1 Current homelessness provision

The initial focus of this study has been on the commissioned or contracted supported accommodation services for single people in Torbay as this typically accounts for the largest proportion of direct local authority spend on homelessness. The original intention was that this would then enable us to best understand how the potential reallocation of resources could be used to finance any new Housing First system. However, after initial investigation it was evident that a significant proportion of non-commissioned (paid for on a nightly basis) temporary accommodation is also being used to provide accommodation for single homeless people.

The Police and The Haven, Torbay Recovery Information Project, Shekinah, Westward, Friends of Factory Row, Torbay Street Pastors, PATH (People Assisting Torbay’s Homeless), and local businesses, voluntary and faith groups and statutory organisations work together with the community, local authorities, the community, local businesses, voluntary and faith groups and statutory organisations across Torbay to bring an end to rough sleeping in the area.

Concerning non-commissioned temporary accommodation, we looked at data from the Housing Options service taken between April 2017 and February 2018.

Government (MHCLG)\(^3\) shows that throughout 2017 Torbay had an average of 65% of single households in temporary accommodation following a homeless application as a proportion of all households in temporary accommodation. This is markedly different to other similar Local Authorities where a figure closer to 20% would be the average. Overall numbers are also markedly higher as well as a proportion of all households. This suggests there may well be opportunities to realise financial savings through reducing use of non-commissioned temporary accommodation as well as reallocating commissioned supported and temporary accommodation budgets.

On the question of how long people were spoken to over five nights) were:

- 15 people housed from the previous year’s connections week showed considerable ‘churn’ i.e. there are a lot of people new to the streets at the same time as there are considerable numbers leaving the street
- 51% of respondents said that they have a mental health issue that would make it hard for them to live independently
- 50% of respondents had lost housing in the past due to drinking or drug use, and 53% felt that this may be an issue in the future
- 44% of respondents reported having a chronic health issue
- 33% of respondents had an issue with drinking or drugs, plus a chronic physical health issue plus a mental health issue.

In this period, there were 274 single people placed into some form of temporary accommodation, 174 males and 102 females.

Of these placements 116 of them were made in non-commissioned (71 male and 45 female) temporary accommodation. These placements were made into Bed and Breakfast accommodation payable on a nightly basis.

1.2 Demand for homelessness services in Torbay

It is clear from our research, both qualitative and quantitative, that there is a high demand for all homelessness services. Demand significantly outstrips supply for all single homeless people including those with and without complex needs.

The Ending Street Homelessness Project

The Ending Street Homelessness Project (TESH)\(^4\) in Torbay aims to work together with the community, local businesses, voluntary and faith groups and statutory organisations across Torbay to bring an end to rough sleeping in the area.

It is part of the European End Street Homelessness Campaign which is a movement of cities that are working together to permanently house Europe’s most vulnerable people and end chronic street homelessness.

The Campaign is co-ordinated by World Habitat.

Local partners include: Torbay Council, Shekinah, Westward, friends of Factory Row, Torbay Street Pastors, PATH (People Assisting Torbay’s Homeless), Torbay Recovery Information Project, The Police and The Haven.

As part of the project two ‘connections weeks’ have been carried out in April 2017 and in February 2018 where homelessness practitioners and volunteers made contact with people sleeping on the streets of Torbay. The information gathered through that contact has been extremely helpful in building a picture of the scale and nature of the need for housing and support.

The key findings from the most recent connections week (where 40 people were spoken to over five nights) were:

- 33% of respondents had an issue with drinking or drugs
- 50% of respondents said that they have a mental health issue that would make it hard for them to live independently
- 44% of respondents reported having a chronic health issue
- 33% of respondents had an issue with drinking or drugs, plus a chronic physical health issue plus a mental health issue.

On the question of how long people had been sleeping out 41% of those spoken to had been homeless for less than 6 months with a further 15% homeless for between 6 months and a year. This leaves 44% of people surveyed as homeless for longer than a year and with 10% having been homeless for longer than three years.


\(^4\) https://teshcampaign.wordpress.com/
Other data sources
- As stated above there is evidence that single homeless people with significant health needs are being placed into other forms of non-supported temporary accommodation.
- According to official figures, levels of homelessness — including rough sleeping — are increasing: according to official rough sleeper counts (MHCLG5), there has been a nearly 5-fold increase in rough sleeping in Torbay from 2013 (5 people recorded) to 2017 (24 people recorded).
- These figures will also not pick up the region’s ‘hidden homeless’: those who are ‘sofa-surfing’, and ‘concealed households’ living within other households. Data from the Devon Home Choice system confirms there are 533 people awaiting a one bedroom property with 133 of them being in the 2 highest need bands.
- We know from studies elsewhere that even these figures are likely to significantly under-represent the scale of the problem (Crisis 20186).
- Analysis undertaken for this study estimates that 14 new rough sleepers are presenting in Torbay each month across a range of needs.
- Using a 2-year snapshot looking at residents of Leonard Stocks we saw that 62% of people who moved into the hostel 2 years ago had moved on positively to either social housing, the private rented sector (PRS) or longer term supported accommodation.
- However, there is both quantitative and qualitative evidence to demonstrate increasing numbers of people with ‘complex needs’ — that is, multiple needs in relation to mental health, drug use, homelessness, offending and/or learning disability, which tend to interact with each other.
- 45 of the 93 new placements into Leonard Stocks in the past 12 months have been previously known to the hostel i.e. that their previous placement has not successfully resolved their homelessness permanently. This suggest that whilst most people were moving on positively 2 years ago the increasing complexity of need and lack of wider support provision is making it less likely people will make a success of moving on.

1.3 Participants’ views on how existing service provision is working

The 61 interviews undertaken with people with lived experience of homelessness provided a wealth of information. 54% of the people spoken to were on the street, with 31% in supported or temporary housing and the rest not wishing to disclose or sofa-surfing.

66% of all people interviewed self-identified that they had more than one support need.

Those within supported accommodation who were interviewed were very keen to praise hostel staff and the support provided. Equally there was a lot of praise for PATH and the services they provide.

Nearly everyone we spoke to expressed a wish to receive help in budgeting and managing their finances. This should be a key consideration for the skills set of any Housing First service but also highlights a wider need. Whether existing support services needs better signposting or additional capacity it does appear a lack of money management skills is leading to tenancy failure or preventing people from even entering into a tenancy.

The interviews found a high degree of consensus that the current homelessness system can work well for those that can access it, but despite the best efforts of many individuals working in homelessness services not enough people are able to access the system.

People with lived experience told us that they thought that support to help people exit homelessness should include:
- emotional support
- peer support
- independence
- not being judged
- opportunities for rehabilitation and longer term planning
- structure and purpose
- a focus on social integration
- a swift and flexible response to people with addictions who are at the right stage in the cycle of motivation.

These interviewees also reported a lack of immediate response to the needs of homelessness especially from the Housing Options department as evidenced in the case study below.

The seemingly rigid insistence on applying local connection criteria and expecting homeless people to provide evidence to support their case left many without assistance. This led to people becoming entrenched in homelessness and developing complex needs. We will go on to explore this in more detail in Chapter 2.

In the interviews and focus groups with professionals, the overall sense was that the homelessness system is generally disjointed, without a clear pathway from prevention, to intervention, to recovery and then move on for everyone who is homeless or at risk of homelessness.

Individual interventions at each stage can be seen to be successful but there are few examples of people moving through each stage seamlessly.

Where transitions do occur, for example moving from the hostel into independent accommodation, the drop off in support is stark and it was reported this leads to a significant amount of tenancy failures and repeat homelessness.

A number of areas of good practice were identified and these mainly focused on the multi-agency working. The co-location of different health and social care services within Leonard Stocks, and those being accessible to both residents and non-residents was singled out a number of times for praise, as were the weekly complex needs meetings held with different agencies to try and reach collective decisions on the best way to support individual homeless people.

Case study 1
- Male - In and out of temporary accommodation
- Moved to Devon to flee violence and has been homeless since living in Torbay for a number of months
- No assistance from council due to lack of local connection, was advised to return to original location and was asked for proof of threats of violence
- Mental health is deteriorating, feeling seriously suicidal and running out of medication, prescription is running out and cannot contact a doctor
- Self-contained flat is the aim, only started taking drugs since being on the streets, first took drugs to stop feeling cold on the streets
- Referred self to council a number of times but they claim they haven’t been able to get in contact
- Feels forced to commit crime and be referred by courts to council as self-referral isn’t working

• Aspires to have a job, and live the life of a normal person, any job as long as it’s paid, has skilled labouring work in landscape gardening, roofing, carpentry
• Wants support to access medication and rehabilitation from drugs

1.4 Barriers within the wider system

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

Housing
A recurring theme from the interviews with people with lived experience was just how difficult it is to get into independent housing quickly. Barriers include:

• application of local connection criteria restricting access to the Housing Register and to assistance into the PRS
• the challenges of bidding for properties online through The Devon Home Choice system
• not being considered ready to move on into independent housing as support needs were deemed too high
• the high cost of deposits and rental advances required by private sector landlords
• difficulties in accessing furniture and appliances even if you are able to find a property.

We found it striking that where move on was successful from the hostel it was typically into PRS accommodation rather than social housing. Given that social housing would in theory offer a more secure tenure and lower rent it would present a better platform for someone to successfully move out of homelessness. This is not to say that the PRS cannot provide a housing option and we heard a number of examples in the focus groups of where successful partnerships with some local letting agencies provided a good supply of properties.

Letting Agents advised that with the right offer of support they felt properties from the PRS could be found. However, they did report that they felt promises of support from the local authority at the start of a tenancy were often not followed through during the tenancy which made them wary and sceptical.

Housing associations advised that they would be keen to contribute to any new Housing First initiative but would seek reassurances around the duration and nature of support available to Housing First tenants. There would need to be guarantees over the length of support available to tenants so that associations were not ‘left’ managing tenancies they did not have the capacity or expertise to support.

Criminal justice
Criminal justice professionals advised that the most pressing challenge facing them is the often very short window to put a package in place as key services are not given enough time when notified of an individual’s upcoming release. We were also advised that caseloads for the prolific offender team have risen from an average of 5 to 50, which made person centred work very challenging.

Generally, it was felt that people get good support whilst in local prisons but then often go straight from prison onto the streets, as the support isn’t in place once somebody is released.

“The hostel is very good at accommodating people coming out of prison but there often aren’t rooms available at short notice.”

Criminal justice professional

Barriers were flagged up that some offences e.g. sex offences and arson, are deemed too risky for them to be accommodated with many providers and this presents a situation where there is no alternative but for the person to be released into homelessness.

It was also highlighted that many people being released do not have their benefit payments sorted until the day of release, which often means they receive no welfare payments for 6-12 weeks. This results in people having no money and it was noted that as a result of this it was unsurprising that reoffending rates for this group are very high.

“They (prison leavers) often don’t have ID and so can’t open bank accounts for benefit payments. Many then go on to burgle and get sent back to prison. This is a huge issue which is preventable if their benefits and accommodation are organised whilst they are still in prison so that they can come out with money and somewhere to live on the day of release.”

Criminal justice professional

Health and Social Care
We heard that the integrated model of health and social care in Torbay did present many opportunities to address the wider health needs of homeless people. However, capacity of these services to meet demand was raised repeatedly as a barrier.

We heard about the positive commitment made by Adult Social Care services to provide 20 hours a week of flexible care for people who are homeless and/or accessing homeless services, which is helping to fill gaps within current provision.

We heard very positive comments about the district nurse services and the proactive offer to homeless people.

It is also important to highlight the good practice around mental health support with the local authority hosting Vulnerability and Complex Needs Workers, providing specialist mental health support and expertise.

However, it was felt that additional capacity is needed here. It was noted that within mental health services the threshold for people to access residential care is very high. It was felt that this leaves a gap which the hostel is filling, as it becomes the only accommodation option for some people. It was widely felt this was not sustainable in the long term and that the hostel was not the most conducive environment to support recovery.

It was also identified that there is a lack of lower level support and many professionals noted the gap which has been created by the reduction in Supporting People funding for floating support.

“People coming through the system need practical help in their own accommodation e.g. cleaning. They need to help to cope, often linked to mental health issues. People are finding it difficult to look after themselves and their properties. This needs a lot of attention to support people to be able to create a warm and safe environment to live in.”

Social Worker
The GP provision with Leonard Stocks was highly commended however there was scepticism from professionals about the willingness of other GP surgeries to proactively engage and support homeless people.

**The Department for Work and Pensions (DWP)**

It was very evident from the conversations we had with local DWP officers that there is considerable will and enthusiasm to engage with partners to support homeless people.

The general challenges posed by welfare reform were brought up by both professionals and those with lived experience. Delays in payment was cited as the key barrier for homeless people in securing housing.

It was concerning however that both local DWP managers and local authority managers advised they struggled to make contact and inroads with each other’s services. This appeared to contradict the positivity we saw from DWP managers who were keen to discuss how they could offer increased flexibility and support to potential beneficiaries of Housing First services.

**Drug and Alcohol Services**

We heard positively from professionals about the weekly meetings held with drug and alcohol services on challenging cases and how there is willingness to be flexible. However, flexibility and capacity is constrained by reduced budgets and because some service models set are nationally, which makes local commissioning challenging.

It was also felt that expectations placed on people with chaotic lives and challenging needs were sometimes damaging and not conducive to recovery.

“Walnut Lodge (the drug and alcohol service) drop people too quickly, if they miss appointments, which means that they then must go back to the beginning of the process if they then need further support.”

**Housing Support Worker**

It was also reported that there are delays in people getting a script, often around 6 weeks and some chemists are reluctant to dispense scripts, often looking for reasons not to.

**Other barriers**

We asked whether there were any specific challenges in supporting homeless people who may have no recourse to public funds but were advised that services did not see anyone who is homeless who did not have an entitlement.

We have found that it has proved more challenging to secure consistent data on levels and type of need than it did for the Liverpool City Region study we previously carried out. Whilst the TESH work has helped provide detail the lack of a consistent data recording system across street outreach, the hostel, Housing Options services and Home Choice has made building a complete picture very difficult. Shekinah’s plans to implement the ECINS7 system should create the necessary shared IT system but it will need consideration as to how it can link to other systems.

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

**Support for other homeless people**

Throughout the study the potential for a housing-led or Housing First approach to be adopted to benefit other client groups, specifically young people and people fleeing domestic abuse, has been raised. Whilst this report is not intended to consider the full potential of housing-led approaches to respond to the needs of these groups there is clear potential for the principles of Housing First and any systems and structures put in place to be expanded to offer a service to a wider group.

For young people specifically we heard that there is an issue transitioning between children’s and adult services. Adult services often feel they don’t get enough notice when someone is moving towards their services. To help resolve these issues a new Transition Worker post has been created in adult services to give them more time to plan the transition between children’s and adult services.

We heard that the commissioning of young people’s services can be too separated from commissioning of adult services and where people straddle children’s and adult’s services they can miss out. Therefore, we would suggest that any decision to change commissioning practice to support homeless adults in a new way should also consider the potential for young person’s commissioning. Emerging work in Canada8 and in Scotland9 on Housing First approach for young people could offer some useful guidance and inspiration.

**Homelessness Reduction Act**

Feedback from people with lived experience highlighted some missed opportunities to prevent homelessness which would reduce the overall demand on any new Housing First system.

The introduction of the Homelessness Reduction Act in England from April 3rd 2018 creates a statutory basis for homelessness prevention work. Whilst there are some examples of prevention work taking place by the Housing Options team the insistence on rigid local connection criteria is acting as a barrier to resolving homelessness at an earlier stage and is then increasing demand further on as people become more entrenched into homelessness.

As referenced above it is also evident from temporary accommodation data that there are significant numbers of single homeless people within temporary accommodation whose homelessness has not been prevented. As also stated above this seems disproportionately high when compared to other Local Authorities.

For these reasons, and to ensure that opportunities to prevent homelessness are realised, in later chapters we will be proposing a wider system change to homelessness services and not just a standalone Housing First project.
Case study 2
• Male, originally from outside Devon
• Moved to Torbay a couple of months ago
• Moved to Torbay to be closer to child who was taken into care when he was younger
• Has now become homeless due to relationship breakdown
• So far has been unable to prove a local connection in Torbay
• If council agrees to provide crisis support / rent in advance, then he will start looking for a tenancy agreement with a private landlord
• Assistance with budgeting would be really useful
• Would like to get a job rather than stay on benefits, has had jobs in the past, but needs stability first before he can access work
• Skilled outdoor labouring work would be the ideal job role. First job was in restaurant and loved that, if offered a job now would take it away, a good, busy, quick atmosphere
• Suffers with ADHD so support to keep that under control would be useful in addition to budgeting advice. However, feels that it is mostly about a mindset, the ADHD is not so severe that it is debilitating
• Would prefer to talk to someone with lived experience of homelessness, they are easier to talk to and have been in the same boat

Housing First service users may not have accumulated this amount of time in hostels. The Housing First model is built on the idea that resettlement and reintegration into society following homelessness is centred around providing someone with their own, settled ordinary home. Being required to share with others, particularly when someone may well have high treatment and support needs if rehoused in the private rented sector, or having to subsidise rent costs with welfare benefits designed to pay for food and fuel, if living alone in social rented housing with two bedrooms, potentially undermines the Housing First model.

Housing First forms the backbone of the Canadian and French strategies to tackle recurrent and repeated single homelessness associated with severe mental illness, strategies that would not have been attempted if there were doubt that service users would have enough income to meet the housing and subsistence costs. In the original model of Housing First in New York, referral criteria had to centre on eligibility for a specific Federally provided welfare benefit, conditional on having a psychiatric diagnosis, to ensure service users had enough money to contribute towards the rent and to live on.

The reforms, at the time of writing, are scheduled to come into effect in April 2019, reducing payments to the levels awarded to eligible tenants in the private rented sector. Rent in the supported sector will be generally less than the current rent levels for much supported housing. Supported housing will however be exempt from the requirements for people aged under 35 to share housing.

The restrictions on benefit support with meeting the costs of renting housing potentially undermine the effectiveness of Housing First in Torbay. There are limits to what the local authorities can do in response to these restrictions. One alternative is to provide supplementary funding to compensate for the limitations of the benefit system, which obviously adds to the cost of Housing First. The other is to try not to over-recover the total cost of supported housing rents. This will allow local authorities to ‘top up’ the benefit system payments (equivalent to the accepted level of private rented sector rent) when they assess supported housing schemes as requiring an additional rental payment.

One concern is that this form of change has been experienced before. Enhanced rates of benefit paid to people in supported housing, which covered both housing and support costs, were replaced in 2003. Rent was paid by the benefit system and a separate ‘Supporting People’ budget, to cover support costs, was created. This Supporting People budget nominally made the same amount of funding available (again administered by local authorities) to pay support costs, previously paid for by the benefit system. The Supporting People budget, which still exists in Wales and Northern Ireland, was first cut significantly and then, effectively, abolished in England. Cuts to supported housing provision for homeless people followed.

Theoretically, this exercise could follow the same pattern, the ‘premium’ paid for supported housing rents at first being separated as a distinct budget and then subjected to cuts, possibly ceasing to exist as a specific funding stream at some point thereafter.

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

The Benefit System
Restrictions on support with housing costs are also potentially significant. Most adults aged 35, without a partner and/or children can only secure enough support to rent a room in a shared house in the PRS.

Partial exemptions are made for homeless people over 25 who have experience of living in a hostel or temporary supported housing for at least three months, removing the requirement to share private rented housing if under 35, but potential

and limiting benefits to a room in a shared house if under 35, when someone has been assessed as eligible for a Housing First service. Crisis will be calling for this type of exemption in our Plan to End Homelessness.

Benefit System Payments for Rent in Supported Housing
The benefit reforms which reduce the amount of rent paid to supported housing tenants, i.e. living in congregate or communal settings, or in core and cluster schemes were first proposed in 2011, becoming more specific in 2015. Supported housing often charges an additional premium on rent to help cover operating costs. Technically, since the short-lived Supporting People reforms in England, funding for support and rent have been separated, but in reality part of the funding for allowing supported housing to function has come from the benefit system paying higher rents.

The reforms, at the time of writing, are scheduled to come into effect in April 2019, reducing payments to the levels awarded to eligible tenants in the private rented sector. Rent in the supported sector will be generally less than the current rent levels for much supported housing. Supported housing will however be exempt from the requirements for people aged under 35 to share housing.

Homelessness service providers operating supported housing, alongside those social landlords and charities providing rented sheltered and supported housing for older people and people with disabilities, have voiced concerns about this change. It is important to note that funding will be reallocated in the first instance, with local authorities receiving an amount that is supposedly equivalent to the extra benefit payments that were over-recovered the total cost of supported housing rents. This will allow local authorities to ‘top up’ the benefit system payments (equivalent to the accepted level of private rented sector rent) when they assess supported housing schemes as requiring an additional rental payment.

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The financial pressures across the benefit system are unlikely to go away. Housing First services may become more economically attractive and be seen increasingly as the only alternative to any supported housing which has become economically defunct due to the changes to the welfare system. However, the general pressure to drive down costs may create a context in which there is pressure to dilute Housing First, or remove certain elements from the service model, and there is a need for caution here. Low fidelity Housing First that does not offer intensive, flexible support to people with high and complex needs, tends to be less effective.

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

This chapter focuses on the increasing numbers of people with high and complex needs who are homeless in Torbay (who would be the potential beneficiaries of any Housing First project).

2.1 Homelessness service usage by people with complex needs

It is evident from all the research we undertook, whether qualitative or quantitative, that the numbers of homeless people with complex needs have increased in Torbay. For the purposes of this study we have defined complex needs as someone with more than one identified support need. However, we appreciate that there is an inevitable ambiguity around the definition.

Quantitative Data
The evidence referenced above from the 61 interviews with people with lived experience identified that 66% of them advised they have more than one support need.

- 31% of people interviewed identified they wanted support with their mental health
- 39% of people interviewed identified they wanted support with receiving drug and/or alcohol treatment.

This is corroborated by the TESH data from the February 2018 connections week which found that the following from conversations with 40 people sleeping rough.
• 51% of respondents said that they have a mental health issue that would make it hard for them to live independently
• 50% of respondents had lost housing in the past due to drinking or drug use, and 53% felt that this may be an issue in the future
• 44% of respondents reported having a chronic health issue
• 33% of respondents had an issue with drinking or drugs, plus a chronic physical health issue plus a mental health issue.

Further to this, information from the Housing Options service identified that between April 2017 and February 2018 there were 102 Single Female clients placed within Temporary Accommodation, and 172 Single Males.

The highest priority need for both Male and Female clients was “Mental illness or disability” accounting for 44% of Male cases and 31% of Female cases. Physical disability was the second highest need for Males (22%) with violence (including Domestic Violence) being the second highest for females (16%).

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<th>Current services</th>
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**Data from Leonard Stocks Hostel**

Immediate move on rates are relatively good from the hostel (63% of residents moving onto stable accommodation in the past 12 months). We also undertook a snapshot of residents placed at the hostel 2 years ago (April 2016) and looked to see if we could identify their current accommodation situation as of April 2018.

We also took a snapshot of need within Leonard Stocks Hostel in April 2017 and identified the following barriers to people being able to move on into independent housing.

With 56% of residents being unable to move on as their support needs are too high (and arguably you could include those barred from moving on into this category) it is evident that the increased complexity of needs being managed is restricting move through the hostel. This in turn will impact on the hostels’ ability to provide accommodation to people on the streets or waiting in non-supported temporary accommodation.

This is further compounded by the number of repeat residents to the hostel. Figures for the last 12 months show 45 of the 93 placements being people who have previously been residents of the hostel.

So, whilst move on is being achieved for some residents the repeated placements suggest that move on isn’t resulting in homelessness ending for good and the lack of move on overall shows that supported accommodation capacity is not sufficient to meet overall need. This significant challenge, to securing long term successful move on accommodation, was further evidenced in the qualitative research which we will outline in the next section.

### Qualitative evidence

It is important to highlight again that the quality of the support available from the hostel was often highly praised but the nature of hostel living was often cited as a deterrent for people to come indoors as the congregate nature of the hostel can create a series of challenges and barriers for many people with complex needs.

Through necessity rules need to be set to manage congregate accommodation but people with complex needs can struggle to adhere to these rules. This increases risk of eviction and potential periods where they are banned from the accommodation.

Inevitably in seeking to provide accommodation and support to people with complex needs you will be placing people into shared spaces with others who maybe at a different stage of their recovery. Congregate accommodation such as hostels cannot easily provide the space for people wanting to distance themselves from others and this challenge was reflected in feedback we received.

“I need company but I also need to break away from people who do drugs.”

**Male, hostel resident**

As an alternative to this people identified the need for quicker access into their own accommodation but with flexible support made available as and when it was needed.

“I want to get into a house and get it decorated and be stable and then get a steady job, keep bills going, and get mental health in order.”

**Male, rough sleeper, has been homeless on and off since 2000**
As a result of the challenges and barriers, people with complex needs are at high risk of: frequent evictions from hostels or from move on accommodation, getting ‘stuck’ within the hostel system, or rejecting services altogether, as can be seen in the case study below.

**Case study 3**
- Male, repeat offender, previously dependent on drugs, in supported accommodation
- Left prison last year and was referred to Supported Accommodation when previously made homeless on release from prison
- In and out of homelessness since age of 16
- Been historically housed in 5 or 6 different properties but underlying drug addiction has always caused problems
- Would be keen to get involved with a detox project
- A lot of temptation to use drugs in current accommodation
- Would like support to become drug free and get away from other users
- Concerned about cost of furnishing and paying rent on a property
- Would feel better knowing that there was someone to talk to if needed
- Male sleeping on the street
- "I have been on and off the street since 16 years old, and I have found that as soon as I am in my own place the support disappears."
- Male in temporary accommodation
- The actual lack of move on options is accompanied by a fear of moving on from supported accommodation which came across in the interviews we carried out with supported accommodation residents.

"I am grateful to council for helping access furniture when in a house, but the support that’s provided in hostels drops off when entering a tenancy."

**Case study 4**
- Female, from Torbay
- Homeless for last few years
- Had council accommodation, but partner died (and accommodation was in his name) so this person and her two children were made homeless
- Now estranged from two children
- Repeatedly evicted from hostels for breaking the rules
- Currently living in Supported Accommodation for a number of months, reluctant to leave, too fearful to enter permanent accommodation
- Not sure about what support is available currently to access secure accommodation
- Male supported accommodation resident with multiple physical health needs who was unsure those needs could be met in independent accommodation

"Drop in support would be helpful, just having someone come round and check in on you to make sure you’re ok every now and again. Somewhere that my daughter could visit that is clean and self-contained."

**Case study 5**
- Moved to Torbay 3 years ago as partner’s her daughter lived in Torbay and wanted to see her more often
- Council did not offer any assistance due to lack of local connection and couldn’t get access to a hostel
- Bought a tent and slept rough for 8 months
- Offered a hostel place in Paignton (separate rooms) people who ran the hostel found them a flat but it was in poor condition with pest infestation (110 rats in 3 months)
- Went into prison due to drug use, detoxed in prison and went straight into residential rehab with partner
- 3 months clean now, on the 12 steps programme for Narcotics Anonymous in Torbay
- Likely to stay in the rehab project for longer than necessary because there’s no move on.

The actual lack of move on options is accompanied by a fear of moving on from supported accommodation which came across in the interviews we carried out with supported accommodation residents.

The quotes and case study below demonstrate the cliff edge drop of support which exists as people move out of supported accommodation and into an independent home. This drop off in support is evidently acting as a barrier preventing people from successfully moving on or even having the confidence to believe they can move on.

**2.2 Going around in circles**

The level of repeat homelessness and lack of move on from the hostel is evidence that there isn’t a clear and successful pathway through homelessness services in Torbay for everyone.

The lack of early intervention, usually on the grounds that the person does not technically have a local connection to Torbay, repeatedly led to people new to homelessness becoming entrenched and developing complex needs. This lack of assistance has led to a cynicism and scepticism about what the council can offer and whether it is worth seeking help.

As discussed in Chapter one, people with complex needs provided a number of examples where earlier intervention isn’t a clear and successful pathway through homelessness services in Torbay for everyone.
“Well they just don’t like, they don’t go through, they don’t look at you thoroughly, they just look at bits and bobs of you like and they don’t get the full job done and they shut you down before you’ve even got there and if they’d looked at you thoroughly, you wouldn’t have got turned down. That’s what I’ve noticed.”
Female rough sleeper talking about her experience with the council

“But other than the churches, all it is is Leonard Stocks and they only open up when the temperature is below freezing and there’s only one hostel in this one area and it seems a little bit like, if your face fits you get a room in there, and if they don’t like you or what not, then you don’t get a room in there. If you’re homeless, you’ve got to be in this area for 3 months before they’ll even look at you so that’s another problem.”
Male rough sleeper

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

The aim of this chapter is to set out what we feel are the key components of any solutions to homelessness in Torbay informed strongly by the view of people with lived experience.

Informed by this input we feel that a Housing First approach underpinned by a robust prevention service, if implemented correctly, would work well in contributing to ending street homelessness in Torbay.

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

Homeless people told us generally they felt the following should be key features of any successful homelessness system:

1. Emotional Support
   “I need support to occupy myself during the day, to stay positive and not relapse into drugs. I would want someone to come round once a week to be supportive and a motivator.”
   Male (currently rough sleeping)
2. Peer support

“How can you help someone (out of homelessness) if you haven’t been there yourself? Not these textbook junkies.”

Male currently rough sleeping, has been homeless for over 20 years, using heroin and alcohol

3. Non-judgemental support

“I don’t want to be tarred with the same brush as everyone else.”

Male rough sleeper when asked what would be most important to him in receiving support

4. Independence

“My aspirations are to be able to do normal day to day things like having people round for dinner or coffee.”

Male, supported accommodation resident

5. Clear opportunities for rehabilitation and longer term planning

“My plan for the future is to work as a chef, as I studied hospitality at college for 3 years. I aspire to have work and my house sorted.”

Female, supported accommodation resident

6. Structure and purpose

“I would welcome some support filling out forms and budgeting, shopping, bills, other ways of socialising, groups/meetings, social activities so not to get bored or relapse.”

Female, supported accommodation resident

These quotes provide a sense of what is needed for individuals and we will now go onto to set out why we believe a Housing First approach would meet these needs and also potentially address some of the existing barriers we have highlighted in the earlier chapters.

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

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

Housing First uses a mobile team of workers, who visit formerly homeless people in their own homes, providing practical and emotional support and acting as service brokers, or case managers, who help arrange access to any services that someone using Housing First needs, such as psychiatric services, drug services, health care or social work support. Housing First will also ensure someone is housed adequately and has the required range of household goods and furniture to live independently, also providing help with budgeting and day to day living skills where needed. 10

In practical terms this means:

- Immediate or rapid housing in a settled home.
- No requirement to stay in a homeless hostels, not in any form of congregate or communal temporary supported housing, prior to housing being provided.
- No completion of courses, training or other expectations in respect of demonstrating ‘readiness’ for housing are required before housing is provided.
- No requirement for compliance with treatment, including psychiatric and drug/alcohol treatment, before housing is provided.

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

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

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

Peer support, where delivering Housing First, involves people who are ‘experts by experience’ in homelessness, is an essential element to the approach succeeding. There is a broad emphasis on a psychologically informed, strength-based approach, focusing on what the people using Housing First can achieve for themselves, what they are capable of, and avoiding any judgements about how someone became homeless. 11 The role of peer support was identified a number of times in our conversations with homeless people both in terms of receiving that support but also showing a keensness to become a peer supporter. Homeless people wanted to use their own experience to support others.

“Once I am out of homelessness, I would like to offer support to others who are struggling to find housing or deal with mental health issues.”

Male, currently homeless, has been homeless on and off for past five years

Alongside the successes of Housing First where it has been implemented, there is clear evidence of cost effectiveness. Housing First may sometimes be less expensive than other forms of homelessness service. However, it is probably more accurate to say, based on current evidence, that while levels of spending on Housing First may ultimately be similar to those for other forms of homelessness service for people with high and complex needs, Housing First ends homelessness more effectively. In short, a pound spent on Housing First tends to achieve more than a pound spent on other services designed for homeless people with high and complex needs.

Homelessness services have often been heavily influenced by services designed to resettle people who have been in a psychiatric hospital, or other institutional mental health service, into ordinary housing. This pattern of service provision emerged because homelessness was, particularly in the context of North America, but also in Scandinavian countries and to an extent in UK, thought to be strongly related to severe mental illness. Staircase or linear-residential treatment models emerged, using a system of steps which took someone from a highly supervised (sometimes ward-like) institutional environment to a point where they were living independently. Sometimes the steps involved moving from one institution to another, sometimes the process was contained on a single site. When all the steps were completed, someone is ‘housing ready’. Another way to characterise these services is as Housing Last, in which access to housing for a single homeless person with high support needs is only given when they have completed all the steps required in an institutional setting, are behaving in the ‘right’ way and are complying with treatment.

Housing First emerged in part because Housing Last was not working very well. Expenditure on these services was high, but only between four and six people out of every ten with complex needs were sustaining exits from homelessness. There was also clear evidence, from both the USA and from Swedish research, that people were getting ‘stuck’, unable to complete all the steps that a Housing Last approach expected them to follow and ending up spending years bouncing around in services that were supposed to end their homelessness within weeks or months. This has been borne out in our analysis of how services are currently working for a significant number of people in Torbay.

Finally, although it was not true of all Housing Last services, research showed these approaches could be judgemental and harsh, particularly in respect to alcohol and drug consumption, or neglect of enforcing behavioural standards, which meant some homeless people with complex needs were running away from the more regimented examples of Housing Last services. The step-based approaches to resettling former psychiatric patients in the community, the service model on which Housing Last services were based, had also not worked well.

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

A Europeanised version of Housing First was developed in consultation with Sam Tsemberis, who was part of the team working on the Housing First Guide Europe and who advised on the Key Principles of Housing First England. The key differences with the original model of Housing First are that there is no requirement that housing must always be self-contained (i.e. usually a one bed flat if someone is living alone, not in immediate proximity to other Housing First service users) and with respect to how the support is delivered. In the original model, mental health support models, assertive community treatment (ACT) and intensive case management (ICM), were specified, which involves considerable direct provision of services by Housing First when supplying ACT (used for homeless people with the very highest needs).

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

Broadly speaking, while the trials of ‘high fidelity’ Housing First in Canada and in France, using the original ACT/ICM model have proven highly successful, there are reports of very strong results from Housing First services using a case management approach. In England, seven out of every 10 service users were housed at one year by five Housing First pilots, in the Netherlands, Finland, Portugal and Ireland, similar or better results were achieved by Housing First services that followed a case management model.

The importance of consistent results, for a service model that costs no more than other service models for homeless people with high and complex needs, is one reason why Housing First has gone from a single service in New York to a global management model.

Finnish experience in using Housing First as an approach to long-term and recurrent homelessness, has been extremely positive and lain at the core of a sustained national strategy in Finland. Finnish experience in using Housing First as an approach to long-term and recurrent homelessness, has been extremely positive and lain at the core of a sustained national strategy that has brought Finland to a point where homelessness is becoming a functional zero. The concept of functional zero can be summarised as a state in which experience of homelessness is rare and, where it does occur, short-term, with Finland having levels of homelessness that are extremely low by UK standards. Housing First is successful in Finland because it is a part of an integral homelessness strategy which includes a strong emphasis on prevention and an array of lower intensity services, but the incorporation of Housing First has enabled Finland to bring the most damaging form of homelessness, among people with high and complex needs, close to a functional zero.

While Housing First represents a major change in how homelessness is responded to across the economically developed world, it is still an emergent approach. Many of the homelessness services in the UK, across Western Europe and North America follow a Housing Last model. Housing First is growing and has become a core strategy in some countries, but in the UK and elsewhere, Housing First is still developing.

Recent announcements from the English Government to fund Housing First ‘pilots’ are hugely welcomed. It is perhaps underselling the level of investment (£28 million across Greater Manchester, the West Midlands and the Liverpool City Region) to describe them as ‘pilots’. Informed by the earlier Crisis feasibility study in the Liverpool City Region, Government have acknowledged that a system wide change needs to occur to support the successful implementation of Housing First. Without addressing some of the repeated causes of homelessness then standalone Housing First project can help the current cohort of homeless people with complex needs but it will not prevent others from sadly taking the places of the people who have received the initial wave of help.

Health, wellbeing and social integration

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

The evaluation of Housing First pilots in England completed in 2015 found that, among 60 users of Housing First services:

- 43% reported bad or very bad physical health a year before using a Housing First service, with 28% reporting the same poor levels of health as Housing First service users (i.e. a 15% drop in reports of bad or very bad physical health). 52% reported bad or very bad mental health a year before using a Housing First service, dropping to 18% when surveyed as Housing First service users.

Uneven results in respect of drug and alcohol use, but some evidence of improvement for individuals.

- 25% of Housing First service users reporting daily, weekly or monthly contact with family one year before using Housing First; compared to 75% reporting these levels of familial contact as Housing First service users, a 50% improvement.

Falls in involvement in anti-social behaviour, from 78% reporting involvement a year before using Housing First to 53% as Housing First service users. The core goal of Housing First, what it seeks to achieve as a model, is to use housing as a basis from which to pursue integration into mainstream social and economic life. What this means in practice is that Housing First seeks to improve the following aspects of an individual’s life:

- social integration
- as part of a community
- developing positive friendships, family relationships, having a partner
- economic integration
- paid work where possible
- progress towards paid work e.g. education, training
- structured and meaningful activity
- health and wellbeing
- mental health
- physical health
- drugs and alcohol.

It is notable how these ambitions came up repeatedly in our interviews with homeless people in Torbay. The aspiration to get back into paid work or training was a common feature of our conversations, even with people with the most complex needs.

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

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**3.4 Housing First within Integrated Strategies**

Where Housing First has been used most successfully, particularly in Finland, it has been part of a wider integrated strategy to end homelessness. The Housing First Hub Europe, organised by FEANTSA, the European federation of homelessness organisations and the Finnish Y Foundation, a major developer of social housing, emphasises the importance of using Housing First within a broader strategy, in order to achieve the best results.25 Housing First is a specific model of support for a specific group of homeless people, i.e. those with high and complex needs, it is not designed for all forms of homelessness. This means that where Housing First has been used successfully, it is part of a range of services, including preventative services, lower-intensity support services (for homeless people with less complex needs), services for specific groups (which can include tailored versions of Housing First, specifically for people with histories of severe mental illness, or young people, or former offenders) and various measures to maximise access to affordable and sustainable housing.

It is within an integrated homelessness strategy that Housing First has the greatest potential for positive effects, both in the sense of achieving reductions in homelessness among people with high and complex needs and in the sense of making sure that those people are not inappropriately (and inefficiently) using services that cannot meet their needs. Integration of Housing First means efficient triage, making sure that those for whom Housing First is most suitable are quickly directed to an assessment and access to the most appropriate service. There is also clear scope for Housing First to be used as part of homelessness prevention, taking referrals for high-risk individuals (for example people with high and complex needs and a history of homelessness) to minimise the risk that sustained homelessness or recurrent homelessness will not occur. This was something which both private and social landlords in Torbay expressed would be of great benefit in ‘rescuing’ failing tenancies.

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

Concern over local connection has been raised consistently throughout the consultation process for this study. We did not speak to anyone who was homeless who had chosen to come to Torbay as they felt services or provision was more generous than anywhere else. Typically, people had a family connection (albeit sometimes a tenuous one) or were fleeing violence from elsewhere in England. This does not mean however that appropriate offers of supported reconnection do not play a part in a successful homelessness prevention strategy.30 Access to Housing First services should be managed and all alternative options should be considered for those homeless people who can safely return to accommodation elsewhere. However, where this is not possible and where the person intends to stay (or return to) Torbay it has been shown to be counter-productive to deny them access to all services. Aside from any moral imperative the financial cost of not intervening early and thereby allowing people to develop an entrenched lifestyle and complex needs is significant and takes up resources which are better

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30 http://housingfirsteurope.eu/  
directed at prevention. This is not to say that everyone will require access to Housing First services but the provision of emergency accommodation for all where reconnection isn’t feasible should be considered so people do not risk becoming entrenched whilst other solutions are explored to relieve their homelessness.

It will be important that the principles of Housing First and with the new Homelessness Reduction Act are adopted by all local authorities to avoid any potential for those authorities where homelessness services are inadequate to pass on their responsibilities. The increased capacity within the Ministry of Housing, Communities and Local Government Specialist Advisor Team should be great assistance to this. However, if the recommendations from this report are implemented in Torbay it will be important to share learning and encourage a common approach with other local, neighbouring authorities. Crisis would be keen to support that aim in whatever way would be practical.

Another danger lies in loss of fidelity, where many services, including low intensity forms of support, all start to classify themselves as ‘Housing First’. This is something that was experienced in the USA, is a loss of focus. This can undermine the idea of Housing First, where services that are not Housing First - but which describe themselves as such - begin to fail or underperform, potentially tarnishing Housing First as a whole.32

The final risk in relation to strategic integration is that being outside an integrated homelessness strategy means that Housing First does not have a defined role in relation to that strategy. If it is not clear how Housing First is working alongside prevention, low intensity and emergency accommodation services, enabling the delivery of a cohesive whole, then Housing First becomes vulnerable. In practical terms, this involves what the Americans refer to as funding sunsets, where a pilot service, in this instance Housing First, is supported, prospers and delivers good results, but operates in semi-isolation from the wider homelessness strategy. What we heard from other statutory services and from social and private housing providers was a concern over any ‘pilot’ initiative. Where funding for support maybe seen as short term it acts as a deterrent for other agencies to provide their own resources to the project for fear that they will be left holding responsibility at the end of the pilot. It is for this reason we will be proposing a system change which aims for Housing First to become the default approach and to be affordable in the long term within Torbay.

Without a clearly defined strategic role – supporting the policy goals and other homelessness services – Housing First pilots may not evolve into permanent service provision, because without a strategic role, continuing to fund Housing First may not a priority. Of the Housing First pilots evaluated in 2014/15, a few lost funding and either changed shape or disappeared, it was those pilots that shifted gear and moved towards strategic integration, demonstrating their worth in the homelessness strategy and thereby accessing local commissioning funds, that endured.

Examples of these Housing First services include the Camden Housing First project, operating on the basis of handling ‘hard to reach’ cases where homeless people with complex needs were not getting the right support from the existing systems and Changing Lives in Newcastle, which became part of the City’s strategic response to homelessness, which are likely to enjoy a future and see expansion.33

3.5 Description of the need for whole system change

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

This is against a background where:

Very substantial numbers of single people are currently using homelessness accommodation services – 274 single people placed into temporary accommodation by the local authority between April 2017 and February 2018. This does not then detail those who are not considered in priority need and therefore provided with temporary accommodation.

The current trends do indicate that homelessness is getting worse and on this basis the numbers of people at risk of homelessness in the future is only likely to increase if no other action is taken.

The analysis underpinning this feasibility study would suggest that there are a number of relevant groups within this large and growing population:

- People for whom the current provision is not as effective and results in long-term homelessness – this is where we have attempted to focus the target cohort for Housing First.
- People who first come into contact with homelessness services after they have lost accommodation

which in theory could have been sustained if they had had the right assistance at the right time.

- People who really do not need any additional support needs, at their initial point of homelessness they just need access to affordable housing.
- People who do have some need for support or assistance to secure and maintain independent accommodation on a short-term basis to establish themselves in independent accommodation.

These groupings are all significant and require a change or development in service provision as part of a new housing-led strategy, and to reduce the reliance on emergency accommodation and high-cost supported housing. The following therefore are the key elements of this to support the development of Housing First.

Firstly, this will involve the development of Housing Options services we have detailed above and underpinned by the expectations in the Homelessness Reduction Act. The new legislation brings in a Duty to Refer on other public bodies (due to be implemented in October 2018 nationally). This duty places a legal responsibility on a range of public bodies to refer people who are homeless or who are threatened with homelessness to the local authority. This referral duty is to be taken further by many local authorities in England and becoming a duty to co-operate. This approach does then require a concerted strategy to improve the communications with a range of agencies in the community so that cases come to the attention of the Housing Options teams before it is too late. It will also involve taking a case-management approach to facilitate more targeted interventions, including making more co-ordinated use of the full range of specialist resources including mediation services, debt

advice, benefits advice etc. However, it does present an ideal opportunity to strengthen prevention work and increase capacity by involving other partners.

Secondly, increased access to affordable housing is a critical requirement if we are to provide both the Housing First and housing-led approaches. This is where we propose the implementation of a flexible, large-scale social lettings agency. Consistently throughout the consultation it was shared by many contributors that the private rented sector is not being used as effectively as it might as a housing solution. The challenge of poor standard and empty properties was raised repeatedly but so was an appetite to address this, potentially through the newly formed Local Housing Company.

A key element of the social lettings agency service would be to provide a sympathetic and supportive housing management service linked well into local resources. Realistically, for the generality of people at risk of homelessness (as opposed to the complex need cases with Housing First), this accommodation is likely to have to include shared housing. Whilst this may involve a range of separate agencies it does need to be co-ordinated, and linked to the operation of Housing Options so that it can be of benefit to a wider range of homeless people (across the range of groups outlined above).

Thirdly, it is likely to require a more uniform availability of floating support services able to provide the support to underpin each of the above initiatives – intervening to help people resolve the difficulties that threaten them with homelessness or help them to resettle into alternative accommodation. These services will need to be targeted on the objective of refucing homelessness, yet also be more flexible in terms of the ability for people to dip in and out of the support and take different forms e.g. in some instances work in partnership with community and/or peer mentoring services.

Fourthly, it will be easier to manage the transfer from existing services if there is a comprehensively available call-centre facility linked in to the other services with the capacity to respond out of hours if necessary. It would provide economies of scale if such a service were shared with the on-call facility outlined as part of the Housing First service model.

Finally, there is likely to be a need for emergency and specialist accommodation where the most economical solution is forms of congregate housing. This is for the following main reasons.

1. Above and beyond the Housing First target cohort, for whom the congregate model is clearly failing, there are other people with still significant support needs that we feel could have their needs met in this setting. Some (but not all) of these people will present a high risk because of their physical or emotional health or behavioural tendencies and will still need high levels of staff supervision attached to their housing (potentially 24 hour cover).
2. A sub-set of this specialist provision will be required to house and work with those people who would be suitable for Housing First but currently are not in the right state of mind to accept any offer. The focus of this will be to get them to the point where they are able to accept the offer.
3. Finally, some of these short-term beds could operate as recognised assessment facilities to give people the opportunity to consider and explore their housing and support options.

To be successful this congregate housing will need to build on recent trends – in terms of moving to more self-contained housing and the approach to support in line with person-centred approaches. This should however only ever be intended as a short-term solution and the target as part of the housing-led strategy will be to move all people out into independent housing with associated support where necessary, including Housing First.
Chapter 4: Developing a Housing First model for Torbay

In this chapter, we set out our proposed Housing First model for Torbay.

This has been developed and evaluated through engagement with relevant stakeholders, including those with lived experience, and analysis of relevant data.

It is also informed by the existing evidence from the implementation and evaluation of Housing First elsewhere in the UK, Europe and North America.

4.1 Definition

The Torbay Housing First model should be based on the following principles:

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

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

• Offering a flexible Housing First service to homeless people who are likely to need intensive and ongoing support in order to settle into and/or sustain a tenancy.
• Tenancy sustainment is the primary outcome by which the performance of this service should be measured and judged.

4.2 Target group for the Housing First service

Recommendations about suitability should be made by skilled and trained professionals as a result of an assessment process in which the individual is supported to play an active role. Any evaluation of the appropriateness of referrals should occur retrospectively so it does not delay any access to services.

A multi-agency performance management group should have oversight of referrals and should provide feedback and suggest changes where appropriate but the Housing First workers should be trusted to make decisions themselves in the first instance, prompted by the following criteria:

• a significant history of unstable housing and/or homelessness (at least 12 months as homeless or within homelessness services)
• a judgement that other service options (including reconnection) either have presented or would be likely to present a risk to the individual or others they might share with, or have provoked / might provoke anti-social behaviour to the detriment of the individual and/or community
• a decision to accept the tenancy being offered and a basic willingness to engage with the Housing First team, at least at the outset (though this does not mean that the individual is motivated to accept any treatment or therapy)
• a history of at least two of the following:
  • repeated substance misuse;
  • enduring mental ill-health;
  • profound learning difficulties;
  • long term and deteriorating physical health;
  • profound social isolation; and
  • repeat offending.

Again, it is important to stress that Housing First should operate in a wider system in which there is effective ‘triage’ with speedy access to housing and of support for those who do not need the intensity of the pure Housing First model is key.

The principles of Housing First should be applied across the homelessness system so that it is not the sole responsibility of the Housing First team to respond to all instances of homelessness.

The model
4.3 Description of the Housing First Service

The success of the Housing First support service rests on its ability to recruit, retain and manage effectively a small and consistent team of workers with excellent engagement skills who are able to work to the Housing First principles.

This team will work together flexibly to support a protected caseload of Housing First tenants, connecting them into mainstream services and community resources and networks wherever possible. We anticipate a caseload of between 2 and 5 service users at any one time per full time support worker, depending on progress and mix of support needs. However, it is the quality of the relationships, as much as the amount of support which will really distinguish it from current models. It is essential that the input we received from homeless people concerning emotional and non-judgemental approaches is reflected in the role specifications, recruitment and training of the new roles.

Whilst not all individual team members will need to demonstrate all of these it is essential that within the team members there exists the following skills and knowledge:

- emotional and psychological support (using, for example, CAT [Cognitive Analytic Therapy] CBT [Cognitive Behavioural Therapy], motivational interviewing and attachment-based approaches);
- practical support to set up and maintain a home and manage finances;
- help and advocacy to access benefits and NHS services;
- support in relation to building and sustaining positive social networks and meaningful activity, which might include relationships with family, friends, peers and neighbours;
- volunteering opportunities; and/or education, training and employment.

This support will be delivered in a way that is consistent with the Housing First principles and in line with what homeless people in Torbay told us would work best. In practice, this means that:

If someone refuses or fails to engage with the support, they are not ‘struck off’; nor is their tenancy threatened by this. The team is proactive, whilst respecting people’s right to privacy. In practice, this means trying again later or the next day and perhaps trying a different approach, or using a different member of the team.

As tenants, Housing First clients have a set of rights and responsibilities, as any other tenants would. If there are concerns in relation to the tenancy, the Housing First team will work with housing managers/landlords to mediate, negotiate and support.

Freed up from ‘policing the rules’ (as is often the case in hostels or other homelessness services), workers are aiming to collaborate with the individual and support them to find and implement solutions, not impose a plan on them: this fits with the concepts of co-production and personalisation.

Where traditional models of support have focused on identifying needs and deficits, a key element of the strengths-based model proposed here will be to find out and build on what the person does not need help to do, what keeps them strong, what they are good at, and how they can be supported to make a contribution. The aim here is to build people’s longer term resilience – the abilities and support networks which can help them adapt to adversity, challenge, loss and relapse.

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

4.4 Duration and intensity of support

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

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

It is not realistic (or helpful) to expect the Housing First team to exist in a bubble and networks, pathways and agreements will need to be created so that the Housing First cohort will be able to access mainstream services as well as the focused support of the Housing First team. This will also greatly assist in keeping costs down if access can be given to mainstream, universal access services.

The original model of Housing First used two models of support, assertive community treatment (ACT) and intensive case management (ICM), which were originally North American systems for resettling people with severe mental illness following a hospital stay. ACT was used for the highest need groups. Housing First provided more services ‘in-house’ because the health, welfare and housing related support systems in the US are more limited than in the UK,
so for example Housing First teams had their own dedicated addiction workers, psychiatrists and health professionals. While some advocate the use of ACT/ICM approaches as being most effective, there is evidence that in the comparatively service-rich environments of the UK and some other European countries, Housing First based largely on case management, i.e. relying heavily on brokering access to other services, can work very well. Case management only Housing First services, which have predominated in the UK in the pilots attempted so far, have much lower operating costs than ACT/ICM teams and there is an argument that as the NHS and other services provide universal support to all the public, Housing First should concentrate on ensuring that service users get the help they should be entitled to as citizens. One point to note is that with a case management model, the proposed Housing First service will still provide relatively high levels of service user contact, with workers providing emotional, psychological and practical support, alongside facilitating access to the external services someone may choose to use.

Rather than seeking to promote independence by imposing a time limit on services (as is the traditional approach in services), the Housing First service will achieve this by:

- maintaining a strong value base which treats the people it supports as adults and equal citizens (not people who need to be 'rescued', 'protected' or 'taught');
- mapping the existing resources that are relevant and local to each individual (this might include a range of centres, hubs, charities and social enterprises as well as arts, leisure, health, public transport resources – workers should be urged to also think outside of ‘services’);
- working at the pace of each individual to link them into the resources they want and need to access. This may involve the worker – or a volunteer – accompanying them, at least initially, and advocating for them where necessary but with the aim to withdraw (gradually and flexibly) where possible;
- (where there are gaps or barriers to these resources) using a combination of spot purchasing through a small flexible budget (we discuss this idea in more detail in sections 4.8 and 4.12) and strategic influencing to stimulate commissioning, e.g. through social prescribing or the NHS’s self-care agenda;
- excellent managers supervising small teams of four workers to support and challenge the promotion of independence, through a culture of positive risk-taking.

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

If it is to succeed in the long term, the Housing First service must be integrated into a comprehensive preventative homelessness strategy outlined throughout this report. People should be able to move between different levels of support, hopefully moving out of high support Housing First services into lower support ‘floating support’. However, movement should equally be facilitated ‘back’ into more intensive support if required. Therefore, the Housing First team should work alongside any additional floating support provision, with no need for lengthy and bureaucratic referral arrangements.

4.5 Team structure

As the following chart shows, and alongside other services which we will elaborate on below, we are initially proposing a team of four workers, supervised by one team leader and supporting between them a caseload of around 20. This reflects the caseload size in other Housing First schemes around the country and the shared team caseload approach should avoid the need for outside cover to be brought in (especially as the team leader could step in where necessary). It should be noted, that this caseload can be built up gradually and monitored carefully, since it is likely that people will need very intensive support in the early weeks.

These roles should be well-paid if we are to recruit and retain the best people we would proposed the following salary levels, although this needs to allow for the salary setting process of whichever body employs the team.

Team Manager £38.5kpa (inclusive of on costs)
Housing Support Worker £28.5kpa (inclusive of on costs)
Excellent management and supervision will be essential in order to: understand and implement the Housing First ethos, vision and culture consistently; and manage performance and caseload effectively. To enable this, we have deliberately kept team sizes small, with each team leader line managing four paid members of staff.

4.6 Hours of operation

The team will need to operate a flexible rota, covering early evenings and weekends between them, as and when this is felt necessary to respond to tenants’ needs.

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

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

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

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

4.7 Access to housing

Efficient access to suitable housing is absolutely critical to the proposed model of a Housing First scheme.

There will still need to be relatively small scale emergency provision available to provide an immediate solution to homelessness for people who would require a Housing First response and those that just require quicker access into housing. We have factored this into the overall costs where we feel it replaces existing spend on temporary accommodation, meaning we have sought not to double count this as a saving from current spend if it requires additional investment.

Initial engagement with local Registered Providers and Landlords Associations suggests there is appetite amongst both social and private sector landlords to support the proposed Housing First model. However, local authorities and homelessness support providers have highlighted the challenges in acquiring properties for this client group in the current climate, given the combination of welfare reform, lack of affordable housing and challenges posed by the Devon Home Choice system (homeless people expressed some concerns over their ability to use the on-line system and to have the capacity to maintain their application).

Housing associations highlighted their need for reassurance in relation to the level, quality and ongoing nature of the support which tenants would receive. Associations specifically mentioned the need for responsive and personalised mental health support for tenants.

Learning from other Housing First projects suggests that finding housing can be extremely time-consuming for support workers and would be best done outside of (but in partnership with) the Housing First support team.

This is a further reason why we are proposing a Social Lettings Agency (SLA) model. We would recommend that a separate and more focused piece of work is undertaken to establish the detailed feasibility of establishing a Social Lettings Agency however we have considered how it could work below. We would also refer to Crisis’ guide to setting up a Social Lettings Agency to inform any progression of this idea.36

There does appear to be appetite from private landlords interested in a longer-term lease with guaranteed rental return and a management agreement. The previous Private Sector Leased scheme was commented on favourably by local authority officers and private landlords.

The SLA might also use its portfolio to attract social or private investment in order to buy some properties outright. Longer term leasing or outright ownership of properties should enable the SLA to offer greater security of tenure than the standard Assured Shorthold Tenancy and therefore address concerns that the private rented sector cannot meet Housing First principles.

The types of properties sourced – these could, for example, include flats, small family homes, multi-occupied properties, and properties currently rented by private landlords – the capacity to cross-subsidise by making a surplus on some market-rented properties will almost certainly be key to the business plan.

The groups of tenants it works with (as well as Housing First tenants, this should include all singles, couples and families who are (potentially) homeless; and possibly other groups, such as people with disabilities.

The range of packages it offers to landlords, which might include taking on a partial or full housing management role on behalf of the owners; furnishing and maintaining the property or even – in the case of empty or sub-standard properties – improving them. The approach to housing management undertaken by the SLA would be “sympathetic” – exercising a degree of tolerance and understanding of tenant needs beyond and above what would normally be found in the market, and working closely with either the Housing First service or other floating support services and community resources.

The issue of sub-standard private rented accommodation and empty properties was raised as a challenge and opportunity. An SLA could help meet objectives here by creating a practical offer to landlords with empty properties, who may well be asset ‘rich’ but cash poor and keen to hand properties over into management. Capital investment into properties in poor condition in exchange for nomination rights and reduced rents could also be of interest to these landlords.

By providing a viable alternative to tenants whose income levels determine they have to consider properties in poor condition the existing enforcement work undertaken by the council could be supplemented through this market stewardship approach. By reducing the number of tenants forced to accept this type of property will force poor landlords to up their game or come out of the market.

Housing associations (who may well be potential deliverers of a SLA) also expressed interest in providing properties for management under a SLA where they feel they might not have capacity or expertise to manage tenants with complex needs. As part of the Liverpool City Region we also recommended a SLA to create a more efficient means of allocation, however that was in a situation where in excess of 20 associations operated across the City Region. With the relatively smaller number in Torbay this may well not be necessary and individual arrangements could be made. This work would need to be progressed however there is certainly willing there from associations with stock locally.

Also and perhaps a longer term goal, renovating empty properties could also generate training and employment opportunities for homeless people.

### 4.8 Types of properties to be used for Housing First

The further benefits of a Social Lettings Agency would be to take properties into management from across the Bay area. Homeless people told us that it was important they could access homes which could create some distance from negative networks which has caused or perpetuated their homelessness.

Some people will also require accessible properties and adaptations can only realistically take place in properties owned by the local authority or housing associations. So it will be necessary that properties coming from the social sector are considered for their adaptation potential.

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

- Personal budgets: this approach has been used successfully by Camden Housing First and Local Solutions AIMS project in Liverpool, where clients have used flexible budgets to decorate their properties, buy televisions or black-out blinds;

We were informed about recent work with the Business Community in Torquay looking at the funding of home starter packs for people moving into their own home. This funding opportunity could be built upon to provide further help here whilst limiting dependence on the commissioning budget.

### 4.9 Mental health

Referring to the proposed staff structure above we will be proposing a dedicated mental health professional to work alongside the Housing First team.

In consultation with professionals and homeless people themselves there was a broad consensus that most mainstream services could be accessed by homeless people with a certain level of support and advocacy.

**We also found in consultation with those services that there is a willingness to consider redesigning services to be more flexible for people being supported under a Housing First project. It will be vital that these other services act on this initial willing and adopt Housing First principles in the way they work with homeless people. The application of rigid conditionality and a lack of person-centred approach by any element of the support being provided to someone eligible for the service will undermine anything else achieved.**

We will be proposing that the initial stage of implementation should be by a Housing First champion, recruited to take forward this proposal. This person will be tasked with disseminating the findings of this report but also instilling the culture change necessary to make it a success.

However, the one area where lack of capacity was identified was for mental health services. This should not suggest that existing provision is lacking in anyway in quality. The co-location of mental health professionals within the Housing Options services is quite unique amongst local authorities and should be built upon. However it was still felt that access to second tier mental health services operated too long a waiting list to be truly responsive to the windows of motivation and opportunity shown by homeless people seeking recovery.
Primarily the emotional support for this cohort should be provided by skilling up the Housing First team. In fact it would be of benefit sector wide to establish a wider training programme on Housing First principles and the feedback of people with lived experience gathered as part of this study. Although in order to provide additional capacity the service will receive second tier support from a dedicated (and possibly seconded) mental health specialist whose roles will include:

- organising or delivering ongoing learning and development to the Housing First service in relation to psychologically informed approaches and tools;
- supporting the team(s) to develop and implement psychologically-informed tools and strategies with individual tenants, mostly through second tier clinical supervision but with some direct assessment where this is felt to be necessary;
- providing regular team and individual clinical supervision and reflective practice; and
- building strong referral relationships, advising the service and assessing/advocating for tenants where there is or may be a need to access mainstream prescribing and/or secondary mental health services.

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

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

Again, whilst there is a clear will from mental health services to support ambitions to end homelessness the detail of this arrangement will need to be progressed if commissioners choose to progress this proposal. We will be factoring in the cost of this mental health provision as part of the overall cost of the model.

4.10 Drug and Alcohol Services

From our interviews with people with lived experience, we learned that people had a lot of positive comments to make about their relationship with their individual substance misuse workers. However, it was felt that the structure of the services offered didn’t always suit the needs of people experiencing multiple needs. For some of this cohort, their lives are so chaotic that they struggled to make regular appointments at Walnut Lodge and at Shrublands (where drug and alcohol services are based), which meant that they were too often struck off the service and so could be scripted for drug or alcohol use. This led to some disengaging with the service, preferring to use illicit drugs to support their habit, which only escalated the chaotic nature of their lives.

Also, the prevalence and affordability of the drug Spice in Torquay, in particular, was raised repeatedly as an issue for this cohort, which leads to further disengagement from services and has a negative impact on the town centre. This issue would need to be addressed both for the potential Housing First cohort and the wider street homeless community as part of any strategy to end rough sleeping. This is an extremely difficult challenge and it would be of benefit for Torbay to link up with other Housing First commissioners and practitioners (including in the Liverpool City Region) to share emerging best practice.

A more flexible, assertive outreach model to support Housing First tenants in supporting their drug and alcohol issues would work better for this cohort than a building based, appointment based service. This would be especially useful at the initial engagement of the potential Housing First client, whilst they are still living chaotically and in most need of flexible, person centred support. Over time, and once their life has become more settled, Housing First tenants should be able to access mainstream drug and alcohol services, as other groups do.

4.11 Peer support

We have detailed in previous chapters the role of peer support was consistently raised by people with lived experience of homelessness as something which would add value and credibility to any offer of support.

Therefore, we propose that positive action should be employed to encourage the recruitment of people with lived experience into paid Housing First support worker roles. This could be achieved through setting the focus of the support worker person specification criteria, with a focus on values, attitudes, behaviours and aptitudes, rather than on formal education or professional experience, for some of the posts. This approach has been put into practice by Turning Point’s Housing First Service in Glasgow. Lived experience should be valued within the selection process but it should not ‘trump’ the ability to work in accordance with the Housing First principles.

4.12 Asset-based community development

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

There is need to provide ongoing recovery and build on existing meaningful occupation services for people supported under both Housing First and housing-led approaches. Dispersed accommodation does offer significant benefits but could lead to social isolation.

Also, as came up repeatedly in interviews with people with lived experience, there is a great ambition to secure work and other meaningful activity.

Over time, the Housing First service’s ability to link people into alternative and mutually supporting communities and facilitate resettled homeless people to make a contribution will be a key success factor. Ideally, the Housing First
First team would connect with some form of asset-based community development. Local Area Coordination 37 or other Asset-based Community Development 38 is operating in some parts of the UK, working to connect individuals, not only to services, but also to each other via shared interests.

We found about the range of successful non-commissioned services in Torbay such as those provided at Endeavour House, Growing Lives, the Unleashed Theatre Group and TRIP providing meaningful occupation services which should be supported to provide ongoing support to Housing First clients.

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

If a more dispersed model of accommodation is created, then space currently used as accommodation would be freed up for other purposes. We heard support from commissioners and providers for the concept of a Recovery College where non-commissioned services, along with commissioned recovery services, such as drug and alcohol, employment, education and counselling services could make use of the space freed up to provide a range of recovery focused services. This could build on approaches already delivered by Crisis in our Skylight Centres 39 or St Mungo’s in their Recovery Colleges. 40

There is then potential to provide a mix of intensively supported emergency accommodation at a small scale plus recovery services (which are delivered during set times and inviting people to attend appointments) should decrease the amount of associated anti-social behaviour which supported accommodation working in excess of capacity will inevitably attract in its current form.

4.13 Referral routes and assessment

If Housing First is to function efficiently as part of a wider preventative strategy and housing-led response to homelessness, excellent triage by outreach and Housing Options teams will be vital, so that people are referred appropriately for a prevention or reconnection service, a housing-only response; a floating support intervention or a Housing First service.

Once referrals have been made, assessments should be undertaken by the Housing First service and retrospectively reviewed by a multi-agency panel so as to secure the commitment of a range of agencies to supporting this individual (and to the scheme as a whole). The existing multi-agency panel who meet weekly at Leonard Stocks could form the basis for this group.

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

Whilst getting people into independent tenancies as soon as possible should be the service’s aim, our interviews with Housing First projects in other areas and with homeless people themselves has shown the need for and importance of significant and high quality pre-tenancy engagement. To ensure continuity, the Housing First team should begin to work with someone as soon as they are referred, whether they are on the streets, in temporary accommodation, or in prison or another institution. That is why co-location with existing outreach services for all or part of the team or for all or part of the time should be created.

Through this pre-tenancy work the Housing First team can:

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

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

4.14 Sizing the cohort in Torbay for Housing First

There are three elements to this process:

1. Estimating the current unmet demand for Housing First based on an analysis of available data
2. Estimating the newly-arising demand for Housing First year on year
3. Estimating the number of units likely to be needed over 10 years – taking into account the likely length of service

Estimating the current unmet demand
An analysis of TESH data, information from supported accommodation commissioners and providers and Housing Options data was carried out as to ascertain the number of individuals who met the following criteria:

Criteria 1: People who have been identified as having complex needs (as in more than one identified support need) – we identified this by calculating the number of homeless people referred into supported accommodation and those identified through the TESH project as having complex needs.

AND

Criteria 2: People who had been homeless or within the homelessness system for 12 months or more.

This gave a figure of 35 people.

As one of the key criteria is also that the individual is motivated to accept the offer of Housing First it is reasonable to discount this number on the basis that say 10% of the individuals will not over a year ever get to a point where they would be able to accept an offer. This gives an estimate of the inherited potential cohort for Housing First of 31 people.

37 See http://sacnetwork.org for further details
39 https://www.crisis.org.uk/get-help/oxford/
40 https://www.mungos.org/our-services/recovery-college/
The model

### Housing First Feasibility Study Torbay

#### Estimating newly arising need
Based on the TESH data that 169 different people slept rough in Torbay in 2016/17 we used the connections week data on length of time on the street and complexity of needs to make an estimate that 23 people will be new to homelessness in Torbay next year and will meet the criteria set out above for need a Housing First intervention. This number will fall to 14 by year 5 (as other interventions become more effective and less people fall into the trap of long-term homelessness).

#### Estimating Cumulative Need
This needs to take into account not only the numbers of new Housing First arrangements coming on-stream, but also the number of arrangements that would cease to be active support cases:

This would include people who ceased to receive the service because they:

- withdrew from the Housing First service due to their unwillingness to continue with the arrangement OR
- no longer needed the support package offered because of changes in their circumstances / capacities

Initially the numbers required reflects the significant backlog of need of both people in the street and in supported accommodation. Over time this dissipates as the numbers of the initial clients dwindles, and we predict after year 6 of the programme the number of units required begins to reduce.

#### Sub-Groups

<table>
<thead>
<tr>
<th>Sub-Groups</th>
<th>Estimated % of customers</th>
<th>Average time</th>
</tr>
</thead>
<tbody>
<tr>
<td>People who withdraw from the Housing First service due to their inability / unwillingness to continue with the arrangement</td>
<td>20%</td>
<td>9 months</td>
</tr>
<tr>
<td>People who no longer need the support package offered because of changes in their circumstances</td>
<td>20%</td>
<td>2 years</td>
</tr>
<tr>
<td>People who die or whose health deteriorates to the point where they have to move to an enhanced care facility</td>
<td>10%</td>
<td>3 years</td>
</tr>
<tr>
<td>People who continue to need the support offered</td>
<td>50%</td>
<td>10 years</td>
</tr>
</tbody>
</table>

#### Cost assumptions associated with proposed Housing First model

**4.15 The cost of the proposed Housing First model**

The costs associated with implementing and the establishing Housing First in Torbay are based on the proposed model that has been developed through the consultation, as set out above. The key elements of the proposed model that need to be considered in terms of ‘costing’ are:

The ‘core’ components:

- the ‘core’ Housing First staffing team, i.e. the support service, including an allowance for the organisational overhead to support this core team
- a Social lettings agency (SLA) to deliver access to the housing required for Housing First to operate and potentially the management of such housing (although it is assumed that a SLA will be of use to a wider cohort than those people supported by Housing First).

These costs are used to build a projected overall cost for the proposed Housing First model based on the operating model of 20 clients per core staff team. This is summarised in the table below.

#### Model component

<table>
<thead>
<tr>
<th>Cost assumptions</th>
<th>Projected cost per 20 Housing First clients (per annum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The ‘core’ Housing First staffing team</td>
<td>£28,500 x 4 = £114,000</td>
</tr>
<tr>
<td>Team Leader role</td>
<td>£38,500 x 4 = £154,000</td>
</tr>
<tr>
<td>£28,500 p/a</td>
<td>£114,000</td>
</tr>
<tr>
<td>Total including 15% overheads for office space / IT etc = £175,375</td>
<td></td>
</tr>
<tr>
<td>A social lettings agency</td>
<td>£750/52 weeks = £14.24 per unit per week</td>
</tr>
<tr>
<td>Access to 24/7 on call system</td>
<td>£5 x 20 units x 52 weeks = £5,200 p/a</td>
</tr>
<tr>
<td>£14.24 x 20 units x 52 weeks = £14,997 p/a</td>
<td></td>
</tr>
<tr>
<td>2nd tier mental health support</td>
<td>£40k p/a @ 0.5 FTE (operating across 2 Housing First teams)</td>
</tr>
<tr>
<td>Wellbeing support and work/learning coaching</td>
<td>£30k p/a @ 0.3 FTE</td>
</tr>
<tr>
<td>Total</td>
<td>£219,203 p/a</td>
</tr>
</tbody>
</table>

This is in addition to an assumed rental income based on 1 bedroom LHA rate of £10,960 per person per year.
The cost assumptions shown in table 4.1 indicate that for the proposed Housing First operating model, based on a ‘building block’ metric of twenty clients, the projected annual cost is £228,203. This equates to a cost per client per annum of £10,960.

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

Equally, the cost of the Social Lettings Agency may well be revised down given the potential to recoup cost through capital investment and rental income.

Additional costs of emergency accommodation and services for people who require housing-led solutions will also need to be factored into the final calculations of cost which we set out in the next chapter.

Chapter 5: Financial and Commissioning Implications

This chapter sets out how we see the approach we have proposed being commissioned and implemented.

5.1. Housing First: Commissioning approach

What needs to be commissioned?
We have identified what will need to be commissioned to establish the proposed Housing First model, and the potential commissioning arrangements required to implement this model in Torbay. This is based on work with a wide range of stakeholders to develop the proposed Housing First operating model and the likely size and nature of the potential cohort intended to benefit from Housing First.

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

• a comprehensive approach to homelessness prevention by local authorities with their partners
• the adoption of a housing-led approach, i.e. seeking to make available housing with support to people who are homeless or at risk of homelessness
• Housing First as a discrete but integrated component of this housing-led approach
• a reduction in the provision of 24/7 hostel type supported housing for homeless people with a residual provision of this type of supported housing as the service model for people for whom none of the other options suit their needs
• some retained emergency access housing without 24/7 cover.
Evidence from other Housing First services and studies

Existing research has shown that Housing First pilots in the UK can be vulnerable to insecure funding streams when they are run as experiments, rather than as an integral part of a coordinated homelessness strategy. To secure funding, Housing First must be making a clear contribution to tackling long-term and recurrent homelessness, facilitating savings in existing hostel and temporary supported housing provision which can be redeployed to support increased preventative activity and to support Housing First itself.41

Given that the most immediate savings are accrued by the local authority it is assumed that the local authorities will be the ‘lead’ commissioners of the proposed Housing First model, but given both the potential for wider savings and the need for multi-agency approach it this will be done in close partnership with criminal justice and other partners. Torbay is in a better position to achieve this than many authorities given the integrated approach to health and social care.

Commissioning for a culture change

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

We have seen in chapters 3 and 4 that Housing First proposes a very different way of working with people: a rights-based, non-judgemental, strengths-based approach that emphasises citizenship and builds resilience. In order to commission this very different approach, it will be necessary to:

- work in partnership and through dialogue with providers and people with lived experience to develop the specifications for these services – the value of hearing the perspectives of frontline workers, people with lived experience (at different stages of their homelessness journeys) and a range of professionals has been a key process finding from this study;
- include the input of people with lived experience, which will be essential in ensuring any commissioned service does meet the needs of homeless people. Co-production of service specifications should be the aim and the work of the Manchester Homelessness Charter would be helpful to inform this;42
- train staff at all levels and in all frontline services who work with homeless people to work in a strengths-based way, and recruit and develop them on the basis of their ability to work in this way,
- operate in a way which does not seek an enforcement approach to addressing homelessness and nor in way where restricting access to services is used to discourage people seeking help.
- take a flexible approach to contract monitoring: both the commissioner and the provider of the LB Camden Housing First service spoke about the importance of building a close and trusting relationship between commissioners and providers, in order to move away a focus on solely monitoring outputs. Also to trust the provider to make decision on who accesses the service and for how long.
- ensure commissioning provides commitments in the long term commissioning needs to provide commitments in the long term. In the current Local Government funding environment, this can be extremely difficult but is vital to ensure the project can delivered with fidelity to the model.
- set out clear shared values at the outset and ensure there is proper multi-agency governance around these.

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

Potential for cashable savings

To project the likely costs of implementing the proposed model it is necessary to make use of the estimated demand within Torbay that could be met by Housing First alongside the predicted costs of the model in practice.

Projected future demand is covered in detail in Chapter 4 so only the relevant elements for costing the model are shown here. (Chapter 4 identifies the estimated demand for Housing First across Torbay in terms of the number of service users over the period 2018 – 2023). This is based on:

- the overall aim of this study should be to end street homelessness in Torbay and not just replace current provision. If this is accepted, then it will take up to 4 years for a Housing First response to be scaled up to meet projected demand;
- there will be year-on-year increases in the capacity of Housing First over the first 5 years.

In practice, however it is important to note that the length of time taken to implement Housing First to match projected demand will be influenced by the degree of effectiveness of the Housing First model, the pace at which commissioners wish to implement a Housing First model and the resources that are available to fund this approach.

The table over illustrates the cost implications of seeking to meet the projected demand for Housing First to end street homelessness in Torbay, based on a phased implementation over 5 years and using the estimated cost of the proposed Housing First model per client per annum.

Assumptions also need to be made about the implementation and take-up of Housing First in practice, particularly during the earlier phases of implementation.

For the purposes of costing the model over the period 2018 – 2026 it has been assumed, based on discussion with local stakeholders, that:

- there will be year-on-year increases in the capacity of Housing First over the first 5 years.

42 https://charter.streetupport.net/
Cost implications of meeting estimated demand for Housing First in Torbay over 8 years (assuming start in 2018)

<table>
<thead>
<tr>
<th>Year</th>
<th>Projected demand for Housing First (no of service users)</th>
<th>Projected build-up of Housing First capacity (no of service users)</th>
<th>Projected cost of Housing First per annum (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>54</td>
<td>20</td>
<td>0.22</td>
</tr>
<tr>
<td>2</td>
<td>63</td>
<td>40</td>
<td>0.44</td>
</tr>
<tr>
<td>3</td>
<td>75</td>
<td>60</td>
<td>0.66</td>
</tr>
<tr>
<td>4</td>
<td>84</td>
<td>80</td>
<td>0.88</td>
</tr>
<tr>
<td>5</td>
<td>91</td>
<td>91</td>
<td>1.00</td>
</tr>
<tr>
<td>6</td>
<td>92</td>
<td>92</td>
<td>1.01</td>
</tr>
<tr>
<td>7</td>
<td>90</td>
<td>90</td>
<td>0.99</td>
</tr>
<tr>
<td>8</td>
<td>85</td>
<td>85</td>
<td>0.93</td>
</tr>
</tbody>
</table>

Note: no allowance for cost inflation is built into the projected costs.

This indicates that the operational running cost in year 1 (2018/19) would be £220k. This does not include any implementation costs which we consider in section 5.5 below. The cost would then rise proportionately as modelled until supply and demand are in equilibrium by year 6, when the peak annualised running cost is projected to be £1.01m.

From this point the projected cost fluctuates reflecting changes in estimated demand. However, in reality service costs do not typically fluctuate in this way as the actual cost is based on the metric of 20 service users of Housing First (per core staff team) so any increase/decrease in scale and costs will tend to reflect changes based on the reduction of overall team numbers rather than individual service users.

To test whether the modelled reconfiguration of all services in support of the wider system change is affordable and will sustain this additional expenditure on Housing First we have to assume a benchmark cost for each of the service options identified in the explanation of the housing-led strategy in Chapter 3. The following is a proposed set of assumptions based on current spend on those types.

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Benchmark Cost (£ per unit per annum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing First</td>
<td>£10,960</td>
</tr>
<tr>
<td>Emergency &amp; Specialist Congregate Housing – 24 Hour Cover</td>
<td>£17,986</td>
</tr>
<tr>
<td>Emergency &amp; Specialist Congregate Housing – Other</td>
<td>£7,394</td>
</tr>
<tr>
<td>Non supported Temporary Accommodation</td>
<td>£969</td>
</tr>
</tbody>
</table>

How we arrived at the figure for Housing First is explained in Chapter 4.

The figures for Emergency & Specialist Congregate Housing are based on the current supported accommodation commissioning cost for Leonard Stocks. This includes both the support funding currently paid by the local authority and the excess in rental income over the LHA level (based on 1 bedroom rate as of April 2018 - £96.92 per week). We have removed the 1 bedroom rate of LHA as we have for Housing First to provide an accurate comparison.

The figures for Emergency & Specialist Congregate Housing – other are derived from information provided by another Torbay temporary accommodation provider and is based on emergency housing used between April 17 and February 18 which provides ‘office-hours’ support. Again, the rent income over the LHA level is considered to make comparison consistent.

The figure for housing-led provision is based on a current estimated spend in non-contracted temporary accommodation, typically Bed and Breakfast. The figure is based on an estimated £30 a night B&B cost, an average stay of 9 weeks (derived from the data provided by the Housing Options service between April 17 and February 18) again just considers rental cost about the 1 bedroom LHA rate.

For estimating future cost the model uses the following assumptions (in addition to the ones concerning the effectiveness of Housing First set out above at 4.13).

- 20% of people in need of some short-term temporary accommodation will need low support accommodation.
- Year on year a reduction of 30% of people currently in non-supported temporary accommodation can be achieved with increased prevention work and successful implementation of the Homelessness Reduction Act. Additional demand for housing-led solutions could also be met through the development of the Social Lettings Agency where if accommodation can be provided at Local Housing Allowance rates and remain a viable proposition this should then be cost neutral.

The remaining need for other forms of provision in 2024/25 according to this model and in comparison to current levels of provision (is set out below and over the page).

The figures for 2023/24 include the smaller scale emergency accommodation provision needed to support the Housing First model.

Using the benchmarks to translate this into total costs we get the following results.

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Current Level</th>
<th>Calculated Need for 2023/24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing First</td>
<td>0</td>
<td>91</td>
</tr>
<tr>
<td>Emergency &amp; Specialist Housing – 24 Hour Cover</td>
<td>31</td>
<td>10</td>
</tr>
<tr>
<td>Emergency &amp; Specialist Housing – Other</td>
<td>47</td>
<td>9</td>
</tr>
<tr>
<td>Non Supported Temporary Accommodation</td>
<td>186</td>
<td>19</td>
</tr>
</tbody>
</table>
Overall this would indicate that with all these assumptions a Housing First/housing-led system would be more expensive however current provision is not catering for the current street population (estimated as 169 people through the TESH project across 2017/18) whereas this new system would.

In addition with the adoption of this model we are predicting a decrease in costs after 5 years whereas continuing to spend at current levels is likely to continue to rise year on year.

If we were to simply look to replace current provision for people with complex through Housing First the costs would be the following (£930,000 per year).

This would result in savings but would miss the opportunity to address and conceivably end functional homelessness in Torbay. Given that the model does indicate overall need for the service will go down if wider system change is achieved then we would suggest a strong spend to save argument is made.

It is however significantly dependent on being able to successfully scale up the prevention and tenancy sustainment activity of the Housing Options and floating support services.

Without the capacity to do that the whole strategy is likely to unravel. This will obviously, itself require additional resource, which is more difficult to estimate, but with the increased investment and statutory duties accompanying the Homelessness Reduction Act and the opportunities created by the Homelessness Flexible Support Fund to invest to save this should be achievable.

This modelling does assume that money that is currently paid to supported housing schemes through Housing Benefit above the one bed LHA rate will be recycled to local authorities through some version of the supported housing funding reforms. It is important for the viability of this approach that this funding is made available to the local authority in the long term.

5.3 Cost evidence from other Housing First services

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

Taking the mid-range of Housing First costs (i.e. £34 an hour at 2014/15 prices, at three hours contact per week over one year) and comparing this with the actual running costs of low intensity, medium intensity and high intensity (24 hour cover) supported housing, there were indications that Housing First was likely to have similar or lower operating costs. Specifically, this meant that the support costs of providing Housing First were likely to be less than the support costs of more intensive congregate and communal supported housing (e.g. homeless hostels with 24 hour cover), similar to those for medium level supported housing, but more than those of low intensity (i.e. little more than food, a bed and minimal staff cover) supported housing, which is not strictly comparable with a relatively intensive service like Housing First (see Graphic below). Housing costs were not included in this analysis, it should be noted that rents in supported housing may be higher than for one-bedroomed self-contained accommodation in the social rented and private rented sectors.

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Current Estimated Costs (£m)</th>
<th>Projected Cost in 5 years if this proposal is adopted (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing First</td>
<td>N/A</td>
<td>1.00</td>
</tr>
<tr>
<td>Emergency &amp; Specialist Housing – 24 Hour Cover</td>
<td>0.56</td>
<td>0.18</td>
</tr>
<tr>
<td>Emergency &amp; Specialist Housing – Other</td>
<td>0.35</td>
<td>0.08</td>
</tr>
<tr>
<td>Non Supported Temporary Accommodation</td>
<td>0.18</td>
<td>0.01</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1.09</strong></td>
<td><strong>1.27</strong></td>
</tr>
</tbody>
</table>
Potential for efficiencies: Value for money analysis

This section is adapted from the Liverpool City Region Feasibility Study43

There are 2 main types of analyses that demonstrate the value for money that can be generated by a particular form of service intervention. These are:

- cost effectiveness analysis
- cost benefit analysis

A cost-effectiveness analysis looks to calculate the cost of achieving a certain specified outcome e.g. effectively breaking the cycle of homelessness. It returns the cost per successful outcome. It is really intended to compare different ways of approaching the same objective and thereby comparing the value for money of two (or more) different interventions aiming to achieve this. The output is a relative cost per successful outcome – it does not take into account any potential savings generated elsewhere by the intervention – although these can be alluded to. It is importantly the case that the intervention that is most successful in achieving the desired objective may not be the most cost effective if it is the most expensive e.g. if it is twice as effective in achieving the objective but three times as expensive per head it will be seen to be less cost effective.

A cost benefit analysis involves an attempt to compare the costs of the new service intervention to the costs of carrying on with the “business as usual” alternatives. And then comparing this to the value of the benefits achieved or the dis-benefits avoided to the extent to which these can be monetised. These benefits, and thereby the potential savings, can accrue to a range of agencies or in some models to the individuals – and will probably not all accrue to the agencies shouldering the cost of the intervention. This potentially undermines the impact of the analysis. There is also the question as to whether the savings are “cashable” – will it actually result in other budgets actually being reduced or not increasing as much as they would otherwise do. The number of individuals involved generally have to be pretty significant in order for this to be the case – unless the costs being saved are something like benefit savings where there is a direct relationship between the individual and the money expended.

Most research on the costs of homelessness indicate that the main savings involved in reducing homelessness are generally from the homelessness services themselves e.g. recent research44 found that the cost of homelessness service itself constituted 43% of the total costs identified for the 86 homeless people interviewed for the study.

A cost-benefit analysis would want to look at the wide range of cost implications, but the research would suggest in the short or medium term some of these would increase as a result of Housing First achieving its secondary objectives of helping people engage with services more effectively, and in particular address their serious health problems more effectively. In the short to medium-term, use of mental health and other planned health / social care services are bound to increase if Housing First works as it should. Treatment costs and engagement with substance misuse services will also probably increase in short term but then reduce.

Some other costs such as the use of emergency services (A&E, ambulance service, etc.) and criminal justice costs resulting from offences committed should, based on other research reduce in short-term as well as long-term.

The biggest costs long term that impact on the cost benefit calculation in relation to the public purse are time spent in psychiatric inpatient care or in custody. Other research would suggest that Housing First is more likely to impact on the latter than the former – but again these are unlikely to be cashable savings.

Generally, the evaluations done on Housing First in the UK and elsewhere to date have shown a significant success rate in helping people maintain a tenancy, but have been more mixed in terms of other outcomes. But then as already stated, it is important to remember that the principal objective of a Housing First programme is ending long-term homelessness, and tenancy sustainment is the principal indicator against which the effectiveness of the programme should be judged.

For these reasons in this instance the best way to demonstrate the value for money provided by investment in Housing First is to undertake a cost effectiveness exercise, rather than a cost benefit exercise as such. This involves calculating the cost per successful outcome and comparing it to the cost per successful outcome of the current set of homelessness services.

One of the key issues that must be resolved is over what time frame the cost effectiveness is assessed. Housing First can be a long-term service as it is intended to be open-ended, but for all kinds of practical reasons it will tend to taper away over time. At the same time, as the principal objective is the ending of long-term homelessness as measured by the successful sustainment of a tenancy, this never involves an absolute outcome for the individual – the tenancy clearly could be sustained for 10 years and then break down the next day. For pragmatic purposes, however, effectiveness can only be judged by taking a fixed point in terms of elapsed time from the tenancy start date and recording whether it is still in place at that point.

For the illustrative exercise we have undertaken we have taken this fixed point to be after 2 years and therefore we have looked at the likely cost of the intervention over 2 years and similarly the likely cost of the alternative pattern of services over the same period, and assessed the chances that at the end of this period the individuals will be in their own settled housing.

This is mostly because the evidence of the effectiveness of Housing First from evaluations undertaken in the UK and elsewhere has generally been over an equivalent time period.

It could be said that this may skew the results as Housing First is a long-term service that in most cases is likely to go on consuming costs well beyond 2 years, and that this calculation will therefore make the cost per successful outcome in effect much lower than it actually will be. However the evidence suggests that the long-term homeless people that Housing First is aiming at tend to spend a very long time in the system using the gamut of current homelessness services on a cyclical basis. The Place and Culhane work already quoted found for example that people had spent an average of over 4 years as homeless and in receipt of services (not continually however). Cost effectiveness is intended to show the relative value for money of interventions so in this instance a 2 year timeframe does not feel too unrealistic.

There are therefore 4 basic elements to the cost effectiveness calculation:

- The proportion of people receiving the intervention who will achieve the specified outcome.
- The proportion of people receiving the comparator intervention who will achieve the specified outcome.
- The cost of the intervention being evaluated.
- The cost of the comparator intervention.

We look at each of these in turn. The calculation is based on a notional scenario of 40 clients receiving Housing First and 40 continuing to receive services as of now.

Achieving the specified outcome with Housing First

Various Housing First evaluations have indicated that between 70% and 90% of clients placed in housing were still in settled housing at the end of the evaluation period, with a tendency to be at the higher end of this scale. For this exercise we therefore take a conservative assumption and assume that out of 40 Housing First clients 32 were still in settled housing at the end of 2 years.

Achieving the specified outcome with existing homelessness services

Using the analysis of data available to us in Torbay we found that repeat approaches to Leonard Stocks hostel were 45 out of 93 placements in the 12 months 2017/18.

We would therefore assume a success rate of around 50% for people entering the hostel and then remaining in settled housing 2 years later.

So for this exercise we will assume 20 of the 40 hostel residents are still in settled housing at the end of 2 years.

Cost of Housing First

The calculated cost of Housing First, including the estimated subsidy to a Social Lettings Agency, is £10,960 per year. However, the overall costs of those who do not succeed in meeting the outcome also need to be taken into account as costs of the intervention. Therefore, by definition this is not for the full 2 years. Elsewhere we have estimated that initial failures to maintain settled housing may take place on average after 9 months, so we also assume this here and therefore for each of the clients who do not meet the outcome the assumed costs are £10,960 x 0.75 = £8,220 x 8 = £65,760.

Therefore for the purposes of this exercise we therefore assume that the 32 clients who are sustained successfully for the full 24 months will cost £10,960 x 2 = £21,920.

So, adding the 2 figures together we can suggest that the overall cost of Housing First for 2 years for 40 people (32 of those achieving a successful outcome) = £767,200.

Costs of Existing Homelessness Services

This is complicated by the reality of service usage. Almost by definition the cohort that Housing First is aimed at dip in and out of services – sometimes living in hostels, sometimes living on the streets or in other temporary settings, while using outreach or day centre-type services on a sporadic basis. The research by Pleace and Culhane, based on interviews with 86 homeless people, made an attempt to track this based on analysis of the services that this sample of 86 had consumed over a 90 day period. This was then grossed up to produce an annual cost of £14,408 per person, this is assumed to be someone who is on and off the streets.

This is potentially misleading because in that research the hostel element of the costs included the full rental payment and most Housing First clients will be equally dependent on benefits to meet their rental payments (up to the LHA level). In order, therefore to ensure that we can discount this element of the rental from both sides of the equation we have therefore deducted the L1 bedroom LHA rate of £96 per week for the estimated 60% of users in the Pleace and Culhane study who made use of a hostel during the set period. This reduces the estimated annual cost by £2,808, producing a total of £11,600. This will amount to £23,200 over 2 years. Given the average cost per year for a residents of Leonard Stocks is £17,986 per year this lower figure seems justified given a proportion of existing clients will be on the street and not incurring any direct cost, (albeit, based on the complexity of the needs we have identified through this study, homeless people in Torbay will be incurring indirect costs to health, criminal justice and drug and alcohol services).

Putting these assumptions together we produce the following results:

In cost effectiveness terms Housing First is shown to be 1.9 times as cost effective as existing service provision, as well as being 1.6 times as effective in achieving the desired results.

This is a closer figure than the one we calculated for the Liverpool City Region but that is attributable to the higher success rate of the homelessness system in Torbay (50% successful move on as opposed to 15% in the Liverpool City Region)

However, this complements the conclusions reached in the previous section on financial modelling – a housing-led strategy built around Housing First can achieve savings per successful outcome and be better in terms of effectiveness and cost-effectiveness than the current system. However, if the ambition is to be realised to end rough sleeping in Torbay additional resource will need to be invested in order to increase capacity but doing this through a Housing First and housing-led approach would be significantly more cost effective than expanding provision in its current form.
What will it cost?

Housing First Feasibility Study Torbay

This only assume direct cost savings and it is entirely justified to conclude that a system that is more effective at ending homelessness therefore potentially avoids a number of other costs, some of which may involve cashable savings. It will be important that if this proposal is taken forward work is done to evaluate the local savings derived through better intervention in homelessness in order to make the case to a wider set of commissioners that this work should be supported.

5.4. Housing First Implementation: Potential transitional and phasing arrangements

Commissioning Proposal

Given that this would be a new approach and requires such wide scale culture change for commissioners and providers, we believe that a competitive dialogue process should be considered. We believe that this would provide the most effective vehicle for commissioners to ensure that the Housing First project provides the essential specialist elements that make it different from other support models.

The competitive dialogue commissioning process will allow, after an initial pre-qualification process, a dialogue process with shortlisted candidates about any aspect of the model so that appropriate solutions can be developed. This will both ensure that the commissioners can affect the final model but also provides an opportunity for potential providers to develop their approach and practice to fit within the principles of Housing First. The commissioners can continue this dialogue until one or more solutions can be identified.

A competitive dialogue process was used as part of the London Homelessness Social Impact Bond (SIB) launched in 2012. This was a 3 year programme working with over 800 entrenched rough sleepers across London, whose needs were not being met by the current system and was an attempt to bring new finance and new ways of working to improve outcomes for this group.

How the SIB was commissioned:

A formal, open, service provider seminar was held in March 2012 to begin the procurement process, with around 50 organisations in attendance.

A ‘Competitive Dialogue’ process then followed. EU regulations permit the use of a competitive dialogue procedure whereby, following an initial tender submission, the commissioner can enter into separate and confidential discussions with shortlisted providers. The use of the procedure for a service intervention of this type was new, but was seen to be important because it enabled a dialogue with providers about the complex issues in the SIB design. It was intended to ensure that viable, high quality tenders were developed, with attention focused on a shortlist with the capacity and capability to deliver the contract and achieve the expected outcomes.

Following the seminar in March 2012, a ‘Selection for Dialogue Questionnaire’ (SDQ) was issued. This invited outline proposals of the delivery model – an initial ‘service solution’ – alongside information commonly used in a Pre-Qualification Questionnaire (PQQ) to select appropriate organisations to receive the full tender.

Five shortlisted providers were engaged in the competitive dialogue. A panel from the Greater London Authority (GLA) and the (then) DCLG met with them to ask questions about the proposed approach and to answer questions about what was required. Subsequent competitive dialogue meetings were held after two and then four weeks, to further develop both the providers’ intended models and discuss the final procurement requirements. These later meetings also explored the progress with securing social investment and the financial models providers were intending.

The original timetable was amended slightly to allow more time for development between dialogue meetings. The process produced refinements rather than substantial changes, but those involved agreed that it enabled both commissioners and providers to develop confidence: for commissioners, that high quality tenders would be submitted, that this was a technical, marked assessment (the amount paid per outcome). This provided by GLA, designed by Social Finance and building on one from the competitive dialogue. It provided a format for modelling the achievement of outcomes over time, the targets (ambition) set by the provider and the discounts on the maximum outcome tariffs set. It also required a summary of how the SIB would be financed and investments repaid.

5.5 Implementation of Housing First in Torbay – a 3-year proposal

This is intended as a suggested preliminary implementation and costing plan.

Phase 1 (Initial 6 months)

Actions needed:

• establish a strategic advisory board with representatives from the local authority, health, criminal justice, and housing associations. Also, key to seek voluntary sector involvement throughout this process the role of street services provided the best opportunity to hear and discuss the views of homeless people themselves;

• to set-up a co-ordination body to oversee the establishment of 2 operational project boards for both the Social Lettings Agency and the support teams;

• the co-ordination body would also hold responsibility for promoting the findings of the study and providing training on Housing First principles and methodology across Torbay
What will it cost?

Housing First Feasibility Study Torbay

- set up Lived Experience Advisory Board, where possible of people with previous and current experience of homelessness in Torbay. We feel it is very to build on the interest and enthusiasm people with lived experience have shown this study.
- appoint a project lead to make proposals on the detailed implementation of the Social Lettings Agency to identify potential host organisation or to set up new entity to identify potential host organisation or to set up new entity (maybe possible to base this within Torbay Development Agency to realise wider potential of a SLA).
- appoint a project lead to make proposals on the detailed implementation of the support service. Establish protocols and pathways with statutory and voluntary agencies.

<table>
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<tr>
<th>Resource Needed</th>
<th>Timescale</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full time implementation Co-ordination Role</td>
<td>2 years (after which could be mainstreamed into commissioning team)</td>
<td>£110k (£45k pa post plus on costs)</td>
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<tr>
<td>Full time project Lead for implementing Social Lettings Agency</td>
<td>2 years (unless picked up under TDA work)</td>
<td>£80k (£35k pa post plus on costs)</td>
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<tr>
<td>Shared IT system implementation</td>
<td>One Off</td>
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<tr>
<td>Training / Awareness Raising events</td>
<td>Over 2 years</td>
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<tr>
<td><strong>Total</strong></td>
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<td><strong>£190k</strong></td>
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<tr>
<th>Resource Needed</th>
<th>Timescale</th>
<th>Estimated Cost</th>
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<tbody>
<tr>
<td>Estimated cost for provision of Social Lettings Agency and Support service for 40 clients (40 x 12,733)</td>
<td>Over 2 years</td>
<td>£328,800 (based on £10,960 per person per year x 30 to allow for fact not all 40 will be in service for full 2 years)</td>
</tr>
<tr>
<td><strong>Total (including Phase 1)</strong></td>
<td></td>
<td><strong>£518,800</strong></td>
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**Phase 2 (years 1-2):**
Initial intensive focus on those regularly sleeping on the street and those that struggle most to retain supported accommodation.

**Actions needed:**
- Establish Social Lettings Agency service to point where up to 75 properties can be taken into management in first 2 years.
- Establish Support Service teams to point where 40 individuals can be supported within 2 years (based on recommended caseloads in the Feasibility study (max 20 per team) this would require 2 teams. (40 individuals to be supported by end of year 2).
- Secure commitment from mental health Commissioners to contribute sufficient mental health expertise to meet need across 2 support teams within 2 years and with ongoing commitment to scaling up.
- Integrate Housing First approach with existing outreach services and housing options teams through co-location, training and encouraging Housing First approach to be written into new commissioning strategies.
- Explore how Housing First principles and approach can be adopted more widely across homelessness services, especially for young people and domestic abuse survivors.

These effectively represent double running costs whilst existing supported housing provision remains unchanged.

**Phase 3 (Year 3 and beyond):**
Given that we have identified an annual cost per person of £17,986 for existing 24-hour emergency or specialist services there is now the potential to return savings through decommissioning of existing services.

At this point if we assume that 50% of the individuals supported by Housing First are from this type of provision (or at least would have been if they hadn’t been helped by Housing First) then there is the potential to redirect £359,720 (20 people) of savings to support the cost of Housing First in years 1 and 2.

We have not assumed any savings from decommissioning in years 1 and 2 because practically decommissioning will depend on obligations and commitments which potentially restrict the use of existing services and how flexibly these might be addressed. However, if services units can be decommissioned as they are freed up after year 2 (and there would be 2 years of double funding to prepare for this point) it is reasonable to assume a direct contribution from decommissioned services into new services from that point.

It would be possible to achieve quicker savings by targeting Housing First at people currently using services, however we should be mindful that Housing First works best for those who choose it and that we should not miss the opportunity to address street homelessness, even though no direct cost is accrued. Therefore, we have assumed the 50% as the best way of striking that balance.

Over 5 years this would look as follows (considering all aspects of the system which would require funding including emergency accommodation).

The table above assumes all clients will be in accommodation from the start of the year for full 12 months whereas people will enter accommodation at different points in the year, with this amount being the maximum spend needed at year end but not an amount which needs to be paid out consistently throughout the whole year. As stated above we would expect the actual cost to be lower than this and based at the end of each year we assume that 75% of this maximal cost is more realistic as people enter the new system at different points.
We would also assume that full time implementation roles in years 1 and 2 would not be required and any remaining work be subsumed into existing structures. However, it is essential that the principles of Housing First continued to be championed across all relevant services and therefore it will be essential that fidelity of the model is checked and challenged where necessary. It may well be possible to consider this as a sub-regional role if others in Devon adopt the approach.

We have proposed staggering the adoption of Housing First to be realistic over availability of housing supply, to acknowledge the challenges of scaling up support services that quickly and also to spread costs over a longer period. Should funding opportunities present themselves to scale up more quickly then savings could be realised more quickly.

**Overall Funding Requirement**

**Year 1 & 2**
- Implementation Costs £190,000
- Running Costs (Double Funding) £328,800

**Year 3**
- Additional money needed above current budget (after factoring in money saved through decommissioning) £90,000

**Year 4**
- Additional money needed above current budget (after factoring in money saved through decommissioning) £130,000

**Year 5**
- Additional money needed above current budget (after factoring in money saved through decommissioning) £180,000

Total additional funding required over 5 years (above current spend on homelessness) = £918,800

We proposed this is required to reach a point where homelessness levels would plateau and then start to decline and therefore the budget would decrease year on year after this point. By year 9 budget spend would then be lower than current spend on homelessness but there would then be sufficient provision for no-one to be without the offer of a home and support in Torbay.
Crisis is the national charity for homeless people. We are committed to ending homelessness. Everyday we see the devastating impact homelessness has on people’s lives. Every year we work side by side with thousands of people, to help them rebuild their lives and leave homelessness behind for good.

Through our pioneering research into the causes and consequences of homelessness and the solutions to it, we know what it will take to end it.

Together with others who share our resolve, we bring our knowledge, experience and determination to campaign for the changes that will solve the homelessness crisis once and for all.

We know that homelessness is not inevitable. We know that together we can end it.