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A traumatized system

Homelessness Service Commissioning in England

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English homelessness services

Commissioning

- English homelessness services tend to be provided by charities and voluntary sector organisations (NGOs)
- Most of these services are paid for by elected local authorities with responsibility for local homelessness strategies
- Homelessness service providers compete for funding
- Details vary between areas

Most homelessness services are commissioned

From NGOs by Elected Local Governments

History

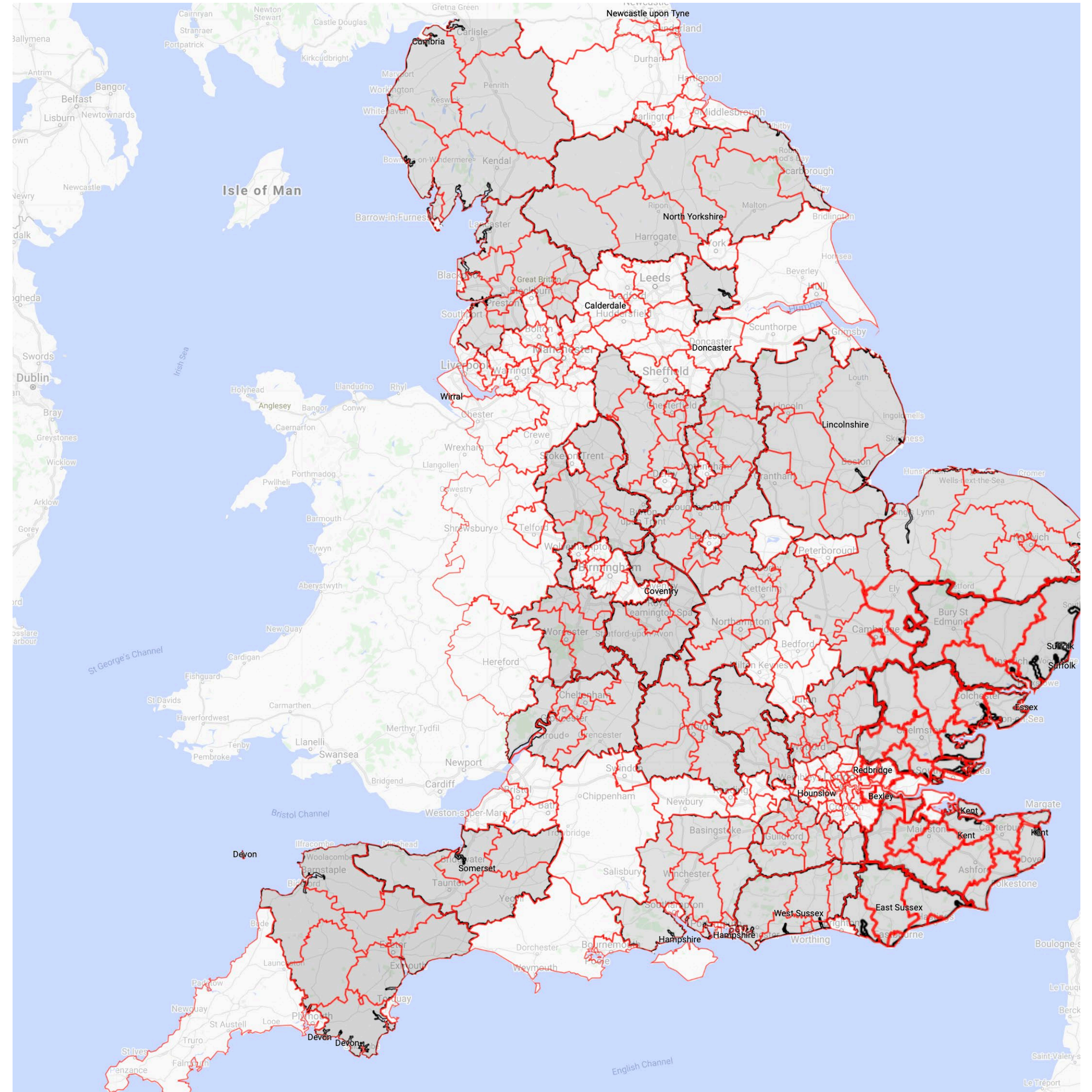
From national to local control

- Funding used to be organized nationally, through direct grant to homelessness service providers and enhanced rent payments through the welfare system
- Decentralised to local authorities, with a reduction in overall expenditure and local discretion about what to fund
- Initially subject to guidance and control, the Supporting People strategy
- But dedicated funding and guidance and control ceased in 2010 in a process of localism

Big differences in homelessness services exist between different areas of England

Localism and homelessness commissioning

**There is a lot of
local government
in England**



History

Spending cuts

- Dedicated funding from central government ceased
- Some local authorities cut budgets
- Big cuts were imposed on local authorities by central government
- Most local government money comes from central, not local taxation
- (Thunder and Rose, 2019) estimates 2017/18, nearly £1 billion less was spent on single homelessness than was spent in 2008/9 – a fall of more than 50%

**50%+ spending cut on
homelessness services
in England since 2008/9**

€1.17 billion less being spent

History

Increased spending on people sleeping rough

- *Research has fairly convincingly shown that in the Global North, the population of those with a long term experience of homelessness who oscillate between the street and temporary shelters accounts for roughly 10 per cent of those who experience homelessness over time (O'Sullivan, 2020)*
- English *central* government - Number 10 - focuses higher spending on people sleeping rough, particularly targeting 'entrenched rough sleepers'
- Tries to 'hide' the 95,450 statutorily households in temporary accommodation, containing 119,830 children (March 2021)
- By focusing on 5-10,000 people sleeping rough and only talking about that form of homelessness, **spends a lot more on this group, per person**

Disproportionate spending on people living rough

**Over €100 million in dedicated funding on less than 1% of the
population experiencing homelessness**

The 'perfect storm' 1

Cutting the value of contracts

- A perfect storm can result where low-paid and increasingly insecure staff are unable to lever in support from over-stretched mental health teams and other specialists
- Lack of resources means that fixed-site, transitional services, (mainly offering people their own rooms in England) find it harder to provide the support people need to move on
- Housing-led, Housing First services may also be under-resourced

Funding levels becoming insufficient for services to work properly

Homelessness services do not have enough money

The 'perfect storm' 2

Cuts to social housing, health, welfare systems

- Again - a perfect storm can result where low-paid and increasingly insecure staff are unable to lever in support from over-stretched mental health teams and other specialists
- Mental health services are generally underfunded
- Social housing supply is much lower than it was 40 years ago
- Relative cuts to public health services (including addiction)
- Cuts to welfare entitlements

Social housing, public health, mental health, welfare systems also being cut

Difficult for homelessness services to coordinate, build integrated packages of support

Housing Supply

The housing shortages in the UK

- Huge cuts to social housing budgets
- Peak social housing:
 - In 1954, 207,730 social rented homes built
 - In 2019, 34,220 affordable and social homes built
- Peak housing:
 - In 1969, 352,540 homes built, of which 142,800 are social housing
 - In 1999, 17,830 social homes were built (lowest level so far)

Massive shortages in affordable housing supply limit homelessness service effectiveness

**There's not enough housing for homelessness services to work
properly**

Local authorities find it difficult to plan

Uncertainties over money

- Expenditure cuts are ongoing
- But there is *uncertainty*
- Budgets are decided year-by-year, it is *risky* for a local authority to commit to something like a 3-5 year programme of support for homelessness services
- Additional money for people sleeping rough is also unpredictable

Local authorities find it difficult to plan

Uncertainties over money

- Contracts with services get shorter
- Or become precarious in other ways, annual renewal over three years rather than a three year contract
- Expertise in commissioning also becomes more difficult to fund
- Cuts to commissioning expertise
 - Contracts get 'rolled up', ten contracts to specialist homelessness services becomes one contract to one service

Homelessness Strategies are undermined by financial uncertainty

**Local authorities find it harder to plan and fund services in the
right way**

Homelessness services find it difficult to plan

Uncertainties over money

- It becomes risky to invest
- Build a major new homelessness service because a local authority says it wants it
- Only to see funding stop and experience financial losses
- Incentive to merge, to become bigger, because each individual local authority market is risky, so work across many markets
- 'Super-providers'

**Homelessness service
providers grow in scale
and become more cautious**

It is harder to take risks

Positive lessons

The 'upside' of the traumatized system

- Innovation has happened
- Homelessness sector itself
 - Homeless Link (Housing First England) and Crisis promoting Housing First
 - Plus individual homelessness service providers experimenting with Housing First and in other ways
- New collaborations with local authorities and homelessness sector planning together
- Idea of checking outcomes, data, showing effectiveness is mainstream
 - Moved away from homelessness services never being questioned about how resources were used

Traumatized system sparked innovation and critical thinking

**Looking hard at how resources were being used was a good
thing**

‘A TRAUMATISED SYSTEM’: Research into the commissioning of homelessness services in the last 10 years

Imogen Blood, Nicholas Pleace, Sarah Alden & Shelly Dulson

Postscript

A TRAUMATISED SYSTEM

A critical crossroads for the commissioning
of homelessness services