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Tackling homelessness in the UK

A guide for donors and funders



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Summary

Homelessness is not just about the people that the public sees and thinks about—‘rough sleepers’ living on the streets—but the whole range of people who lack a home. At least 260,000 people in England live on the street, in hostels or in temporary accommodation. A further 560,000 households live in overcrowded accommodation. Visible homelessness is the tip of the iceberg.

The problem is not just a lack of bricks and mortar. Homelessness is often a symptom of underlying social problems, including family breakdown, poor mental and physical health, drug abuse, low skills, unemployment and poverty. Living on the street or in a hostel tends to be the last resort for people who have slipped through the net of other services. These are some of the most vulnerable and damaged people in Britain.

But even homelessness in its broadest sense, including life in crowded or insecure accommodation, often leaves people worn down by their housing needs and unable to make progress.

Homelessness matters because it damages people’s lives, worsening existing problems and creating new ones.

For instance:

- Between 30% and 50% of rough sleepers have mental health problems.¹³
- Only 5% of hostel dwellers are employed.¹⁴
- Among lone homeless people surveyed in Glasgow, just over a quarter had attempted suicide and about one in five had committed self-harm.¹⁵
- More than a third of homeless people say they spend their days alone, and less than a third report spending time with non-homeless people.¹⁶
- Children living in bad housing are twice as likely as other children to have been excluded from school.⁴

The key implication of the breadth of the problems underlying homelessness is that tackling it requires action on several fronts—housing and education, employment and health.

Partly thanks to increased government support, significant progress has been made in tackling rough sleeping and the use of bed and breakfast hotels as temporary accommodation. But the rate of improvement seems to have stalled, while the number of people affected by the problem remains considerable.

A billion-pound homelessness charity sector works on many issues, delivering vital services and challenging mainstream welfare services to help homeless people better.

“Homelessness—it’s not about not having a home. It’s about something being seriously wrong.”

Stuart: a life backwards,
by Alexander Masters.

Because most funding for homelessness charities comes from government and is tied to housing, private donations play a crucial role in broadening the range of services that organisations can offer, increasing their quality and allowing innovation.

Historically, homelessness charities focused on giving homeless people food, safety and sympathy. Since the mid to late 1990s, the approach has shifted towards building their resilience and trying to help them transform their lives.

NPC identifies the following priorities for donors. In each of these areas, more funding is needed to allow charities to widen or deepen their efforts. By supporting them, philanthropists can make a measurable difference.

Preventing homelessness

Much homelessness need never occur in the first place. Long-term action by charities to address underlying problems such as substance misuse and child abuse helps to reduce the pool of people acutely vulnerable to housing breakdown. More targeted responses—giving advice on housing, for example, or working with groups at particular risk (such as prison leavers)—are relatively well evidenced, and could be extended and replicated.

Soft skills

Lack of confidence and self-esteem damages homeless people; many do not have supportive friends and family. It seems likely that these factors help to explain the difficulties they face in living happy, stable, productive lives.

Charities are increasingly offering activities like drama, sport and art that build ‘soft skills’ and friendship, helping homeless people to take the crucial first steps towards overcoming the personal barriers they face. These efforts need funding to be evaluated and to grow.

Employment and training

Most homeless people are unemployed, so they lack the income, status and satisfaction a job can provide. Charities are developing specialist programmes to help homeless people, especially entrenched groups, to get trained, try work experience, volunteer, find jobs and hold them down. Funding can help establish what works.

Permanent accommodation

The key structural constraint causing homelessness is too little housing in the right place at the right price. Charities are vocal lobbyists, pressing government to increase the availability of affordable housing. They are also pioneering attempts to make privately-rented accommodation accessible to people who do not have enough money to pay for a deposit, and who also lack the skills to hold down a tenancy. Funding is needed to sustain and build these efforts.

Day centres

Day centres, literally places where homeless people go during the day, play a vital role in identifying emerging problems and linking homeless people in to services. But because they rarely provide accommodation, they get inadequate and unstable statutory support. Funding for day centres also helps to tackle several of the other priorities NPC has identified, including prevention and soft skills.

Capabilities within the sector

Many homelessness charities are changing their roles and the scope of their activities. Given the size of the sector, there is surprisingly little support to help them to share good practice. A number of charities are doing unglamorous but valuable work raising standards in a number of areas—involving homeless people better in services, for example, or providing specialist support for building refurbishment, or conducting more thorough evaluation. Funding initiatives like these can influence the whole sector.

Conclusions

Despite some progress in recent years, the scale of homelessness in the UK and the breadth and depth of the underlying problems remain troubling. By supporting charities in this field, donors can get homeless people into decent accommodation, give them the support they need to stay there, and help them to rebuild their lives.



Photograph supplied by Homeless Link

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Introduction

David's story

David became homeless when he was nineteen and he split up with his girlfriend. She was uncomfortable with his drug-taking and they had constantly argued about him getting a job. He ended up sleeping rough on a bench for about two weeks, then moving in with his grandmother for another two.

When he applied to the local council for help, they referred him to a local charity that ran supported accommodation specifically for young people. He was given a furnished bedsit where he finally felt secure—knowing that he could stay there for at least two years. His support worker encouraged him to take advantage of courses run by the charity, and he soon completed qualifications in literacy, maths and IT. With this and taking part in the local football league, he stopped taking drugs altogether.

David was also elected to the charity's user group—a committee of residents and clients that provides feedback to the charity's management on how to improve its services. His role involved shadowing the charity's finance director and taking part in meetings with local authority commissioners.

Only a year after arriving, David is now doing work experience in a lawyers' office and is making plans to go to the local college to study accountancy.

Sarah and Sean's story

Sarah and her two-year-old son Sean were made homeless when their landlord evicted them from a flat. They applied for support from their council and, after waiting two weeks, were put in a tiny one-bedroom flat. From the beginning, Sarah knew it was not good enough. The kitchen had no oven, the ceiling in the bedroom leaked, and the flat had no proper heating.

Each night, Sean either slept in his buggy or shared a bed with his mother. During the day, he had nowhere to play outside the cramped conditions of the flat. There were no parks nearby, and Sarah stopped letting him play in the corridors outside the flat after she found a used syringe.

More worryingly, Sean started to develop health problems. He had difficulty breathing and had to go to hospital. Sarah was convinced that his development and behaviour had been damaged by the move.

She contacted a local charity that provides housing advice. It advised her to appeal against the local council and guided her through all the forms she had to complete. The appeal was successful and Sarah and Sean were moved into a much better flat, in an area nearer Sarah's parents. Just two months later, Sarah says she can see the difference in Sean's health and behaviour.

Robert's story

Robert became homeless when he was 42, after his wife and child died in an accident. He said he had nothing to fight for, and walked out of his home. For the next three years, he lived on the streets of central London. He slept in a hostel occasionally, particularly when it was cold, but he never managed to stay long before he was evicted for picking petty fights. The streets became a kind of refuge for him: no one knew him and he could sustain himself on food from a soup kitchen.

Eventually, living like this took its toll. Robert drank alcohol in increasing amounts and shied away from human contact. His physical health suffered: he developed scabies and bronchitis. One night, he was attacked. All his belongings were stolen and two of his ribs were broken. It was only then that outreach workers persuaded him to go to the local day centre, where he saw a GP, had a good meal, and was able to get some new clothes. He kept coming back, and over the following months he built up a relationship with one of the workers in the centre. He started attending an art course and had a few counselling sessions at the centre. He was then referred to a local hostel, where he received both a bed and more intensive mental health support.

Six months after arriving at the hostel, Robert managed to get a council house back where he grew up, in the country outside London. He is now working as a volunteer in a local garden centre and hopes to get a paid job in the next couple of months.

The purpose of this report

At first glance, David, Sarah and Robert have had very different experiences. What they share is that their lives have been affected, and in some cases blighted, by homelessness—whether on the street, in temporary accommodation or in poor housing.

Those worst affected have often had a long history of being overlooked or let down by other services. Drug addicts, people with mental health problems, the victims of abuse—they are all at risk of ending up homeless without adequate help. Those that do are often the most excluded and disadvantaged members of UK society. For others, their homelessness may be the start of a downward spiral, triggering deeper and more intractable problems.

Yet, this does not have to happen. With the right support homeless people can improve their skills and their health, and find employment and housing. Ultimately, if they move permanently out of homelessness, it both transforms their lives and reduces the cost to society.

This report looks at the opportunities for private philanthropy and how these fit with government funding. It helps donors and funders:

- to consider the roles they can play in tackling homelessness;
- to think about what makes an effective homelessness charity; and
- to assess what they can achieve with their money.

Scope and content

The scope of this report is extremely broad: NPC views homelessness as a problem affecting people in insecure and temporary accommodation as well as those without shelter. However, the vast majority of the charities covered here focus on the sharp end, providing help for people living in hostels or sleeping rough. NPC plans to analyse housing issues, including important problems such as overcrowding, in greater detail in a future report.

This report identifies charities throughout the UK but the dominant focus is on England and Scotland.

NPC's research involved meetings with the chief executives and other staff from over fifty charities, and consultation with a further dozen experts from a range of backgrounds, such as government and grantmakers. See Acknowledgements for a full list of people and organisations met with during the process of writing this report.

Structure

This report traces a path through the different issues that confront homeless people. It looks at the ways that charities are meeting their needs and the role that private philanthropy can play in improving the lives of homeless people, and ultimately helping them move out of homelessness. The report is in two parts, each made up of several sections.

Part one: sections 1 to 3

The first three sections of the report provide background information on the nature of homelessness, and the way the charitable sector has evolved and developed to meet homeless people's needs. The third section helps donors consider where they can make the most difference with their money. It also identifies NPC's priority areas for philanthropy.

Part two: sections 4 to 8

The next five sections of the report cover five of the main issues facing the homelessness sector: the provision of housing, prevention, health, soft skills and social networks, and employment and training. The focus of these sections is on the work of charities, and on the contribution they are making to solving these issues.

Each of these sections asks the following key questions:

- What is the issue?
- What are charities doing about it?
- What can donors fund?

Section by section

Section 1: The basics

This section looks at what homelessness means and who experiences it. It spells out its causes and what the impact is, not only for the individuals involved but also for society as a whole.

Section 2: Charities and the homelessness sector

This section explains the history of the homelessness sector, and how it is structured. It identifies different types of charities and interesting characteristics of the sector as a whole.

Section 3: What should a donor fund?

This section looks at the specific roles a donor can play within the sector, and what types of questions should be asked when private funds are allocated.

Section 4: Housing

Housing is a fundamental issue but work in this area is predominantly funded by government. This section concentrates on the gaps for private funding, in particular improving the availability of permanent housing.

Section 5: Prevention

This section focuses on 'primary' prevention, by which we mean stopping people from ever becoming homeless. While government has started to get involved at a basic level, this area holds considerable scope for philanthropy.

Section 6: Health

Homeless people experience high levels of health problems that are not met by the existing health system. Government's responsibility in this area makes it difficult to identify a significant role for donors. But funding can be used to support specific initiatives, such as healthy living projects, and to make the health system more accessible for homeless people.

Section 7: Soft skills and social networks

A relatively recent trend in the homelessness sector is to try and increase people's 'soft' skills—such as their self-esteem—and improve their relationships with friends and family. This section looks at some examples of the wide variety of work being developed.

Section 8: Employment and training

The most excluded of homeless people—rough sleepers and those in hostels—are almost all unemployed, and fall through the gaps in government services. This is despite the benefits of work for both individuals and society as a whole. Charities run a range of services to help people into employment.



Photograph supplied by Tyneside Cyrenians

The basics

At least 260,000 people in England live on the street, in hostels or in temporary accommodation. A further 560,000 households live in overcrowded accommodation.

Homelessness is more than the lack of appropriate shelter. It is often the visible sign of much deeper problems such as poverty, mental ill health, drug abuse, poor family relationships, inadequate education and lack of skills. Some of the most damaged and vulnerable people in the country have no home to speak of. And their problems are likely to get worse the longer they live on the street or in bad housing.

Each year, nearly 110,000 people qualify for government housing because they are homeless in England and Scotland, yet similar numbers are refused and unknown numbers do not even apply. They end up staying with friends or family, living in hostels, or on the street. Too often, they are recycled through the system, going from hostel to hostel and never moving out of homelessness. Even if they do get permanent accommodation, it can be low-quality. Without support, some new tenants find it hard to keep up with their rent, and go back to sleeping rough or in hostels.

To move out of the most severe forms of homelessness, people need help not only with the primary problem of putting a roof over their heads, but also with the issues that made them homeless. These may include mental health problems or difficulties in dealing with other people. Then, as they improve their skills and overcome their problems, they need encouragement and opportunities to progress into better housing, employment and a more stable way of life.

Over the past two decades, government has spent considerable amounts of money tackling homelessness. It has emphasised prevention, funded services to move people off the streets, and put large amounts of money into providing temporary accommodation and 'housing-related support'. This has significantly changed the landscape of the homelessness sector.

Yet challenges still exist. Some groups remain overlooked or ineligible for housing provided by the government. Considerable shortages of housing provision remain, and government has a limited ability to move people into permanent housing. Homeless people are poorly integrated into other government agendas, such as those on health and employment. Some needs, such as soft skills, lie outside government's priorities.

What is homelessness?

While the popular view of homelessness is that of a man sleeping on the street with his dog, the real problem is much broader. The legal definition of homelessness includes all people who are in insecure or temporary accommodation (see Box 1).

As well as rough sleepers, this definition can include families in overcrowded accommodation, young people sleeping on friends' sofas, and prisoners about to be released with nowhere to go.

This broad definition is useful, as it paints a more accurate picture of the needs of homeless people by including all people adversely affected by their housing situation.

“I would say that I was homeless, even though I am staying with that guy and his girlfriend, even though it might be a roof over my head, I have arguments with them and all and then they throw you out...”

Sarah, a homeless person¹

Box 1: Legal definition of homelessness¹⁷

The law defines you as homeless if you do not have a right to occupy accommodation, or if your accommodation is unsuitable to live in. This includes:

- having no accommodation at all;
- having accommodation that is not reasonable to live in, even in the short term (eg, because of violence or health reasons);
- having a legal right to accommodation that you cannot access (eg, if you have been illegally evicted);
- living in accommodation you have no legal right to occupy (eg, living in a squat);
- temporarily staying with friends; or
- being likely to be in one of the above situations within the next 28 days.

Being legally homeless is just one of the criteria that needs to be fulfilled to qualify for guaranteed government housing.

But our understanding of different parts of the picture is patchy. Only a minority of homeless people come to our attention through contact with government or charities. Even when they do, information about them is not always captured or collated. Some groups, such as those in overcrowded accommodation, exist below the radar. And the overlaps, flows and differences between the groups of people living in overcrowded housing, temporary accommodation and hostels are not recorded or understood.

The diversity within the broad definition of homelessness makes it hard to discuss in general terms. The charitable sector tends to differentiate between two major groups: people who are guaranteed housing by the state—statutory homeless—and those who are not—non-statutory homeless. This second group is the focus of most charities in the sector and, accordingly, of most of this report.

What is the impact of homelessness?

The impact of poor housing affects all areas of people's lives, and can cause them to miss out on everything associated with having a home. Homeless people often feel that they lack a place in a community, a neighbourhood, and friends.

Just a few of the issues affecting homeless people are:

- **Ill health:** between 30% and 50% of rough sleepers have mental health problems.¹³
- **Unemployment:** only 5% of hostel dwellers are employed.¹⁴ They have few non-homeless friends, and feel cut off from the rest of society.
- **Crime:** homelessness is both a cause and a consequence. A third of people going into prison do not have permanent accommodation.¹⁶
- **Exclusion from school:** children living in bad housing are twice as likely to have been excluded as other children.⁴

While it is clear that being homeless correlates with disadvantage, it is difficult to disentangle cause and effect. Are people unemployed because they are homeless, or homeless because they have no job? Are they homeless because they have low self-esteem and poor social skills, or has homelessness created these problems?

It seems likely that the problem is circular. Clearly, many people already experience problems before becoming homeless. However, being homeless compounds their problems, reduces opportunities for them to get support, and puts new obstacles in their paths.

It is not surprising that the worst housing situations and the longest periods of homelessness are associated with the most severe problems. People sleeping rough on the street are more likely to be mentally ill and to misuse drugs than those in overcrowded accommodation. Those living for years in bad housing also suffer long-term effects from their cramped and uncomfortable conditions, and from being deprived of security, dignity and privacy.

Even after moving into suitable permanent accommodation, people who have been homeless may still find it difficult to shake off their lack of confidence and self-esteem and deal with long-lasting health problems. Unable to deal with new challenges, like paying utility bills and keeping up with the rent, they may end up gravitating back to homeless friends, who may still be sleeping rough.

Homelessness involves high costs to society. Estimates based on case studies have highlighted examples ranging from £4,500 to £83,000 for an individual over the course of two years.¹⁹ Factors include:

- costs of providing supported accommodation;
- increased health bills—for mental health, physical emergencies, drug rehab and chronic infections. Many street homeless and hostel dwellers end up using Accident and Emergency services rather than GP surgeries;
- criminal justice expenses—there is a link between homelessness and crime. The government estimates that ex-offenders living in stable accommodation are up to 20% less likely to reoffend; and
- the cost of unemployment, both in benefits paid and in taxes foregone.

The aggregate cost of homelessness to the taxpayer is not known, not least because the problem overlaps with so many other issues, such as offending and addiction, which have huge costs. Box 2 looks at some research about the costs of homelessness.

“I had a flat when I was about 19...and I were pregnant wi’ twins and I ended up losing them [miscarried] and I got really depressed and that, and I just put the key through the door and walked off...I didn’t get the help I needed.”

Esther, a homeless person⁹

Box 2: The costs of homelessness

The government spends vast amounts of money on services for homeless people. It is impossible to arrive at an accurate total figure.

Some government-commissioned research about the financial benefits of investing in housing support services through Supporting People sheds some light on the scale of the amounts involved.²⁶ This showed that in 2004/2005, government spent **£329m** on Supporting People funding for homeless people in England. On top of this, it estimates that in the same year the government spent **£725m** on benefits and social services for these groups. The research found that investment in packages of support that include housing support services avoids costs elsewhere, and therefore produces a net financial benefit. In relation to homeless people, it estimated that an investment in Supporting People of £329m created a net financial benefit of £138m from, for example, reduced costs in relation to tenancy breakdown, hospital admissions and crime. This calculation only includes families and single people (both statutory and non-statutory) falling under the 'homeless' label (as opposed to homeless people being recorded as, say, women at risk of domestic violence or people with drug problems). It does not include the costs of other factors such as criminal and health costs, so it does not approach an estimate of total costs of spent on homeless people.

Another report, by the charity **Crisis** and the think tank New Policy Institute, looked at the costs associated with individual cases by using constructed stories based on common scenarios, such as Frank's.

Frank's story¹⁹

Frank had been married for 30 years and lived in London with his wife until she died unexpectedly. After her death, he found it difficult to cope, and, living a long way from his family, he felt very isolated. Frank was always a heavy drinker, and the pressure of his new circumstances made him drink even more. He was made redundant shortly after his wife's death, and became very depressed. He started receiving letters from his building society asking about mortgage repayments. Although Frank did not have much left to pay, he had no income at all. He abandoned his flat and went to stay with his son in Sheffield. His son let him stay for a week but, after that, told him to leave.

Frank did not want to go back to his flat, as he thought he might get arrested, but did not know where else to go. He ended up sleeping rough and continued drinking heavily. The only people he knew were others living on the street. They told him about a day centre where he could go for food and advice, and he also found a night shelter, which he started to visit from time to time.

Frank lived between the streets, the day centre and the night shelter for six weeks, until a case worker noticed he was seriously ill. Frank had contracted TB, and was sent to hospital. The hospital put him in touch with a hostel, which he went to when he was discharged.

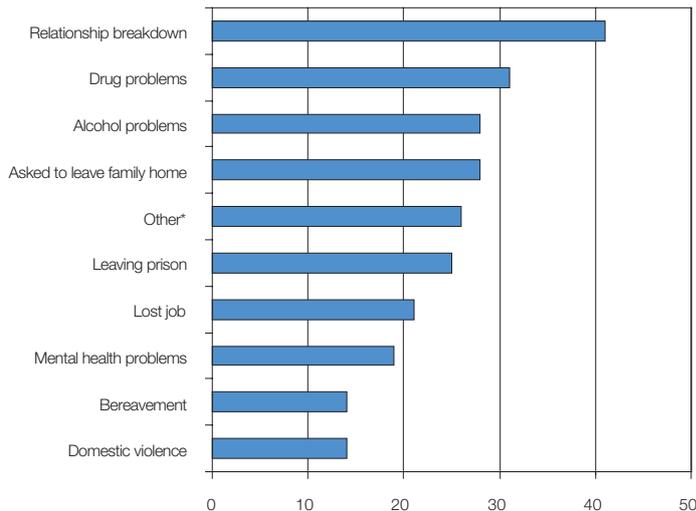
The hostel was large and had few resources, and Frank was given a minimal level of support. He met with his key worker once a week but his drinking and depression continued to get worse—he had nothing to do during the day, and drinking was a way of forgetting about everything.

The hostel told him he would not be entitled to local authority housing as he was 'intentionally homeless', but helped him to get a place in a shared flat, as there were no other options available. Frank only lasted three months in his new tenancy. His basic living skills were poor, and he found coping with cooking, cleaning, and bills again very difficult. He did not get on with the other people living in the flat, who were always complaining about his drinking. His key worker visited him weekly but this was not enough support for Frank. He was referred to a local alcohol misuse team, but did not use it. Too embarrassed to return to the hostel after leaving his flat, Frank went back to the streets again.

Costs of Frank's homelessness for one year

Cost category	Annual cost
Failed tenancy Includes: lost rent arrears; re-letting; possession order and eviction warrant; solicitor's fees; landlord's administration	£3,000
Temporary accommodation Includes: hostel or refuge; bed and breakfast accommodation	£10,500
Support services Includes: outreach worker; advice at hostel or day centre	£2,000
Health services Includes: GP visit; services used after minor wounding; services used after serious wounding; treatment for mental ill health; treatment of TB; rehabilitation	£7,000
Police and criminal justice Includes: response to theft from a shop; response to minor wounding; response to serious wounding; prison	£1,500
Potential resettlement Includes: interview and processing; floating support	£500
TOTAL	£24,500

Figure 1: Factors cited as contributing to homelessness, now and in the past²⁰



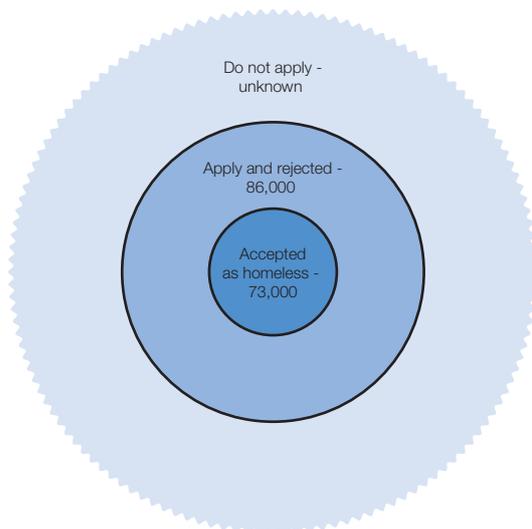
*'Other' includes issues such as eviction and problems with benefit payments.

Why do people become homeless?

Homelessness is often the final and very visible symptom of other issues. Those worst affected are normally the most vulnerable and most excluded members of society. They include people on low incomes, those with mental health problems or learning difficulties, problematic drug users, alcoholics and those with limited education and training.

Homelessness is often triggered by an incident or a pattern of events, such as a family row, bereavement, domestic violence or abuse. Many people become homeless on leaving an institution, such as prison or local authority care, sometimes because no alternative housing options are available to them.

Figure 2: Homelessness applications and decisions in England, 2006/2007²²



The different contributing factors are hard to rank on a scale of importance because they overlap and compound each other. People tend to experience several of them, often over a long period of time.

Figure 1 shows the top ten factors identified as causes of their homelessness by 257 rough sleepers surveyed for a report by the charities **Shelter and Broadway**.²⁰

But personal factors are only part of the story. At a structural level, a set of broader issues provides the context for individual homelessness. These include:

- **the state of the economy**, which drives levels of poverty and unemployment, and the availability of credit. These affect people's ability to pay for accommodation themselves. The current 'credit crunch' may also affect the ability of government and housing associations to build more homes;
- **constraints on affordable housing** in some areas, including shortages of social housing and high property costs in rural areas such as Devon and Dorset;
- **changes in government responsibility** for housing, such as redefining 'priority need' groups in England and abolishing them in Scotland (see below);
- **social trends** such as increases in family breakdown and immigration, which raise the number of households needing homes; and
- **weakness in other support systems**. For example, only half the people with mental health problems currently get the treatment they require in a timely manner.²¹

These structural factors are likely to play a role in causing all homelessness, from rough sleeping to overcrowding. When they interact with pressing personal problems, the result can be the most severe forms of homelessness, meaning people living on the street and in hostels for many years.

What happens when you become homeless?

Local government provides one of the main sources of support for homeless people. It is legally required to provide homeless people with housing advice as well as guaranteed housing.

While advice is theoretically available to everyone, housing provision has to be rationed. Only those households that qualify as 'statutory homeless' are eligible for guaranteed housing. People who are non-statutory homeless have to arrange their own housing, drawing on any personal, social and financial resources they can muster.

Most charities examined in this report work with this latter group—those who are not eligible for housing from the government, but who still have substantial needs. Partly because of their disconnection from government services, they are those about whom least is known.

Figure 2 represents the small proportion of people who are accepted as statutory homeless compared with those rejected and those who do not even apply.

Statutory homelessness

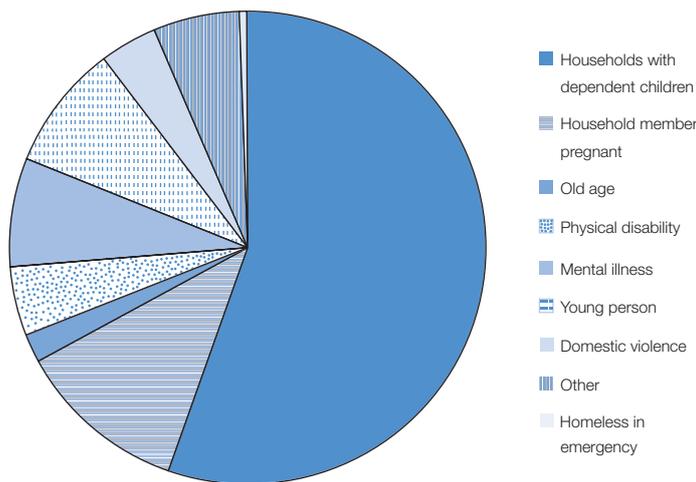
To qualify as ‘statutory homeless’, and therefore eligible for housing from the local authority, people have to fulfil four main legal criteria.

- **Eligible for funds:** they have to be UK citizens, or have an immigration status that entitles them to public funds. Most local authorities also require a ‘local connection’, meaning that someone has lived and worked in the area for a period of time. We do not know how many people fail to fulfil these criteria as they are not counted as applicants.
- **Legally homeless:** they have to fulfil the legal definition of being in insecure or temporary accommodation, as set out in Box 1. Around 28% of applicants in England are assessed as not fulfilling this criterion.²²
- **In ‘priority need’:** they must belong to a defined group, such as those with dependent children, 16–17 year olds, people under 25 leaving care, or a group judged by local councils to be ‘particularly vulnerable’ due to their experience. These include domestic violence victims, people with mental health problems and ex-offenders. 19% of applicants are found to be homeless, but not in ‘priority need’.²²
- **Unintentionally homeless:** applicants must have become homeless for reasons unrelated to their own conduct. People who become homeless because of rent arrears, anti-social behaviour or some other ‘intentional’ act can be refused ‘statutory homeless’ status. This final test is a barrier for 7% of applicants who fulfil the other criteria.²²

In 2006/2007, local authorities in England made decisions on almost 160,000 households.²² In Scotland just under 60,000 households applied. In both countries, roughly half the applicants qualified for support.²³

Traditionally, ‘statutory homeless’ households have been families, and ‘non-statutory homeless’ ones have been single people. While some single people qualify for priority need, two thirds of the applications made in England were approved because of dependent children or a pregnant woman in the household (see Figure 3).

Figure 3: Reasons for being accepted as statutory homeless, 2006/2007 (73,360)



Numbers applying for support in England have been going down (see Figure 4). Since a spike in 2003/2004 when the ‘priority need’ definitions were extended, applicants have fallen by half. In Scotland, by contrast, the numbers applying have increased, and acceptances have risen by 26.5% in the decade since 1997.²³

These figures have been cited as evidence that a growing emphasis on homelessness prevention in English policy is working. However, another view is that the trend in England reflects gatekeeping—people are being deterred from applying and the underlying pressure remains high.

On top of this, the assessment process can be long, and the criteria applied subjective.

The criterion of ‘intentionality’ is particularly controversial, and disliked by many charities as the most subjective test. The charity **Shelter** has highlighted the regional variations in ‘intentionality’ decisions, arguing convincingly that it is applied inconsistently.²⁴

Figure 4: Numbers of applicants applying and accepted as homeless by local authorities in England

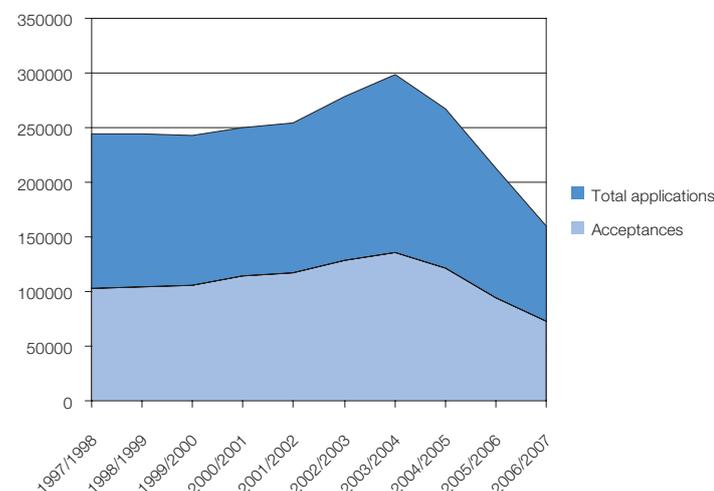
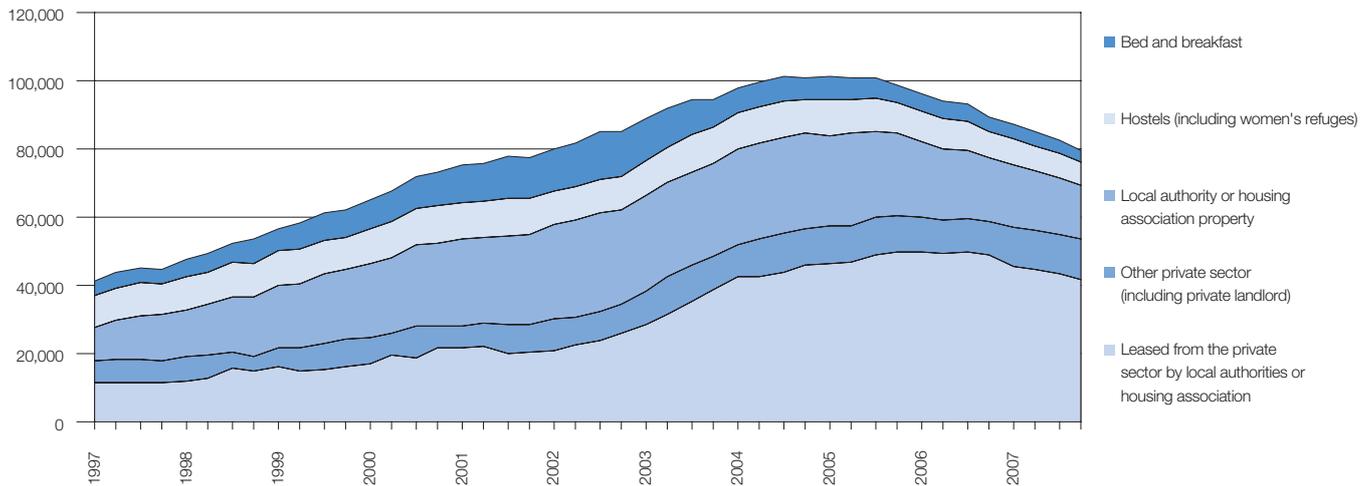


Figure 5: Numbers living in temporary accommodation³¹



Establishing whether someone passes the 'priority need' test for being 'particularly vulnerable' is also difficult and leaves councils with significant discretion. Charities report that decisions are influenced by the availability of housing in each council area, so there is again inconsistency between different parts of the country.

Once an application has been accepted, the local authority has a legal duty to ensure that the individuals concerned are housed. They may stay with their families or remain where they are as 'homeless at home', or they may get placed in temporary accommodation. This includes refuges, social housing (provided by councils or housing associations), and

accommodation leased from the private rental sector by the local authority.

Over the past decade, local authorities have been trying to improve the quality of temporary accommodation on offer (see Box 3). This has involved a movement away from B&Bs and towards block rental of private rental sector property (see Figure 5), often at high expense.

Non-statutory homelessness

Those turned down by their councils join the ranks of the non-statutory homeless. In its widest sense, this group includes all those homeless people who never applied in the first place. According to the most recent Scottish Household Survey, only half of all homeless people go to their local authorities for help.²⁵

The reasons why people do not apply to their councils vary. Some are unaware of the council's duty to house them, some think they would not be eligible for housing, and others do not even think of themselves as homeless.

Of course, some people find a way out of homelessness themselves, by getting together with friends to rent a house privately, for example. But others, often those with the worst problems, do not escape their homelessness. They end up in three main places:

- on the street;
- in hostels and supported accommodation; and
- as 'hidden homeless', sleeping on sofas, in overcrowded accommodation or in squats.

People on the street

Only a tiny proportion of the total number of homeless people sleep on the street. For every known rough sleeper, there are around 100 people in hostels, and upwards of 1,100 households in overcrowded accommodation.

The official estimate of 'stock', that is the number of rough sleepers at any one time, is 498 people a night for the whole of England, of which half are in London.

Box 3: Statutory funded temporary accommodation

If a local council accepts people as homeless and in priority need, it has an obligation to house them. Given the shortage of social housing, the council has to find somewhere else for them to live until a social house becomes available. This can sometimes take years.

Until recently, 'somewhere else' was often 'Bed and Breakfast' accommodation, often of low quality, with shared bathrooms, poor conditions (damp, noise and minimal space) and no kitchen facilities. It was also very expensive for local councils.

Since April 2004, local authorities in England have been banned from putting families with children in Bed and Breakfast accommodation for longer than six weeks. In Scotland, no families or pregnant women can be put in substandard accommodation.

Local authorities now tend to block-rent flats from private landlords. Again, standards vary, and Shelter has done research showing that children in temporary accommodation suffer significantly, for instance, from not having anywhere to do their homework, or from missing school—an average of 55 days a year—due to moving between temporary homes.

The numbers of people in temporary accommodation are falling but are still high: in March 2007, 87,120 households were living in temporary accommodation in England²² and 9,164 in Scotland.²³ Over half of people accepted as homeless in 2006/2007 were put into temporary accommodation.

'Flow', which measures the number of people sleeping rough during a period of time, is much higher. NPC estimates that around 6,000 people will sleep rough at some point during the year in England.* Some will only stay on the streets for a few nights and will never do so again, whereas others will have many periods of rough sleeping throughout their lives.

These figures should be read with caution. Street counts by local authorities are the main way of measuring rough sleepers but they are not accurate. This is partly inevitable—rough sleepers are not easy to find, tucked away in night buses or trying to keep safe by staying out of view. But it also results from the way street counts are run. For example, some local authorities estimate the numbers of rough sleepers in their areas instead of carrying out proper surveys. However, the figures help to indicate trends over time because they have been conducted in the same way across England for many years, so they can be used to track both the direction and the approximate scale of shifts in numbers.

This data suggests that rough sleeping has fallen by nearly three quarters since 1998, from an estimated 1,850 people sleeping rough on a given night in England to just under 500 today.²⁸ Figure 6 shows the street count estimates over the past decade.

Scotland has also seen a sharp fall, using a different measure. Scottish local authorities ask people who apply for assistance whether they slept rough the previous night. In 2002, around 500 people a month claimed to have slept rough the night before. This was down to an average of 329 in 2005/2006.²⁹

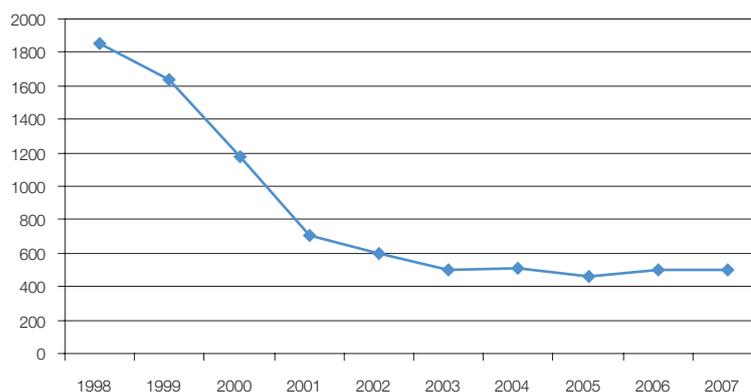
The progress made on rough sleeping is real and impressive. It owes much to the Rough Sleepers Initiative in the 1990s, a government-driven programme to get people off the streets that focused on 'assertive outreach', which is described in more detail later in this report.

People in hostels and supported housing

Over 60,000 homeless people live in hostels and similar supported housing in the UK.³⁰ This has grown over the past decade, as more people have moved off the street into hostels. Provision includes:

- **Direct access hostels**, which do not have a waiting list but do have a restricted length of stay;
- **Long-stay hostels**, which often have a waiting list and offer a high level of support. They typically have a two-year maximum length of stay; and

Figure 6: Rough sleeping estimates over time³²



- **Supported housing**, where people may stay in shared or self-contained flats for more than two years.

People generally move through each of these stages, before moving into permanent accommodation.

Hidden homeless

Many people do not feature in the official figures. They do not end up on the street, or in hostels, or apply to the council. Instead, they sleep on friends' sofas, or live in unsuitable or overcrowded accommodation. Not much is known about this group, either in terms of its needs or its size, or how it flows into other aspects of homelessness.

Some of these people have the same problems as those living on the street or in hostels, and may be at risk of ending up on the street if their friends and family run out of patience. Others may not see themselves as homeless at all, but they are likely to be poor and may face practical problems. People in the latter category are helped by housing advice and work by charities to tackle the structural causes of homelessness. Otherwise, they are not the focus of much work in the sector. They are more likely to benefit from the work of charities in other sectors, such as local community organisations working in disadvantaged areas.

See below for a discussion of difficulties in estimating the number of people who are 'hidden homeless'.

People with experience of homelessness

The final group of people considered here may seem incongruous to a donor—homeless people who have moved into permanent accommodation. For people who have experienced homelessness, particularly

“When I left hospital I got put onto the streets. I got sent to the council but they refused me housing. They said a young man on his own wasn't suitable for housing. Single guys on their own don't get a chance.”

Anthony, a young homeless man⁷

* This estimate is based on 'flow data' for London, where the charity Broadway collates numbers from 17 services working with rough sleepers across the capital. In 2006/2007, this found that 2,997 people were known to have slept rough at some point throughout the year.²⁷ Assuming that, as the street counts indicate, half of rough sleepers are in London, this indicates that around 6,000 people sleep rough in England each year (although this may be an overestimate).

Once I got in my new home I just panicked, I'm not good at all the practical things. I got all worked up thinking they were going to cut my electricity off. I just keep thinking that it is all going to fall apart.

John, a former rough sleeper¹

those who have lived on the street, getting a permanent roof over their heads does not make all their other problems disappear.

As well as problems like depression and low self-esteem, they are likely to face a new set of practical challenges. Their housing may be far from their family and friends, and an expensive bus ride away from what they know. They have to deal with the usual hassles of moving home, such as buying furniture (most social homes are unfurnished) and connecting utilities, all on a very tight budget.

Many people fail to cope and, as a result, 'repeat homelessness' is a common phenomenon. Government figures suggest that around 10% of those accepted as 'statutory homeless' by English local authorities have been accepted as homeless previously.³³ This may sound a low percentage, but all these people have previously been housed by the council and have somehow become homeless again. Scottish research found that 27% of applicants had previously applied.³⁴

One way of estimating the number of formerly homeless people who still need help is to look at those receiving 'floating support' to help them to live independently. We do not have an accurate estimate of this, but in 2007/2008, 9,800 formerly homeless people in England began receiving government-funded floating support to enable them to live independently.³⁶

How many people are homeless?

Figure 7 illustrates what we know about the number of people who are homeless. NPC estimates that more than 260,000 people in

England are living on the streets or in temporary accommodation such as hostels. Many more people who are not counted in these categories are homeless—through living in overcrowded accommodation, for example—but the numbers are unknown. However, the scale of the problem is given by the number of households living in overcrowded accommodation or the number of adults living in concealed households who are most likely homeless.

Taking a snapshot of the numbers in the different categories is the simplest way to think about how they add up. On a given night in England, about 500 people are known to be sleeping rough. A further 210,000 people* have been accepted as statutorily homeless and are living in council-arranged accommodation. Add to this the 58,500 who are staying in hostels or other supported accommodation, and then subtract the estimated 3,500 people who overlap these last two categories, and NPC estimates that at least 265,500 people in England are homeless because they are living on the streets or in accommodation provided either by the government or the charitable sector.

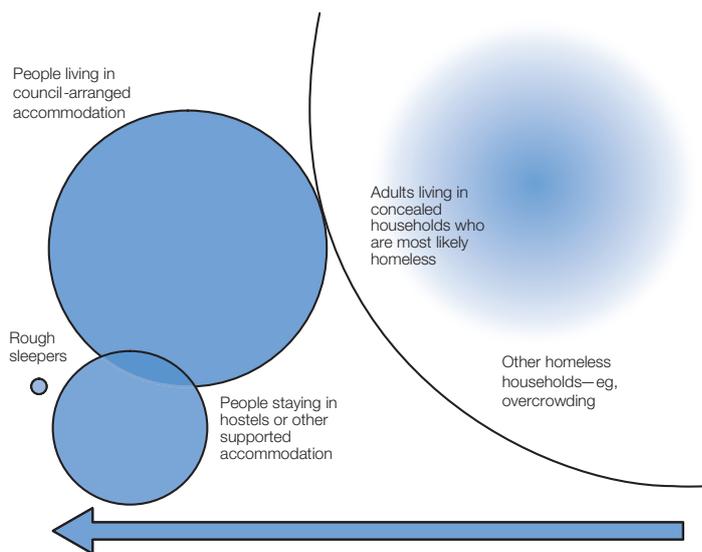
This estimate leaves out the people who are the 'hidden homeless'. This group includes people who have moved out of the more countable categories of homeless but are still defined as homeless—for example, someone previously staying in a hostel but now sleeping on a friend's couch.

It also includes those who have never moved in to these categories; for example, 54% of people who apply to the council in England are not accepted as statutorily homeless.²² Around half of these rejected applicants are judged not to be homeless, but that still leaves around 40,000 who were denied help for other reasons. We do not know the number of people who are homeless but do not even apply to their local authority.

Putting a number on this 'other' category of homelessness is difficult. The fact that an estimated 560,000 households are living in overcrowded accommodation in England gives some idea of the scale of the problem.²² However, the problems faced by different overcrowded households will vary significantly, and some are more at risk of actually losing their home than others.

Another approach taken by **Crisis** and New Policy Institute is to look at the number of 'concealed' households—eg, two or more households sharing a home—that are likely to be homeless, either because of overcrowded

Figure 7: Numbers of homeless people



* NPC estimated this from the household figures, assuming that the average household with children has 2.88 people and that the other households are individuals.

conditions or because of a household head dissatisfied with the living arrangements. An estimate of the people who are most likely homeless within these two categories is made after factoring in whether the person is aged 25 or above and whether the person is living with someone other than a relative. Between 240,000 and 305,000 adults living in concealed households are most likely homeless after applying this logic.¹⁹ This estimate leaves out dependent children.

We are cautious about estimating an overall figure for the number of homeless, for several reasons. Firstly, adding together the different estimates conflates the different categories (and sometimes households and individuals). Although not rigid distinctions—in fact, they are probably quite fluid—they clearly have different severities of need. Figure 7 shows how the different categories fit along a spectrum of need, and how as the definition of homelessness broadens, the number of people counted as homeless soon dwarfs those sleeping rough. For every known rough sleeper, there are at least 1,100 households living in overcrowded accommodation, and up to 600 adults living in ‘concealed’ households.

Secondly, our snapshot estimates do not fully capture the often chaotic flows through the different categories of homelessness. Someone living in council-arranged accommodation may have been living in a concealed household in overcrowded conditions three months ago, and may be sleeping rough in six weeks’ time. The flow through homelessness is neither progressive nor predictable.

Thirdly, these groups are not static and the numbers are likely to change over time. A number of structural factors suggest the overall number of homeless people may grow in the short and medium terms. For instance:

- Economic uncertainty and the credit crunch are already causing increased house repossessions.³⁷
- There is some evidence of increases in drug use and mental health problems among the population, particularly young people.^{37, 38}
- There may also be an increase in at-risk groups—both from high numbers of people in prison and from ex-servicemen returning from Iraq and Afghanistan.

On an anecdotal level, NPC has heard charities reporting pressures in several categories of homelessness. Hostel providers cite a long-term increase in waiting lists for places, driven by people failing to move out of hostels into permanent accommodation. The average length of stay in 13 key London hostels almost doubled between 2001 and 2006 from just over six months to nearly 12 months.³⁹

The numbers of rough sleepers have fallen considerably over the past decade. However, charities have begun to report that rough sleeper numbers are edging up again.

The government says it remains committed to reducing rough sleeping to as close to zero as possible. But a range of pressures may be working against further reductions or even driving levels higher (see Box 4). One key trend is the growing number of immigrants without any rights to government-funded services and benefits (especially those from Eastern Europe).

Who are homeless people?

Homeless people have traditionally been split into families (‘statutory homeless’) and single people (mainly ‘non-statutory homeless’).

The non-statutory population is often thought of in terms of stereotypes—particularly that of the white, male, middle-aged alcoholic. Undoubtedly, this demographic is a major client group for many services. But the population is more diverse than is often supposed, and includes a range of other groups:

Young people aged 16–25. Youth homelessness has emerged over the past couple of decades. Lower benefits for under-25s (a policy begun in the 1980s) led to rising numbers of homeless young people. Another factor is the increasing rate of family

“It is frightening [in that hostel]. People are drinking, taking drugs and selling alcohol. Someone tried to commit suicide. So in the night, it is better to sleep outside.”

Alex, a rough sleeper

Box 4: As close to zero as possible?

Despite government aims to get rough sleepers to ‘as close to zero as possible’, there are still nearly 500 people sleeping rough in England each night, according to official statistics. Reasons suggested for this include:

- **Ineligibility for public funding:** many non-UK citizens are not eligible for public funding, such as Housing Benefit, to pay for a place in a hostel. Immigrants from new EU countries such as Poland are only eligible after working consistently for 12 months, and failed asylum seekers are not eligible at all. A recent survey of rough sleepers found that 18% were from Eastern Europe.³⁵ New government guidelines mean migrants are not always included in official rough sleeping statistics.
- **Unwillingness to engage with services:** a number of people do not want to be in hostels—they may have mental health problems, or addictions. They may dislike the restrictions that hostels place on them, or have been robbed or attacked in a hostel in the past.
- **Lack of appropriate services/accommodation:** some people find that services do not cater for their particular needs. Often, particularly in rural areas, hostels are generic. Some do not have rooms for couples or people with dogs. Young people can be reluctant to stay in a hostel with older residents.
- **Exclusion from accommodation:** violent people, sex offenders and those who have committed arson are especially hard to house.
- **Temporary rough sleeping:** some people will sleep rough for a night, before being able to find accommodation. People leaving prison, for example, often find it hard to get a place in a hostel immediately. Release times shift and hostels are unwilling to keep beds empty until these people arrive.

It may be that 500 is the natural lowest limit, as close to zero as possible. Whether this is true or not will soon become clear, as government and charities continue their work to push it down further.

The average length of stay in 13 key London hostels almost doubled between 2001 and 2006 from just over six months to nearly 12 months.

23% of people in Pakistani and Bangladeshi communities live in overcrowded accommodation.

breakdown. However, since 2002, 16-17 year olds have counted as a 'priority need' group and qualify as 'statutory homeless'. They make up around 10% of accepted applicants for statutory support.²²

Black and minority ethnic people. Black and minority ethnic groups are over-represented in both hostels and among those applying for statutory support, relative to the general population. For example, 57% of the young homeless people supported by the national charity Centrepoin are black or minority ethnic,⁴⁰ compared to 7.9% of the general population⁴¹ (though the percentage is higher than 7.9% in the young age range).

This is just the visible aspect of the problem. People from black and minority ethnic backgrounds are much more likely to live in overcrowded accommodation—23% of people in Pakistani and Bangladeshi communities live in overcrowded conditions, compared to 2% of the white population.⁴² The reasons for this are uncertain. It could be that cultural differences mean that these people are less likely to approach services or leave their families' homes. There is some evidence that black and minority ethnic households are ashamed of asking for housing help.⁴³

People from EU countries. Charities have told NPC that they see growing numbers of migrants from accession states such as Poland, Romania, Bulgaria. Unless they have worked in the UK for over 12 months, these people are ineligible for most statutory support. A recent survey of rough sleepers found that 18% were from Eastern Europe.³⁵ In addition, there is significant anecdotal evidence that many newly-arrived migrants who are housed are living in extremely overcrowded conditions.

Not all migrants from Eastern Europe will need help. Many have been attracted to the UK for the economic opportunities, and will quickly move into jobs. However, research has shown that a small percentage of this group are particularly vulnerable, due to mental health, addiction or disability, and will have similar needs to homeless people of UK origin.

Refugees. If asylum seekers are granted the right to stay in Britain, they have just 28 days to move out of the accommodation provided for them by the government. Crucially, they are not allowed to work until this point, and many do not speak English. It is not surprising that many struggle to find work or sort out their benefits in time to get a new home, and an unknown proportion end up homeless. The size of this population is unclear.

Women. Around 80% of the clients of most charities working with rough sleepers and running hostels are male. But some recent

research⁹ has suggested that there are more women who are homeless or at risk of homelessness than is reflected in the client profiles of most services. This includes women living with violent partners who do not leave them for fear of ending up on the street, and women who turn to prostitution, living in brothels or other insecure housing to avoid destitution. These women are unlikely to use services that they think are aimed at men. Again, the total numbers affected are not known.

This diversity poses challenges to both government and charitable services that have developed to cater for white men. Some groups feel alienated and cut off from traditional services. For example, day centres used by middle-aged alcoholics are probably not suitable for young people who have left their family homes. While more specialist services are developing, these are limited and mainly found in urban areas.

Where are homeless people?

By region, the highest numbers of households applying as homeless to local authorities is in London (4.9 per 100,000 households) and the North East (4.4), while the lowest is in the South East (2.0).²² In Scotland, the largest number of applications for statutory support is received in Glasgow, which includes a third of the most deprived neighbourhoods in Scotland.

Traditionally, homeless people have tended to drift towards urban areas (particularly London) looking for employment opportunities and support. As mentioned above, half of all rough sleepers are in London.

In response, homeless services have tended to develop in areas of high population density, and they are sometimes accused of attracting more people in. This is not a trivial concern. The accumulation of services in urban centres risks taking people away from their existing support structures, and also add to the costs of urban local authorities.

To address this, statutory services require that people have a 'local connection' to qualify for services. This normally requires a history of living or working in the area. If a stronger local connection can be established elsewhere, people are normally denied government support, and given bus tickets back to their original area. Yet people do not always do this. They may not feel safe in their local area, or feel that it does not offer enough opportunities to get work, so may stay and end up on the streets or sleeping on sofas.

It is probably fair to say that charities have mixed feelings about the 'local connection' requirement—on the one hand, recognising that

staying where they are used to living is often the best solution for homeless people; on the other, not wanting people to be refused the services that they need. NPC believes that, in most cases, people will fare better if they are supported in their local areas.

How do people move within the system?

Tracking people as they move around the system is a major challenge.

Some, like Robert, whose story was told in the introduction, will keep moving from hostel to hostel. Anecdotal evidence and the high levels of evictions from hostels (sometimes as high as 40% of all departures), suggest that there is a regular churn of people.

Others, such as David, will drop in and out of contact with services, staying with family for a while, sleeping on the street, then moving into supported housing. While homeless people may come into contact with various different services, such as housing advice, hostels and local authorities, these are rarely coordinated. Even less is known about those who do not use homeless services, but stay living with friends or in overcrowded accommodation.

While it is possible to look back and trace individual stories, the overall data does not give a handle on current flows between different types and stages of homelessness.

The closest we get to understanding these flows is through the data collected by Broadway in London. This charity is funded by government to coordinate data on rough sleepers and other homeless people from 64 projects across London.

Its latest report identified 1,125 former rough sleepers in temporary accommodation such as hostels.²⁷ By the end of the year, 12% had moved into permanent accommodation; 64% were still in some form of temporary accommodation, and 8% ended up back on the streets.

This data becomes very pertinent to discussion of how charities measure their results. Few organisations track their clients over time and charities will often not know whether people they have worked with have progressed out of homelessness altogether, moved out temporarily or simply moved in to other services.

Figure 8 shows the many complicated routes into and out of homelessness. For some, it is a simple matter of finding a permanent home. Others cycle in and out of homelessness and bad housing for a long time.

What help do people need to move out of homelessness?

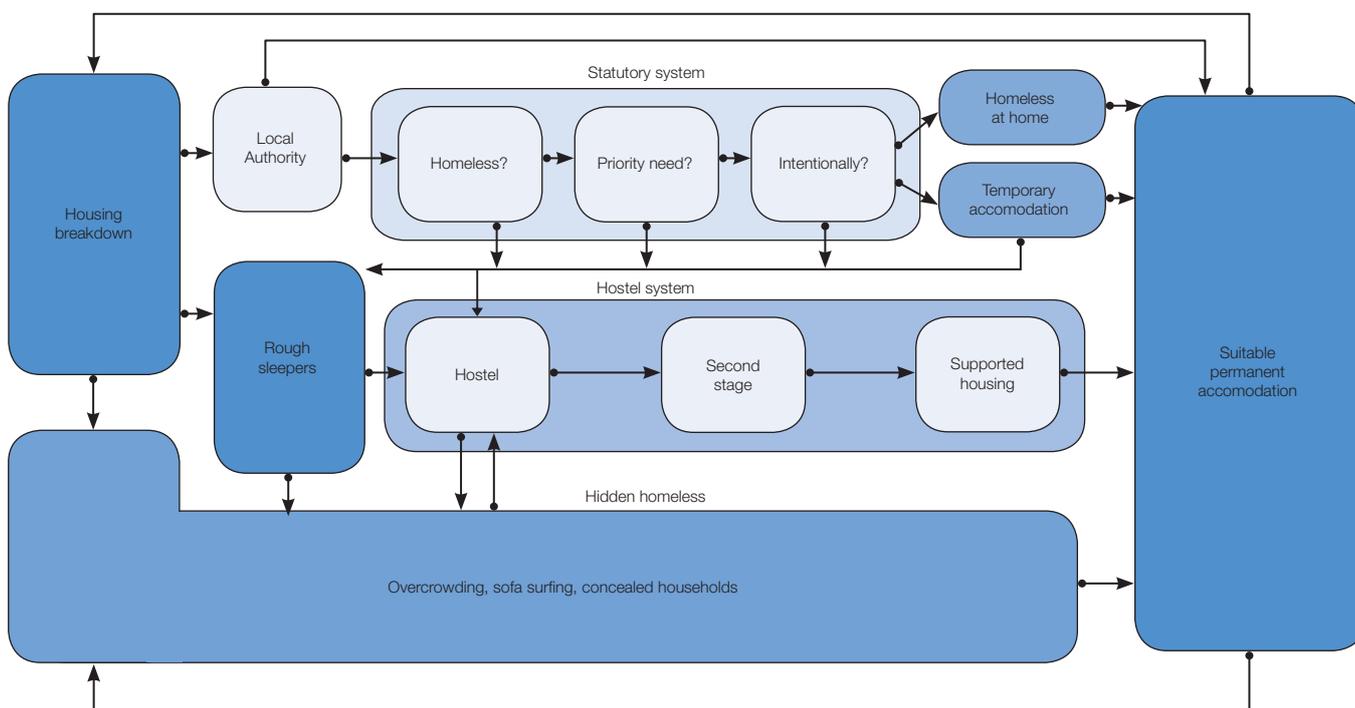
A range of needs

One of the conclusions of this report is that homeless people experience a wide range of problems, and that a successful approach to homelessness must take their different needs into account.

So as well as looking at ways to prevent homelessness in the first place, this report highlights the importance of provision for accommodation, health, social skills and employment and training.

Sometimes 40% of people leaving hostels will have been evicted.

Figure 8: Flows into and out of homelessness



While homeless people may get help in a crisis, if this is not sustained they can remain stuck and unable to move on.

Different support at different stages

A second key point is the need to support people at different stages of their journey out of homelessness, and provide them with encouragement and opportunities to move on. Too often, they are limited by low expectations and other constraints. While they may get help in a crisis, if this is not sustained they remain stuck—unable to move on and increasingly likely to fall back. This not only limits the benefit to the individual but also puts strain on the support system. Providing ongoing support and encouraging people to have high expectations of themselves are important roles for workers in the sector.

Figure 9 maps out the types of support that homeless people need along the two dimensions described above: types of need, and stages in time. However, it is important to remember that this is a simplified framework. People will have different needs and different abilities, and their individual journeys will differ. While some will be in total crisis, others may just need help to find a decent place to live.

What is government doing about it?

Government in the UK has played a central role for decades, by providing social housing at low cost and by providing Housing Benefit for people on low incomes, which allows them to live in hostels or homes rented from private landlords.

However, since the 1990s (under both Conservatives and Labour), the central government has put renewed focus on the needs of the homeless and, in particular, people sleeping rough on the street.

While the role of government is considered in more detail at relevant points throughout this report, a brief introduction to the evolution of government homelessness policy may be helpful to donors here. The government has played a significant role in shaping the issue of homelessness and the development of the charitable sector. It is by far the largest funder to the charity sector and its decisions strongly influence where private donations can make the most difference.

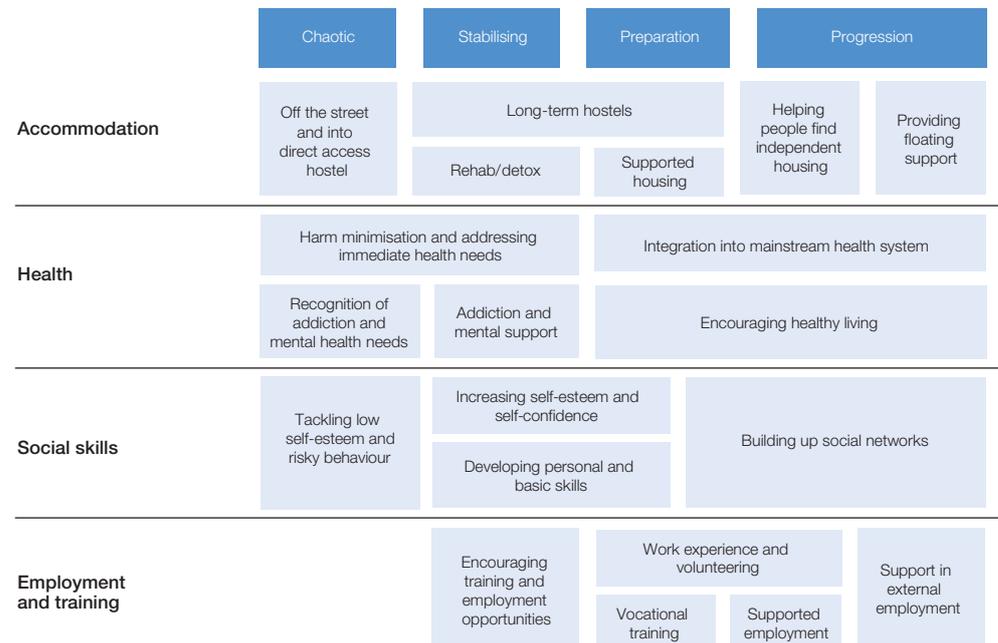
The 1980s—rising homelessness

During the 1980s, the numbers of homeless people grew dramatically—driven both by high unemployment levels and by restrictions on benefits. The Right to Buy scheme in 1980 led to a depletion in social housing as council tenants bought their homes. A declining stock was not replenished by new building activities.

Since the late 1970s, the government has been responsible for housing homeless families. Its responsibilities for single homeless people were more limited. They were provided for largely through dormitory hostels managed by a range of bodies, including large institutions run by government (known as ‘resettlement units’), and hostels run by private organisations and charities (such as the Salvation Army). Almost all provision for single homeless people was based on them sharing accommodation, as it was thought that homeless people could not cope in their own bedsits or flats.

To pay for such accommodation, single people were reliant on different types of welfare support, which were separated out into Housing Benefit (specifically to cover rent) and general Income Support in 1986.

Figure 9: Different support at different stages



The 1990s—central government takes control

In the late 1980s and 1990s, the Government and public alike were appalled by the ‘cardboard cities’ in many parts of the country, where hundreds of people slept on mattresses and old boxes. Central government finally made rough sleeping a priority in 1990, when it launched the **‘Rough Sleepers Initiative’**, pouring funding into bed spaces, winter shelters and outreach workers. Focused on London, it involved three main waves over three years. In 1999, it evolved into the Rough Sleepers Unit and extended beyond London.

During the 1990s, the Government also passed the ownership and management of its stock of ‘resettlement units’ over to charities. This increased the voluntary sector’s assets and the scale of its services for homeless people.

The 2000s—broader responsibility and more localisation

The biggest change of the past decade has been the Homelessness Act (2002), which increased the range of people with a statutory right to be housed to include, for instance, 16 and 17 year olds and care leavers.

Devolution has led to Scotland and Wales taking their own paths on homelessness. While Wales can only use its powers of secondary legislation to change the eligibility requirements for statutory homelessness, Scotland has introduced primary legislation. This has led to a range of initiatives which generally strengthen the rights of homeless people (see Box 5).

Alongside devolution, there has also been increased localisation. The 2002 Homelessness Act placed new obligations on local authorities to draw up ‘homelessness strategies’ in their areas and required them to fund services to prevent homelessness.

Councils receive some support from the Homelessness Directorate—formerly the Rough Sleepers Unit—that sits in the central government department primarily responsible for homelessness issues, the Department of Communities and Local Government (CLG).

These changes have occurred in the context of more funding for ‘housing related support’ and alongside a renewed emphasis on moving people on. In 2003, the Government launched the Supporting People programme (in England, Scotland and Wales). This brought together myriad funding streams previously used to support vulnerable people.

In 2006/2007, £300m was spent on services for homeless people (single people, families and rough sleepers), much of it channelled to charities via local authorities.⁴⁴ A high

Box 5: The Scottish revolution

In the 1980s and early 1990s Scotland suffered higher levels of poverty, ill health and long-term unemployment than the rest of the UK.

Soon after the establishment of the new Scottish Parliament in 1999, the new administration convened a Homelessness Task Force with input from the charitable sector to tackle homelessness and social exclusion.

The government launched a new strategy to ‘end homelessness’ by 2012, both by addressing existing homelessness and rough sleeping and by focusing on preventing homelessness in the first place through more joint working both between departments and with other agencies, such as charities.

A bold aim of this strategy is that anyone who is homeless should be entitled to permanent accommodation—essentially phasing out the ‘priority need’ and ‘unintentionality’ criteria. The result has been a sharp increase in the proportion of applicants for statutory support being assessed as statutory homeless: from 54% in 1997/1998, to 77% in 2005/2006.²³

The benefit of this approach is that it gives stronger rights to homeless people. However, Scotland faces a crisis in the provision of social housing stock. As the gap grows between the obligation and the ability of councils to provide affordable accommodation, there is a real risk that they will have to find a new way to ration social housing.

The government hopes that by increasing and improving efforts to prevent homelessness, it will be able to reduce the numbers of people needing social housing. But this work is still in its early stages, and it remains to be seen how Scotland’s ambitious goals will be met in practice.

proportion of this funding pays for workers helping homeless people in hostels, supported accommodation, and ‘floating support’ for people in their own homes once they have moved out of homelessness. It does not cover rent, social care or medical treatment.

At the same time, central government has increased its funding for hostels in order to make them ‘places of change’ rather than dreary dormitories. This has increased their quality but reduced the number of hostel places available.

These developments reflect a new emphasis in government and in the voluntary sector on moving people out of homelessness rather than institutionalising them.

Current state of play

Government efforts have largely focused on prevention, and on solving immediate housing needs. Together, they have reduced the numbers of people on the streets, and increased the quantity and improved the quality of temporary accommodation for ‘statutory’ and ‘non-statutory’ homeless people. Much of this work has been undertaken in partnership with charities who are working on the front line.

The Government has played a significant role in shaping the development of the charitable sector.

Homelessness is rarely integrated into other government agendas, such as health care and employment support.

However, real challenges still exist:

- The limited supply of permanent housing makes it easier for people to fall into homelessness and harder to get out.
- The supply and quality of temporary accommodation (such as hostels) varies across the UK.
- Government's duty towards homelessness leaves gaps, eg, most single homeless people are ineligible for guaranteed housing, while some migrants are excluded from public funding, such as Housing Benefit.
- Homeless people are rarely integrated into other government agendas and remain poorly catered for in areas such as health care and employment support. Their needs challenge mainstream services, and often require specialist (and limited) support.
- Other types of support, such as help with soft skills and social networks, lie outside government's funding priorities, although they are endorsed by its strategy.

Future policy changes

Looking to the future, there are several shifts in policy that will affect homeless people and the charities working with them.

Increased local autonomy: A potentially important change is that central government is trialling the removal of the ring-fence which currently restricts the use of Supporting People funding, with the intention of abolishing the ring-fence from April 2009. At the same time, Whitehall is reducing the number of mandatory targets that local government has to meet.

There is some concern that with local authorities setting their own agendas, marginal groups such as homeless people could be overlooked. As they tend to be fragmented across geographical areas, they may lack the visibility in local areas that they have at the national level. Instead local authorities may focus on more obvious and populist goals, and away from issues such as homelessness.

Conversely, other voices point to the potential of this move to localism. Pooling funding streams may allow local authorities to better address issues such as employment.

Affordable housing: More broadly, the government is focusing on the question of affordable housing. It has committed to building 45,000 new social homes a year until 2011 as part of its wider house-building strategy.⁴⁵ This is discussed further in the section on Housing.



Photograph supplied by The Passage



Photograph supplied by St. Giles Trust

Social security reforms: Other changes that will affect homeless people include reform of the benefits that many receive. Housing Benefit for the private rental sector is to be set at uniform levels, and paid directly to recipients rather than landlords. This policy will increase the autonomy of people on low incomes. By controlling their own rent payments, they may be able to achieve better value than the government, and benefit from the savings. However, it also presents risks for those who lack the skills to manage their money well. It could lead to increased rent arrears and evictions.

The government wants to reduce the number of people relying on Incapacity Benefit. From October 2008, new claimants will undergo a robust assessment of their capability to work. This sounds sensible in principle, but insensitive screening may impoverish people in poor health if they are wrongly denied money to which they are entitled.

Conclusion

Homelessness affects a surprisingly large and varied group of people. While the severity and the nature of its impact will differ markedly, with those on the street hit hardest, everyone will be affected in some way by poor housing. Effects can include poor health, limited education and employment, social isolation and addiction.

Government has played a considerable role in tackling homelessness, through legislation, policy and funding streams, such as Housing Benefit, the Rough Sleepers Initiative and guaranteed housing for statutory homeless groups. Yet it is the voluntary sector that often delivers and designs these services, and in many cases supplements them with its own charitable work. It was charities that lobbied and campaigned for government action in the past, and continue to do so now. So this report now turns to look in more detail at the nature of the homelessness charitable sector and what charities are doing to tackle homelessness.



Photograph supplied by The Connection at St Martin's

Homelessness charities

The homelessness charity sector includes more than 900 organisations working across the UK,* often with very vulnerable people. NPC estimates that its income is over £1bn annually.

Its roots go back to the 1960s when programmes like *Cathy Come Home* and, later, the visible growth of rough sleeping, provoked public horror and government action.

Organisations range from big accommodation providers to tiny day centres in church crypts and student led soup runs. The make-up and performance of this broad sector is varied, with areas of both strength and weakness.

Historically, homeless charities have focused on meeting immediate needs and helping people to survive. In recent years, charities have built on this and tried to provide a wider range of support to encourage and challenge service users to transform their lives.

This has meant moving into areas beyond accommodation, such as health, social skills, and training and employment. These are vital in addressing both the causes and the impact of homelessness, but provision until recently has been inadequate or even non-existent.

A key problem is that government funding beyond basic accommodation and support has been unavailable or insecure. The novelty of broader work and the difficulty of paying for it have created a vicious circle. Charities have struggled to carry out rigorous outcome measurement and this, in turn, has made it hard to establish what works and win future funding.

The best of the sector is strong, and NPC has been impressed by the quality of management, and the ambition and expertise shown across many organisations.

Considerable opportunities exist for donors to improve provision, fill gaps and help develop new services. As so often in relation to charities, funding to support evaluation and strengthen the capacity of the sector remains vital.

A brief history of the sector

In 1966, the BBC broadcast an account of a family facing eviction and homelessness after the father lost his job due to injury. *Cathy Come Home* was fictional, but the issues it dealt with were real and shocked the nation. Viewers were horrified to discover that parents could have their children taken away if they lost their home.

A striking number of organisations were founded in the following decade, including many with church backgrounds. **Shelter, Crisis, Edinburgh Cyrenians, Centrepoint** and **St Mungo's** are just a few of the charities mentioned in this report that were set up in the late 1960s. They joined a pre-existing tier of organisations like **Salvation Army** that had long supported vulnerable people.

Although the government offered an overall framework of support through Housing Benefit and a social housing programme, the practical help it provided for homeless people was minimal. The Homeless Persons Act in 1977 changed this, giving local councils a legal responsibility to house families and a minority of single people considered particularly vulnerable. The legislation has had a profound impact on the charity sector. With families catered for by the state, single homeless people became the centre of attention for the third sector, and—with notable exceptions—they remain so to this day.

The work of charities over the next 30 years was focused on meeting immediate needs, through soup runs, day centres, and hostels providing beds, sometimes hundreds in each room.⁴⁶ Many of these services began as vital emergency help, designed to deal with the immediate crisis. But, over time, charities realised that services focusing purely on providing food and safety risk becoming part of the problem by sustaining people stuck in an unhealthy, insecure lifestyle, rather than helping them to move on.

Developments within the sector were catalysed by government attention throughout the 1990s, particularly in tackling the very visible issue of rough sleeping. More funding, greater support and higher expectations helped foster changes, increasing the emphasis on moving people off the street and into new shelters and extra bed spaces.

Charities have realised that services focusing purely on providing food and safety risk sustaining people in homelessness, rather than helping them to move on.

* Note: this figure excludes advice providers.

Table 1: Examples of the main activities of eight charities

Charity	Hostels	Day centre	Issue Focused	Prevention	Developing the sector	Lobbying and campaigning	Research
Crisis		✓	✓		✓	✓	✓
Shelter				✓	✓	✓	✓
Tyneside Cyrenians	✓	✓	✓		✓	✓	✓
The Passage	✓	✓	✓			✓	✓
Thames Reach	✓		✓		✓	✓	
Broadway	✓	✓	✓		✓	✓	✓
Edinburgh Cyrenians	✓		✓	✓	✓	✓	✓
St Giles		✓		✓			

The success of efforts to tackle rough sleeping, often delivered through the voluntary sector, has helped initiate a wider series of changes among homelessness charities, for two reasons. The first is that some services became redundant as rough sleepers left the streets, and the second is that charities realised that homeless people who had a roof over their heads still faced many barriers to becoming part of mainstream society. Charities have adapted, both by improving the quality of the accommodation they provide and by giving their clients more support, not just in living skills but also in new areas such as employment, social skills and healthcare.

One way to characterise the changes is to look at them as a spectrum. A crude typology would identify the following shifts over the past decade:

- Charities used to tackle homelessness by providing **shelter**, and are moving towards solutions that understand it as a problem needing **more than a roof**.
- Charities used to treat homelessness very much as a problem of **individuals** in hostels or on the street, but they are moving towards recognising that homeless people need to be seen in relation to their **social context, families and friends**.
- Charities used to tend to treat homeless people as **passive victims** in need of help, but are moving towards understanding homeless people as **active agents** capable of taking control of their lives, for instance via work.
- Charities used to focus on **emergency responses** to homelessness, but are moving towards **prevention** of the problem—either from occurring in the first place, or recurring.
- Charities used to treat homelessness as just that: a problem of **charity**. Some are moving towards funding and delivering services via **social enterprise**.

While this simplification of the trends may help donors to make sense of the directions in which much of the sector is moving, it should be used with caution. Few charities sit at either end of these ranges; in reality, most are somewhere in between.

In most cases, these trends reflect a widening in scope, rather than a movement away from previous activity. For example, while the sector realises that tackling homeless needs more than a roof, a roof is still a key part of the response.

What do charities do to tackle homelessness?

A useful way for a donor to understand the charitable sector is to look at the different types of activities it carries out. These can be divided into two main areas:

- **Direct services:** Outreach, hostels, day centres, what NPC has termed ‘issue-specific approaches’, and prevention.
- **Indirect services:** Improving the sector, research, and lobbying and campaigning.

These are discussed in detail below. Most charities undertake a range of services. Table 1 shows the main activities of eight charities described in this report.

Direct services

NPC estimates that, excluding advice providers, roughly 900 charities provide services directly to homeless people in the UK. They can be grouped as follows:

National: These include many of the big names, such as **Salvation Army**, the **YMCA** and **Shelter**. While homelessness is in some cases only a part of their focus, they still form a major part of the homelessness sector.

Roughly 900 charities provide homelessness services in the UK.

Urban: The majority of service providers are found in major cities. Organisations include both large-scale providers such as **Tyneside Cyrenians**, **Thames Reach** and **The Connection at St Martin's**, as well as tiny charities working with only a handful of people.

Multi-locational: A number of charities have expanded geographically beyond their original bases. **Streetwise Opera** has gone from running workshops in a small number of London day centres, to working in Luton, Newcastle, and Oxford, and **Edinburgh Cyrenians** has now established offices in the neighbouring areas of Falkirk and West Lothian.

Rural: Some small organisations operate in rural areas, normally running only a single day centre or small hostel. These are joined by services run as part of larger regional or national organisations.⁴⁷

By number of organisations, homelessness activity is orientated towards the sharp end of the problem, especially towards helping hostel dwellers and rough sleepers. For people in overcrowded or unsuitable accommodation, there are relatively few organisations within the homelessness sector. One notable and large exception is Shelter. In general, though, people in unsuitable accommodation are served by organisations in other sectors (eg, family charities and poverty organisations), which are not covered in this report.

Table 2 outlines some characteristics of the main direct services provided by the sector.

Activities

Street outreach

Street outreach teams engage with rough sleepers who may not know how to get help, or may not want to. They normally go out each night to find people bedding down and establish contact. New arrivals can be immediately referred on to support services, while it may take more time to build up trust with entrenched rough sleepers. One of the principal reasons for the success of the government's Rough Sleepers Initiative was its focus on intensive and persistent streetwork.⁴⁸

The ultimate aim of street outreach is to get people into accommodation, but several preliminary steps may be necessary—morning sessions in a day centre, help claiming benefits, basic healthcare—before people feel ready. This creates a risk that street outreach can actually sustain people on the street, rather than helping them to move on.

Charities throughout the UK run street outreach, normally with funding from local authorities. Areas with high rough sleeping usually have at least one team, often more. Some are generalist, such as the **Crime Reduction Initiative's** service in Camden in London; others are more specialist, such as **New Horizon Youth Centre's** team targeting women in prostitution in the same area.

Accommodation and housing related support

Putting a roof over people's heads is the service that the homelessness sector is best known for. Government only guarantees housing for families and certain priority groups. The voluntary sector plays a vital role in extending support to single people outside priority areas—translating Housing Benefit payments and local government funding into hostels and supported accommodation.

The bricks and mortar of the hostels or housing run by the voluntary sector are either owned by the charities, or managed by them on behalf of housing associations or councils.

Provision tends to be dominated by a small number of charities, with around 30 organisations responsible for about 50% of the bed spaces.³⁰ Six of the largest London providers are: **St Mungo's**, **Centrepoint**, **Thames Reach**, **Look Ahead**, **Depaul Trust** and **Broadway**. They have a total annual income of around £125m.

Other cities have smaller clusters of accommodation providers. These include: **Tyneside Cyrenians** in Newcastle and **St Basils** in Birmingham, each of which has an annual income of a few million pounds.

Increasingly, the type of accommodation charities provide is designed to reflect the diverse nature and different needs of the homeless population, taking into account the following five variables:

- **Length of stay:** Often people start off in direct access hostels, where they stay for a couple of months while their needs are assessed and alternative accommodation found for them. They can then be formally referred into longer term accommodation, where they can usually stay for two years.
- **Intensity of staffing:** Staff to service user ratios for different client groups vary a great deal. Some hostels are manned 24 hours a day, while clients in supported housing may only get a couple of hours of direct support a week.

Table 2: Direct services for homeless people provided by charities

Service	Role in the sector	How many?	Main source of statutory funding	Issues
Street Outreach	Connecting newly homeless people into services Helping encourage entrenched homeless people into services	Unknown; most urban areas will have at least one	Local government	How quickly to move entrenched rough sleepers into hostels Whether it misses out on some groups, such as women
Accommodation and housing related support Eg, hostels, supported living, floating support	Meet immediate needs for shelter Connect into other services Support people to move on to permanent accommodation and then sustain their tenancies	148 direct access hostels in England, with 9,000 beds 48,000 beds in second stage accommodation At least 9,800 people receiving floating support in their own homes in England	Rent and service charges Supporting People	A critical lack of housing to which people can move on Variable quality of provision Changes in funding through Supporting People
Day centres Eg, advice, food and facilities	Provide advice and support Access to basic services, for those who are ineligible or unwilling to go to a hostel Meaningful occupation	187 in England run by 171 organisations	Local councils	Limited and insecure core funding from local authorities Variable quality of provision Difficulty in measuring impact
Issue specific approaches Eg, employment and training programmes, health services	Address needs, such as health Build up people's abilities Help them pursue opportunities, such as employment and training	Most charities run specialist activities beyond their core services Under 30 specialist charities	Local health providers Learning and Skills Councils	Under-developed programmes in many areas Lack of evidence of the long-term difference they make to people's lives Insecure funding streams
Prevention Eg, housing advice, awareness raising services	Preventing people from becoming homeless Helping those in precarious housing to stabilise their situations	433 Citizens Advice Bureaux and 200 other agencies ⁵⁰ across England including 50 Housing Aid Centres run by Shelter	Legal Service Commission Local councils Prison Service	Difficulty in measuring impact, particularly of work upstream (eg, with people in schools) Risk of discouraging vulnerable people rather than preventing homelessness

- **Age:** Most hostels take in adults of all ages. However, specialist provision has been developed, most notably for young people through the **Foyer** system. This is a national network of agencies that houses 16–25 year olds and provide education, training and support on site.
- **Sex:** Roughly 70% of hostel provision is mixed, but in practice tends to be used mainly by men. A further 10% is for women only, excluding refugees.³⁰ (Women’s refuges are accommodation specifically for women fleeing domestic violence. More information can be found on them in NPC’s report on violence against women, *Hard knock life*.)
- **Need:** Most hostels are generalist—and provide access to specific support where appropriate. However, a minority are specifically designed for a particular client group, such as ex-servicemen, or focus on a particular problem, such as alcohol and drug misuse.

These variables result in a broad range of provision. Some of the bigger organisations, such as **St Mungo’s**, provide a wide range of different types of accommodation (see Box 6). Other smaller providers fill niche roles, such as the **Spitalfields Crypt Trust**, which concentrates on housing 16 people with alcohol problems.

In a recent survey, **Homeless Link** identified **756 accommodation providers** in England. They offered roughly 50,000–60,000 bed spaces, roughly divisible into 9,000–10,000 bedspaces in ‘direct access’ hostels and a further 40,000–50,000 in ‘second stage’ accommodation (including long-term hostels and all supported housing).

It is difficult to get a handle on existing gaps—for instance whether not enough direct access hostels exist, or more foyers should be built. A lot of this depends on local needs, and how the different strands of the voluntary and statutory system combine and complement each other. Charities advise NPC that:

- All temporary accommodation provision is being put under stress because people are unable to move on to permanent accommodation; therefore fewer places become available for new residents.
- Areas of low population, such as rural areas, often lack specialist provision.
- While there have been significant improvements, the quality of accommodation is still uneven. Many hostels need to be refurbished. 13% of bedspaces in direct access hostels are in shared rooms.³⁰

As well as accommodation, almost all providers offer further support, normally in the form of a key worker or support worker who provides life

Box 6: Spotlight on St Mungo’s accommodation services

St Mungo’s is one of the largest accommodation providers in London, with just around 1,400 bed spaces and an annual income of £43.6m. Roughly two thirds of its expenditure (£28m) goes on accommodation, allowing it to provide a range of options. These include:

- **two emergency shelters**, where people can be assessed, helped to apply for benefits, and referred on to more appropriate provision;
- **14 hostels (and two under refurbishment)**, which include facilities for women, couples and individuals with dogs;
- **33 high-support projects** for those with serious problems such as mental ill health and substance misuse; five of them are registered care homes;
- **32 semi-independent housing** projects with accommodation for over 689 people, most of whom will have additional problems such as mental ill health or alcohol misuse; and
- **floating support for 350 people**, helping them to move into permanent accommodation and supporting them to remain there.

skills training, benefits advice and help finding permanent accommodation.

NPC has heard how this type of support makes a considerable difference to individual lives. Yet it is inadequate to deal with the challenging behaviour of a significant proportion of people. Eviction rates from hostels are high—as noted above, sometimes as high as 40% a year—and some people get recycled within the system, going from hostel to hostel, without ever receiving the in-depth health care and counselling that they need.

For those who do manage to move on into their own tenancies, ‘floating support’ teams provide help in the home, usually making weekly visits to check people are managing. This sort of activity may be regarded as ‘secondary prevention’—services to stop previously homeless people from falling back into homelessness.

Day centres

Historically, day centres began in church crypts in response to limited hostel opening hours. Today, their services vary. They range from small rooms in churches (such as the **Booth Centre**, which is based at the back of Manchester Cathedral), to large purpose built establishments, such as **Broadway’s** centre in west London. Core activities include:

- provision of basic services—especially advice, food, showers and laundry;
- triage—assessing people’s problems and linking them to further support, including housing;
- advice—on benefits, housing and debt; and
- social activities and trips out.

“This has been the most inspiring day I have had since working in homelessness and it has rekindled my desire to help people.”

Participant at Homeless Link Event

Box 7: Spotlight on The Passage

The Passage operates London's largest day centre, (based in Victoria), for homeless people with complex needs. Dealing with over 200 people a day, the day centre offers a variety of services, including:

- basic primary services;
- a variety of assessment and advice services;
- a street outreach team designed to identify and engage with rough sleepers;
- health care services (such as GP, nurse, podiatry, opticians, and counselling), as well as mental health, substance misuse and complementary therapies; and
- employment services that assist clients into employment (in 2006/2007, 95 clients entered full time employment), and further training/education.

For each client, The Passage tailors an individual package of services, designed to address the root causes of their homelessness and encourage and challenge them to improve their situation.

Due to its location next to Victoria Coach Station, The Passage has been likened to an 'arrivals lounge'. As well as signposting new arrivals to appropriate services, it is able to monitor trends in the nature and make-up of the homeless population and their needs.

Day centres have to cater for the needs of transient populations as well as local people (see Box 7). In cities, these include domestic and foreign migrants, while rural agencies sometimes support people from the gypsy or traveller communities.

There are **187 day centres** in England, run by 171 different organisations.³⁰ Most of these are small, local organisations, although some big hostel providers, such as **Broadway** in London, also run centres.

Like hostels, day centres are concentrated in large urban areas—55 of them in London. In the borough of Westminster, which has a population of around 180,000, there are 11 day centres, whereas Doncaster, with a population of 287,000, has just one.⁴⁹

Day centres are often based in substandard buildings. In a survey of 29 day centres, a quarter had never been refurbished or had not been refurbished for ten years, and 60% needed refurbishment.³⁰

Worried that their role was being overlooked or downplayed, with a negative impact on their funding, the large London day centres, such as **The Passage**, the **New Horizon Centre** and **The Connection at St Martin's**, have produced a document on their strategic position in the sector. This identifies three important groups they cater for:

- **People who are newly homeless:** Day centres are the first point of call for many people who find themselves in a housing crisis. They are accessible and visible places where people can get help immediately.

- **The most excluded:** Day centres work with the most excluded and disadvantaged people, including those who do not trust other services or have been evicted from hostels. Because they are not tied to housing, day centres can also be used by the 'hidden homeless', who often have nowhere else to go.
- **People ineligible for some publicly funded services:** Day centres are often the only support available to people without access to public funds, such as failed asylum seekers or people from eastern European countries. (However, in the last year, some London day centres have begun restricting the services they provide to eastern Europeans.)

Well-run day centres that are able to connect these people back into accommodation, services, and support are playing a vital role. However, others provide little beyond a pool table and a TV. And for some vulnerable groups, such as younger people, attending a day centre alongside chaotic older people is not appropriate.

Issue-specific approaches

Over the last decade, the role of hostels and day centres has been held up to greater scrutiny. Much of this has focused on their part in sustaining people in homelessness—providing them with basic services, but not enough to challenge or improve their way of life.

One problem is that even good organisations are hamstrung by the shortage of other good quality services to which they can refer their clients. They may be unavailable (eg, social activities) or inadequate (eg, health care, employment support). Even when clients are referred, it is difficult to ensure that they attend their appointments.

To counter this, charities have expanded to fill the gap, providing targeted support for homeless people, on a number of issues such as:

- health care, eg, providing drug services;
- social skills, eg, sports and arts groups; and
- training and employment, eg, construction programmes.

Many hostels and day centres now run specialist services alongside their core work. While day centres still have drop-in sessions in the morning to meet the immediate needs of rough sleepers and others in crisis situations, in the afternoons they will offer other activities—such as teaching English for Speakers of Other Languages (ESOL) or holding cookery lessons.

Tyneside Cyrenians, an accommodation provider in Newcastle for the last 40 years, has recently developed its own training and

60% of day centres say they need refurbishment.

employment activities, including its flagship Brighter Futures Training Centre. This is open to people using its accommodation and day centre, as well as outside referrals from partners such as the local Youth Offending Team.

As well as established charities, a second wave of providers has sprung up, at most 30 strong, which specialise in a particular subject, such as music, sport or employment. For instance, **Streetwise Opera** runs music workshops for homeless people, helping them to meet other people, develop their self-confidence and communication skills, and encourage them in all their activities. It now runs these workshops in a number of hostels and day centres across England.

Prevention and advice

'Primary' preventative approaches are those designed to stop people becoming homeless in the first place (see this report's section on prevention and advice for a full analysis).

It can reasonably be argued that all charities addressing causal factors such as substance abuse and mental health help to prevent homelessness. More direct work is done by charities targeting at risk-groups with information and assistance with housing. **St Giles** provides housing advice in prison, training up inmates to provide housing advice to their peers. **St Basils** and **Alone in London** have gone into local schools to raise awareness of the dangers of homelessness.

A wider system of advice services exists for people who are in danger of homelessness or may already have found themselves in unsuitable or overcrowded accommodation. The major provider is **Shelter**, which helps 170,000 people in housing need each year, through its Housing Aid Centres, its free housing advice helpline, and by email. Housing advice is also provided in many of the **Citizens Advice Bureaux (CABx)** in England and Wales. In 2005/2006, 280,000 clients got housing advice from CABx, 45,000 of whom (16%) were classified as threatened with homelessness. A significant but uncertain number of independent and council-run advice agencies also operate.

Indirect services

Only a small number of organisations have the capacity to carry out indirect services (improving the sector, research, and lobbying and campaigning) on a large scale. These include:

Member organisations: each of the UK nations have their own membership bodies to reflect the different legislation and context. These comprise: **Homeless Link** (England); the **Scottish Council for Single Homelessness** (Scotland); **Cymourth Cymru** (Wales); and the **Council for Homeless in Northern Ireland**.

Box 8: Spotlight on Crisis and Shelter

Ask the person next to you to name a homeless charity and the chances are that he will name Shelter or Crisis. This is because they both undertake a lot of public-facing campaigning. In terms of spending, however, campaigning only comprises a modest proportion of what both organisations do (around 9% of Shelter's expenditure, and 5% of Crisis's).

Shelter uses its public profile and expertise to push the government to tackle housing problems. Its ultimate aim is to increase the supply of affordable housing, and to change laws and policies to help individuals and families stuck in poor quality and temporary housing. Shelter's major activity is providing housing advice to 170,000 people each year, as well as running some discrete projects such as its tenancy sustainment programme for families, Homeless to Home.

Crisis lobbies on behalf of single (usually 'non-statutory') and 'hidden homeless' people. It has recently been focusing on the need to help homeless people develop their skills in order to rebuild their lives. It also highlights overlooked groups. For example, it recently did some research which found that there are more women who are homeless than previously thought, but that they do not access the usual services, and are better at 'hiding' their homelessness. Crisis also runs year-round services such as its 'Skylight' day centres and special services over Christmas.

The campaigning undertaken by Shelter and Crisis is only possible thanks to the large amounts of private funding that they receive, giving them the resources, freedom and capacity to have a dedicated campaigning function. This is beyond the reach of the majority of homelessness charities.

Each of these second-tier bodies has a specific role to deliver indirect services. Often, this involves collating and representing the views and experiences of their members, and providing them with support and encouragement.

Large organisations: these include charities such as **Shelter** and **Crisis**, which have specific policy, research and development teams (see Box 8). Other large charities, such as **Thames Reach**, **St Mungo's** and **Edinburgh Cyrenians**, also get involved—normally in more of an *ad hoc* manner, integrated into the role of their chief executives or other senior staff.

Specialist smaller charities: these carry out specific functions in improving the sector—for instance, **Groundswell**, which employs people with experience of homelessness to review services and help charities learn to listen to their users.

Each of the different types of indirect service is considered, in turn, below.

Activities

Improving the sector

Charities' work to develop the sector can be divided into two main areas of activity: sharing good practice and providing capacity building to the sector.

Many hostels and day centres now run specialist services alongside their core work.

Box 9: Spotlight on Homeless Link

Homeless Link is the member organisation for English homelessness charities. It currently has around 450 members. It was formed in 2001, from the merger of Homeless Network and the National Homeless Alliance, and since then has developed four main activities.

- **Provision of support to frontline agencies:** Through its regional teams, it provides direct support and assistance to local charities, such as advice on government funding, and sharing good practice. At its central office it collates examples of good practice and disseminates these through its website, publications and good practice handbooks.
- **A programme of projects:** It carries out research on problems facing the sector, such as Eastern European migrants or the lack of permanent accommodation available to people living in hostels, then comes up with guidelines and proposals to improve provision and disseminates them across the sector.
- **Representing the homelessness sector and influencing policy:** It strives to improve government's understanding of, and commitment to, the homelessness issue. This involves working with ministers and civil servants, and as part of wider consultations and expert groups.
- **Events and training:** It provides training, seminars and other events.

Sharing good practice is designed to ensure that experiences and lessons are spread across the sector, reducing duplication and improving service quality. **Homeless Link**, the member organisation for England, carries out this activity through various channels, such as regional and national conferences, good practice handbooks, its website and various publications, (see Box 9 for further details).

A different model involves franchising out a successful approach. In 1997 **Crisis** developed Smartmove—a programme that provided guarantees of deposits to private sector landlords renting to homeless people, while also offering these new tenants support and advice to help them maintain their tenancies. Since then, 25 charities across the UK have adopted this approach.

Providing capacity building to the sector involves helping to develop the operational capacity of charities through areas such as IT and HR support—services absolutely crucial to ensuring quality, and making the most effective use of resources.

One of the big London charities, **Broadway**, runs *'Beyond a helpline'*, a programme helping charities to develop their HR strategies. This is funded by a grant from the London Housing Foundation and by fees charged to participating agencies.

Charities sometimes bring in outside expertise on specific issues affecting the sector. The charity **CRASH** matches homeless charities with experts and businesses from the property and construction sectors, who give them guidance on how to refurbish their properties as well as in-kind donations of goods and services.

Research

The quality and nature of research in the sector varies widely. Direct service organisations often produce small pieces of research based on the experiences of their client group. This is often supplemented by a wider picture of a particular issue, either carried out by an individual charity, or outsourced to academic and social researchers.

Recent areas of interest have included:

- **Eastern European migrants:** The accession of Eastern European states to the EU in 2004 led to an almost immediate shift in the types of people turning up in British day centres. **Homeless Link** in London and **Edinburgh Cyrenians** have researched the impact this has had in their local areas.
- **Rough sleepers:** The charity **Broadway** manages London's database on street homelessness, assigning each client a number and tracking him or her through the system. Its network currently includes 17 outreach teams, 55 accommodation projects and 11 day centres.
- **Hidden homelessness:** In 2004, **Crisis** produced a report on the situation of those homeless people who may be living in overcrowded or unsuitable accommodation, but do not come under the radar of homelessness agencies.

All of this research is necessary to understand a changing problem. The nature of homelessness has shifted markedly over the past ten years, as rough sleeping has declined. Research to understand how disadvantage is now manifested is important to making sure that charities are doing the right things, and are prepared for future developments.

Lobbying and campaigning

Influencing government policy, funding and practice can have considerable impact across the sector. One of the reasons for government's focus on rough sleeping in the 1990s was the sustained pressure of the charity sector. Scottish charities also point to their influence on the recent changes to Scottish homelessness policy.

Lobbying tends to fall into three main areas:

- **Keeping homelessness on the agenda:** This aims to ensure that government takes homelessness into account, not just within its main homelessness strategy, but also in developing other areas, such as education and health.

Since 2004, the numbers of Eastern Europeans using homelessness services has exploded.

- **Advising on service delivery and strategy:** Charities such as **Homeless Link** help government think about how to deliver better services and support, and increase cooperation and partnership (see Box 9).
- **Lobbying on specific issues:** Some campaigning focuses on particular policies, such as the need for more social housing, changes to benefit payments, and increased support for vulnerable Eastern European migrants.

While the impact of lobbying work is hard to pin down, the potential is considerable. The freedom to challenge the policy decisions that shape the context of homelessness, and also to challenge the public, is a distinctive part of what charities can offer.

Charities' **popular campaigning** often looks to enlist public support for particular lobbying goals. **Shelter** has consistently raised the issue of social housing, calling for supporters to sign petitions and e-mail the Housing Minister or their local MP.

Other campaigns have targeted public attitudes and behaviour. Often, this involves addressing negative perceptions that surround homeless people. A survey completed for the BBC for the 40th anniversary of *Cathy Come Home* found that twice as many people would feel sorry for a homeless dog as for a homeless person.⁵¹

A recent campaign from **Centrepoint** was aimed at challenging popular misconceptions about young homeless people, while **Shelter** has looked at widening the public's view of homelessness beyond rough sleeping.

Thames Reach has directly targeted people's behaviour through its campaign aimed at discouraging people from giving to beggars, profiled in the next chapter of this report.

Tension can sometimes exist between charities' campaigning and their fundraising. The public appears more likely to give when confronted with images of rough sleepers in terrible situations. Yet by framing the problem in this narrow way, charities run the danger of strengthening misconceptions and old-fashioned stereotypes.

Funding for charities

The homelessness sector is large, both by number of charities and by income. NPC estimates that the sector has an annual income of over £1bn (see Appendix 2 for NPC's methodology in arriving at this estimate). This is distributed unevenly. Bain and Co, in research undertaken for the charity **Business Action on Homelessness**, has estimated that the top 42 charities had an income of nearly £280m in 2006.⁵²

Funding for charities is focused on accommodation and housing related support. Government is responsible both for rent (through Housing Benefit) and housing related support (through Supporting People). Both of these can be very expensive. In 2003/2004, the government estimated that it cost an average of £15,000 in housing costs and housing related support alone to keep a single homeless person in temporary accommodation for a year.²⁶

Day centres, by contrast, have much lower and less stable government funding. This normally comes from local government homelessness teams, which allocated funds for street outreach and basic advice and support. The sums involved are much lower than for accommodation. One of the largest day centres, **The Passage**, received £1.8 million last year from government for its day centre, compared with the £28 million **St Mungo's** received for accommodation.

While government may be persuaded to fund the basic functions of day centres and hostels, it does not generally fund **issue-focused work**, such as activities to improve people's social networks. This kind of work can sometimes be covered by other government funding streams, such as those for health, education and employment, but in practice this rarely works well. Reflecting one of the downsides of decentralised provision, funding often depends on local priorities and on personalities within local mental health teams, drug and alcohol teams or JobCentre Plus.

Specialist charities that do not have a hostel or day centre to bring in any core income get little, if any, government funding. **Streetwise Opera**, for example, gets 74% of its funding from voluntary sources.

For **prevention** services, government funding is more established. Local authorities have to give basic advice services and are encouraged by central government to do more through their local homelessness prevention strategies. In areas of high rough sleeping, this usually includes funding **street outreach** work. For more specific casework advice, legal aid is dispersed by the Legal Services Commission, though this is being restricted more tightly.

For almost all **indirect services**, little mainstream government funding exists. Although the Department of Communities and Local Government has a discretionary pool of money it sometimes uses for this purpose. This supports **Broadway's** database of rough sleepers in London (see above), as well as a significant amount of **Homeless Link's** work in developing the sector.

It costs the government an average of £15,000 a year to keep a single homeless person in temporary accommodation.

Little government funding is available for issue-focused work, such as activities to improve people's social networks.

Table 3: Voluntary income of ten important charities

Charity	Total income	% from donations and legacies*
Shelter	£49.1m	41%
Crisis	£11.6m	31%
The Passage	£2.5m	30%
Connection at St Martin's	£4.16m	20%
Centrepoint	£16.2m	13%
Depaul Trust	£6.7m	13%
St Mungo's	£43.6m	9%
Broadway	£9.1m	3%
Look Ahead	£29.5m	1%
Thames Reach	£17.8m	1%

* From annual accounts. Some figures may include some grants from trusts, though analysts have tried to strip these out where possible.

The Scottish government has also contributed to indirect services, both by commissioning research and by funding capacity-building work. Through its Futurebuilders programme, it provided seed funding for Edinburgh Cyrenians to employ a Business Development Manager.

Statutory funding still leaves gaps. Charities rely on private support to supplement insufficient statutory income, develop pilot projects and pay for things that lie outside government responsibility and funding (such as social activities).

A number of grant-making trusts and foundations provide funding for homelessness projects. These include specialist funders, such as the Oak Foundation and London Housing Foundation, as well as more general funders who give to homelessness projects as part of a wider programme. As these funders, such as the Tudor Trust and the Lloyds TSB Foundations in Scotland, England and Wales, do not separate out the money they give to homelessness it is difficult to put a total figure on the money going into the sector from trusts and foundations.

Substantial sums come from the public. In 2006/2007 **Shelter** received over £24m from individual donations and legacies, which represented 41% of its total income. Other well known recipients of public donations include **Crisis**, which got roughly £3.5m over the same period, representing 31% of its income. Table 3 highlights public funding for some well known charities.

31% of Crisis's income comes from individual donations and legacies.

On average, all the other London charities receive 4% of their funding from donations and legacies, an estimated £9.6m in total.⁵³

Main challenges faced by sector

The sector faces a number of challenges and risks, which often compound and influence each other. These include:

- developing new areas of activity;
- confronting uncertain funding;
- distributing services;
- measuring outcomes; and
- ensuring quality of services.

Developing new areas of activity

The theory underpinning homeless charities' efforts to broaden the scope of their activities seems sound: it is only by tackling the range of problems underpinning homelessness, be it lack of social skills or employment, that people can be moved on. Yet, while it is apparent that these aims are vital in tackling homelessness, exactly how to deliver improved outcomes is still unclear.

Existing programmes are recent and often untested. Charities still face problems engaging clients, sequencing the support they receive, and sustaining it in the long term. Schemes are often expensive and have a high drop-out rate.

Confronting uncertain funding

The funding environment is going through a period of change. The main source of income for the sector, Supporting People funding, is being cut back and, from 2009, the government is removing its ring fence and subsuming it into general local authority funding. Depending on

local priorities, homelessness could potentially drop off the radar. In a survey of direct access hostels and second stage accommodation, just over 90% of respondents received Supporting People money and it was the primary source of funds (other than rent received) for almost all of those people.³⁰

Activities outside of housing and housing related support, continue to be plagued by a lack of secure funding streams. Changes to the Learning and Skills Council and JobCentre Plus offer both opportunities and potential problems.

On top of this, the Legal Services Commission has recently reformed the way it funds advice services, moving to payment on a fixed fee basis. The net effect is unclear, and it may help promote efficiency. But there is a risk that it will reduce the range of cases that can be supported with in-depth help, and put more pressure on advisers to resolve cases quickly.

Charities have often had to rely on voluntary income to make up the gaps in these areas, and to pay for activities completely outside the remit of government, such as lobbying and campaigning. However, voluntary funding is currently limited, and popular attitudes can be negative.

While charities have begun to develop 'social enterprise' activities, their ability to provide a sustainable source of income is still unproven. Very few are currently making enough money to cover their costs. Moreover, measured on a 'cost per user' basis, most are still very expensive.

Distributing services

Both day centres and accommodation providers tend to be concentrated in urban areas, particularly London. Roughly a quarter of all services in England are found in London.³⁰

It is unclear how justified this distribution of services is. The requirement for 'non-statutory homeless' people to demonstrate a 'local connection' is meant to ensure that services reflect the prevalence of homelessness in a particular geography and do not serve as a magnet attracting homeless people into major cities. But services have grown up organically over time and NPC's judgement is that capacity in many areas probably is not tailored to real demand.

NPC has compared figures on availability of services across the different regions of England to both overall population and poverty levels (see Appendix 3). These suggest that London, the South West and the East Midlands have high levels of day centre provision relative to their aggregate regional populations and poverty levels, compared with all other regions. Levels of direct access hostel provision are



Photograph supplied by St Giles Trust

high in London, the North West and the West Midlands, and low in the East of England and the South East.

It would be wrong to read too much into this data, though. The available information allows only crude comparisons and, in particular, ignores other factors that might justify different levels of provision, such as (most obviously) real numbers of homeless people or house prices.

Whatever the starting position, setting up new day centres and hostels is costly, and it is difficult to get past local planning restrictions and local complaints. Ensuring the right level and distribution of services remains a long-term structural challenge for the sector.

NPC has also heard a different charge: that there are too many organisations in the homelessness field. There is considerable anecdotal support for this view, particularly among organisations in London. Delivering existing services through fewer organisations can lead to savings and better quality services—and the sector probably needs some such consolidation.

Historically, however, mergers have only occurred when services have been threatened. They tend to be risky, and often require a great deal of support and assistance to bed down, which has not always been available. The academic evidence from mergers in the corporate sector is that they rarely achieve all their goals.⁵⁴ Alongside greater pressure for mergers, the sector could benefit from tools and expertise to do it effectively.

Measuring outcomes

As with charities in other sectors, homelessness organisations struggle to collate data and track long-term outcomes. Charities speak of the difficulties they face in tracking the effectiveness of their work, and highlight three main challenges they faced in this regards:

Government funding for the sector is going through a period of change.

Long-term evaluation is a serious gap for the whole sector.

Table 4: Key metrics used by homelessness charities

Metric	What is it?	Comment
'Positive moves on'	A measure used by a lot of hostel providers that captures the number of planned moves by homeless people (as opposed to eviction, or disappearance from the system). Eg, a move from emergency accommodation to a hostel place	A useful indicator of people making progress within an organisation, but often anything other than an eviction counts as a 'positive move on'
Numbers of tenancies sustained	A measure used for 'floating support' and other 'secondary' prevention work to indicate the number of people who have kept their homes	A useful indicator, and the only one with a meaningful longitudinal dimension (charities often measure at 12 months), but charities can rarely assess whether clients would have maintained their tenancies without their support
People in education, employment or training	A measure used to assess numbers moving into productive activity	Widely used, but conflates employment with education and training and rarely tracks people for more than three months, so does not measure drop-out rates
Outcomes star	A measure developed by Triangle Consulting, London Housing Foundation and St Mungo's to try and capture 'soft' improvements in things like confidence and self-esteem. Other similar tools are also used, such as the Rickter scale	Potentially helpful, but not yet widely used and organisations have rarely aggregated their results

Complexity of measurement: Many of the areas being measured, such as an increase in self-confidence or preparation for employment, are difficult to quantify. Hard measures, like the number of people who have moved into jobs, do not reflect the full story: for some people, washing their clothes is a significant step forward.

Attribution: Most homeless people come into contact with multiple government and voluntary services. Attributing the impact to the day centre, the hostel or the drug worker is challenging. The success of individual charities is also affected by the context in which they work—where little permanent accommodation exists, for example, hostels are unable to move people on.

Tracking people over time: Long-term evaluation is a serious gap for the whole sector. Homeless people moving through the system understandably do not prioritise staying in contact with the charities, particularly after they have moved out of homelessness. Charities often report that they only see the cases that go wrong, when former clients fall back into homelessness and need help again.

NPC has sympathy for these challenges and welcomes developments that should reduce the barriers to measurement. For instance, a range of tools is now available to track softer developments, such as the Outcomes Star, created by Triangle Consulting, London Housing Foundation and St Mungo's. Use of this is in

the early stages, with charities still collecting baseline data and few aggregating it. Tracking people over time will never be easy but a surprising proportion of homeless people now have mobile phones (perhaps making them easier to follow) and better data is becoming available on movements of homeless people between hostels.

Unfortunately, funding for homelessness charities, as in most sectors, is not always focused on results. This has been changing—the Rough Sleepers Unit and certain local councils have been vigorous in demanding value for money. Supporting People funding also has several funding requirements, which have made hostels measure the number of people moving on in a planned and organised way.

Table 4 considers some of the key measures used by homelessness charities. Broadly speaking, they are not particularly helpful in comparing the performance of different organisations. A key underlying reason is that baseline data on the charities' clients is weak. Most organisations say they are engaging with 'the hardest to reach'—in practice this is hard to verify. Because of this, it is not straightforward to say whether different performances against these metrics reflect the strengths and weaknesses of different organisations or more or less challenging clients.



Photograph supplied by The Connection at St Martin's

Ensuring quality of services

While several organisations have spearheaded recent improvements in the sector, others have lagged behind. NPC has heard several stories of poor quality services throughout the UK, from day centres only providing a pool table and tea, to one report of a hostel where workers take drugs with their clients. Less dramatic examples include staff simply lacking the expertise, the support or the facilities to help their clients properly.

A lack of quality may help explain the tendency for homeless people to drift towards urban areas in search of better services.

At higher levels, some organisations have struggled with funding and management issues. A number of homelessness charities have folded recently but, where other charities are able to take over their services, this may not always be a bad thing.

Encouraging trends

Despite these challenges, NPC has been impressed with the strength of many organisations in the sector, and their ability to deal with the challenges the sector faces.

Management and staff

Relative to other sectors that NPC has studied, the quality of the management in leading homelessness organisations is very high.*

Chief executives of homelessness charities have a clear sense of what they are trying to do and can communicate it articulately and persuasively. NPC's impression is that they are also strong administrators, with a commitment to delivering high quality activities.

The strength of management is partly attributable to the size of the sector and its links into housing. A feature of its scale is that it is possible for people to forge a career working with homelessness people, by moving from organisation to organisation and working their way up the career ladder.

Whilst this is a depressing testament to the enduring nature of the problem, it does mean that many of the senior managers have plenty of sector experience behind them. A surprising number began their career as frontline workers—Charles Fraser of St Mungo's and Jeremy Swain of Thames Reach, chief executives of two of the leading London homelessness agencies, both began their careers as frontline support workers in the 1980s.

Relative to other sectors NPC has studied, the quality of management at leading homeless organisations is high.

* NB The sample of charities visited by NPC is likely to be higher quality than the 'average' for the sector as analysts deliberately seek to identify the most effective organisations. Nonetheless this is true of all sectors that NPC examines, and the relative strength of the homelessness sector is still notable.

A growing number of charities are prioritising measurement and monitoring.

Better understanding of the needs of homelessness

NPC has also been excited by the recent changes in the sector, including a renewed emphasis on moving people out of homelessness, and the new and creative ways that charities are working. Employment, social skills and prevention programmes have considerable potential to improve the sector. Changes spearheaded by the larger organisations can now be seen diffusing down the sector.

Government has played an important role as a catalyst in the debate. The effort and the money injected in the 1990s led to a resurgence of energy and activity. This can also be seen in Scotland since devolution.

Improved emphasis on evaluation

Despite the difficulties and traditional lack of evaluation, NPC has found promising indications of change from a number of different sources:

A growing number of **charities** are prioritising measurement and monitoring and actively fundraise for it, or incorporate it into government contracts. Some have appointed data officers or regularly commission external evaluations.

This is complemented by increased interest in measuring outcomes from **government**. The (relatively) new funding stream Supporting People puts considerable emphasis on measurement when commissioning. This is joined by other initiatives such as the Adults facing Chronic Exclusion (ACE) programme, managed by the Social Exclusion Task Force. ACE has funded twelve pilot projects looking at different ways to help marginal groups—part of the budget has gone into a sophisticated evaluation system designed to capture the impact of this work. A third of these pilots are being run by specialist homeless organisations.

Other funders, such as **foundations and trusts**, are also leading developments. In particular, the London Housing Foundation helped instigate and develop the Outcomes Star (see Table 4).

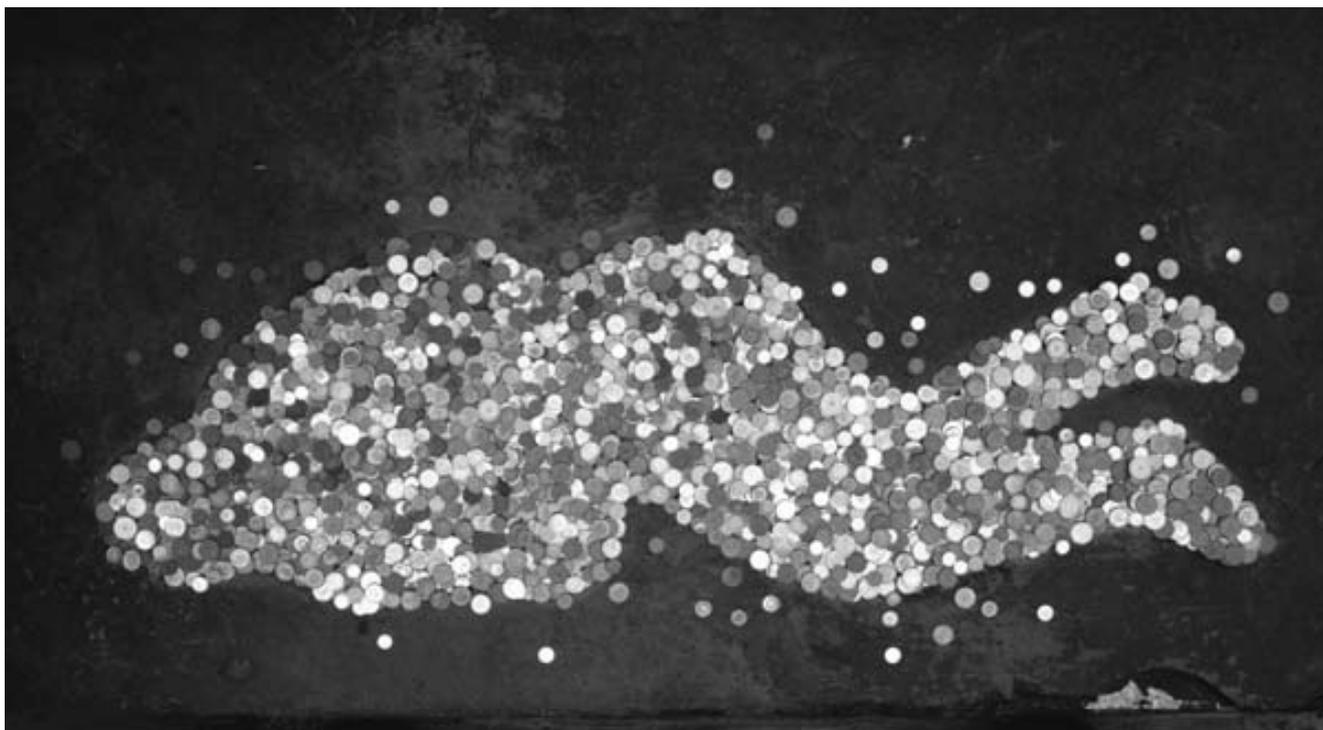
Conclusion

The homelessness sector has had a long and challenging history. Recently, it has gone through a change in emphasis and a reinvigoration of approach. Traditional methods of delivery, such as housing and day centres, have been reformed and have been joined by new approaches. While a sector in transition presents a number of risks to donors, it also affords opportunities for influence. The next section outlines some of the possibilities for donors, and the priorities that NPC has identified.



Photograph supplied by The Passage

What should a donor fund?



Photograph supplied by Thames Reach

As the first two chapters of this report have shown, homelessness remains a pressing issue in the UK today. Need is broad, deep and urgent. Despite a vast structure of government and charitable support trying to address it, many gaps remain.

The role for private philanthropy is significant. Donors can provide funding for areas overlooked by government, help develop new pilot approaches, and give charities the financial security to take a flexible and long-term view of the issues.

The challenge for donors is identifying where they can make a difference in this space. Giving directly to a beggar does not work (see Box 10); yet it still leaves the question of which issues to address or what organisations to support. Homelessness is something that many people are passionate about. But there is a danger of donors feeling overwhelmed in the face of the range of choices open to them.

This chapter presents some guidance to donors on how to go about making a decision on where to give. Donors may not find these options equally attractive. NPC has tried to match them to a rough typology of different kinds of donor.

Deciding how to give is nearly as important as choosing the focus of any donation. NPC encourages donors to provide unrestricted funding to organisations that help to address particular needs, not to restrict funding to specific projects. Well run and effective organisations are in a better position to decide how to allocate their income than funders are.

Box 10: Do you give money to people on the streets?

About half the public does, but giving £1 to a homeless person will not get him off the streets. Rough sleepers have serious problems that need long-term solutions. Many are addicted to alcohol or drugs, and a third have mental health problems.

Giving instead to a charity like **Thames Reach**, which works to get people off the streets for good and into employment, is a better option. By giving a homeless person the chance to earn his own income, a £1 investment could generate a return of 112% in just two years.

Thames Reach trains homeless people to work in the care and housing sector at a cost of £6,253 for each nine-month traineeship. The standards are high. Trainees compete for jobs against applicants who have not had to struggle with homelessness. More than four out of five people who have completed the course have gone on to find jobs. Most of these jobs are in the homelessness sector, where the trainees' personal experiences are a huge benefit.

Given that success rate, NPC has calculated it costs Thames Reach £10,840 to help someone into work. Even on the minimum wage, a year's earnings come to £11,500. After just one year, this represents a return of 6% on the money invested in Thames Reach, going up to 112% after two years.

Holding down a job provides huge personal as well as financial benefits. Having stable work gives people a routine and something to build a new life around. People with jobs are also healthier and less isolated. And, of course, the income from work makes it easier for people to keep up with their rent.

Giving money to people on the streets does not change anything in the long term. Donating to charities like Thames Reach instead can change people's lives and help them out of homelessness for good.

Box 11: Criteria for choosing what to fund

- **Priority of need.** How important a problem is this? How will addressing this area improve the lives of homeless people? How many people will it help?
- **Evidence of results.** What is the evidence that funding activities in this area will achieve the desired results?
- **The availability of organisations to fund.** There may be a clear need for action in an area, and effective approaches that are known. But is there actually something to fund? Is it possible to identify effective organisations within this area?
- **Space for private funding.** Is private funding appropriate, given statutory responsibilities? This partly depends on the nature of existing funding, and partly on donors' preferences.
- **Role of private funding.** A related question is whether there is something distinctive private funding can do. In principle, philanthropic capital is better able to bear risk and to be patient for long-term results than statutory funding, so it is best deployed where these characteristics are needed.

Deciding what areas to fund

NPC has sought to narrow the field down by applying a set of criteria derived from research across many charitable sectors. These are set out in Box 11 to explain the rationale underpinning NPC's selection of priority areas, and also so that donors interested in thinking through their philanthropy from first principles can apply them directly.

NPC's advice, based on the application of these criteria, is that donors should focus on one or more of six priority areas where private funding can make a real difference. These comprise:

- **Preventing homelessness**
- **Developing people's soft skills and social networks**
- **Providing training and employment opportunities**
- **Building capacity in the sector**
- **Making permanent accommodation available**
- **Running day centres**

The application of NPC's funding criteria is shown in Figure 10. This diagram does not show all the areas that would benefit from funding: it highlights only those areas where there is unmet need alongside a relatively clear space for private funding, and organisations that are effective in tackling the need.

Each is described below in more detail.

Preventing homelessness

Funding prevention means spending money on organisations that mediate in families, that give specialist advice and that work in schools—all aiming to stop homelessness occurring in the first place.

It also means focusing on charities working with particular groups. For example, **St Giles Trust** works with prisoners, who often end up homeless.

And it can mean working with vulnerable groups of people 'upstream', such as those suffering child abuse, victims of domestic violence or people with mental ill health problems.

Prevention activity in all these areas is a promising choice for donors, firstly because some of the things that charities do are reasonably well evidenced and secondly because charities working in this area remain underfunded.

Despite increased government emphasis since 2002 on trying to stop homelessness emerging in the first place, often the work that statutory funders will pay for is basic and limited in its scope. Interventions here offer good social returns.

Developing people's soft skills and social networks

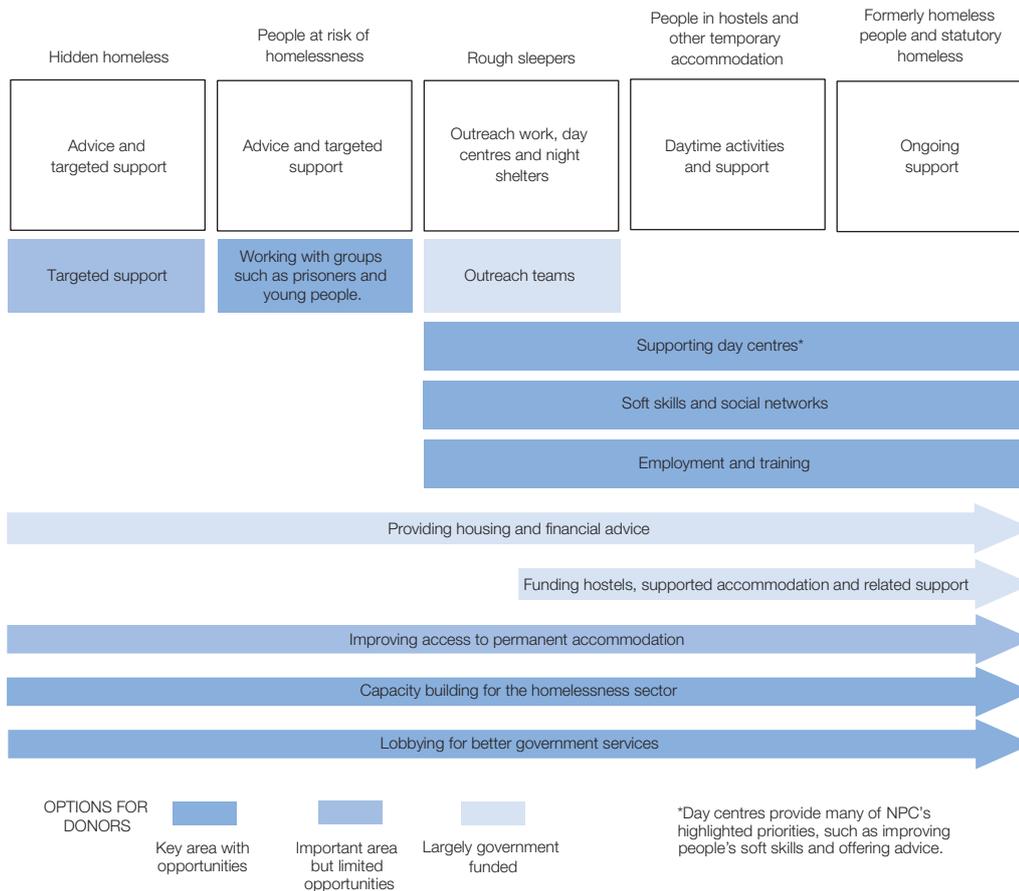
Supporting people to develop soft skills, such as self-esteem and confidence, and better social networks, has considerable potential to help them overcome their problems. The theory is that funding constructive activities—be it yoga or gardening or music—not only improves the wellbeing of marginalised people but also increases their ability to take advantage of other services. Indirectly, then, it should lead to better 'hard' outcomes—a more stable life or a job held down.

Funding in this area might mean supporting the **Rock Trust** in Edinburgh, which has created a service to help vulnerable young people develop better friendships, or the Skylight centres run by **Crisis**, which offer people a wide variety of courses in a friendly and positive environment.

This is a good area for private donors because it is relatively underfunded. However, the fact that it does not attract government cash is itself a consequence of some underlying risks. Most notably, there is a lack of good evidence that soft skills work. The idea that meaningful activities that bolster soft skills lead to improvements in hard outcomes is based on a coherent logical model, but it is not yet well supported by research.

Private funding could have a role to play in funding organisations to test services, establish what works, and disseminate this. The prize, if the theory is true, is that soft skills are the missing piece in a lot of welfare work with homeless people—affecting both health and employment. Establishing whether or not this assumption is correct could influence government funding.

Figure 10: Opportunities for donors



Employment is a route out of homelessness.

Providing training and employment opportunities

Employment is a route out of homelessness. People on programmes run by charities such as **Off the Street and into Work**, **Tyneside Cyrenians** and **Thames Reach** talk about the benefits of projects dedicated to supporting people into employment at the same time as helping them with other problems. Yet relatively few such schemes exist for older homeless people, especially those who are entrenched. Those that do are very expensive and tend to have high drop-out rates.

The government funds programmes for unemployed people, but this remains a good space for donors because statutory activity tends to neglect the specific needs of homeless people.

Charities require private money to develop these opportunities, to help establish the necessary skills, links to employers and an evidence base.

Building capacity in the sector

The charity sector is going through a period of change and is having to adapt to a range of challenges. There are also some specific areas in need of improvement, such as increasing user involvement, and measuring results.

Currently, a small number of charities provide support to the sector, benefiting hundreds of organisations across the country. Given that most organisations delivering services do not have much spare money to pay for these services, bodies delivering 'second-tier'

services rely on funding from other sources. While the government provides some support to organisations such as **Homeless Link**, there are potential benefits to increasing the unrestricted funding to charities providing support and services for other charities. This could have knock-on effects on the rest of the sector.

Making permanent accommodation available

Current bottlenecks mean that people can end up stuck in hostels and unsuitable accommodation for long periods. A vital part of the solution is more long-term accommodation for people to move into.

Donors could, of course, support bricks and mortar projects but the capital costs are generally very high.

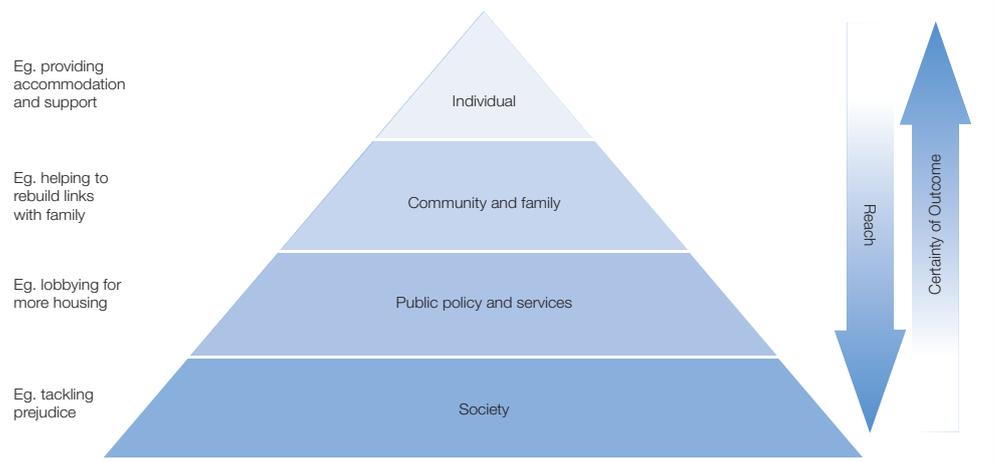
NPC has identified two other ways of trying to increase the amount of permanent accommodation: first, lobbying for more house-building (particularly social or other affordable housing) and second, helping people move into privately rented houses.

Lobbying is a risky option in terms of results, as the triangle in Figure 11 illustrates. But the potential effect—if, for example, the government decides to fund an increase in the building of social homes—could be transformative. Such work relies on private funding. There are a small number of organisations concentrating on this work, most notably **Shelter**.

Lobbying is a risky option in terms of results, but the potential effect could be transformative.

While their role in the sector is well-established, comparing the results of day centres is challenging.

Figure 11: Diagram showing different levels of activity



Within most of the problems facing homeless people—be it lack of housing or poor health or inadequate skills—donors can think about service delivery to individuals or more structural ‘fixes’ such as lobbying.

NPC’s triangle (Figure 11) shows the different levels of possible activity. In general, the lower down the triangle, the greater the risk that the desired result will not be achieved but the larger the potential return. Funding a hostel to house a rough sleeper is fairly certain to have an impact on that person, but unlikely to have any wider consequences. Lobbying for more social housing is much less certain to succeed in its aims but, if it does, might lead to systemic change.

Opening up the private rental sector also has huge potential but it is complicated, and requires commercial skills that most charities lack. This is a high risk option, suitable either for more adventurous donors or those with relevant skills, who want to roll their sleeves up and get involved. At the moment, only a few charities (such as **Broadway**) are running services dedicated to breaking down the barriers homeless people face entering the private rental sector. However, for an engaged and passionate donor, perhaps with experience in commercial property, this could be an interesting area, and one which government does not really address.

Running day centres

Day centres fulfil most of NPC’s criteria for a funding priority, in that they are effective in addressing unmet need and are relatively neglected by statutory funding.

They play a key role in addressing many of NPC’s five other priorities, especially helping to prevent homelessness—they are a first port of call for new arrivals—and running activities to develop people’s skills and networks. But they also do two further things.

First, they are one of the few services available to support people who suffer from ‘multiple half needs’. This means, for instance, homeless people who have mental health and substance abuse problems, but not severely enough to qualify for statutory support.

Second, day centres are often a crucial resource for migrants who are not entitled to publicly-funded services.

NPC has seen some examples of excellent day centres, both large (**Connection at St Martin’s, The Passage**) and small (**Booth Centre** and **Brighton Housing Trust**).

They are a good option for donors because, unless they are linked to hostels, they lack reliable accommodation income streams and rely on private funding.

However, because they are multi-purpose organisations dealing with a wide range of people, it is hard to measure their results. Choosing between them is challenging.

Box 12 highlights some questions that donors should ask of all charities, but particularly if interested in backing local day centres.

Table 5: Options for donors

Different kinds of people want different things from their giving. In its work advising people on where to allocate resources for maximum 'social return', NPC comes across many different sorts of donor. These range from people who have never previously thought about an issue to experts in the field; from people who give 'reactively' to an cause that strikes them with its immediate urgency to people who are strategic, step back and think through a range of options in a more clinical way.

To help donors orientate themselves, NPC has devised the typology in Table 5 below. It describes several different sorts of philanthropist. For each, NPC has also suggested an option within the field of homelessness. Clearly the 'types' suggested are overly-simplified and not necessarily mutually exclusive but they do provide one way of thinking about how to select different issues.

There is no right type of donation. But NPC would encourage philanthropists using this report to focus on priorities using both their heart and their head. That is, it is important to philanthropy that gives feel passionate about tackling the problem at hand—without this, donors will not stay motivated to give. Equally, funding benefits from thought—be it an understanding of the need for evidence of results, or tolerance of risk, or being prepared to fund unglamorous but important things like organisations' central costs.

Type of funder	What you could do
Strategic funder—Focuses on a few areas and aims to make a measurable difference. Is proactive in identifying solutions, organisations and opportunities. Funds research and advocacy as well as service delivery.	Focus on prevention eg, St Giles Trust in London trains prisoners to give housing advice to fellow inmates. For some of those leaving prison, it is able to give them employment in its housing advice centre in Camberwell.
Local supporter—Has strong personal attachments to a particular place and funds local services. Usually visits grantees and potential grantees.	Fund a local day centre eg, Booth Centre in Manchester is a pioneering day centre which has developed innovative services for its users, including a range of activities and courses, and a 'wet garden' where people can drink without disturbing the local community.
Grant-maker—Foundation or trust that specialises in homelessness charities. Fairly engaged with local organisations and thoughtful about funding.	Fund capacity building, eg, Homeless Link , the national membership body for homeless charities in England, has developed a toolkit to improve how councils and charities work together in moving homeless people on.
Innovator—Usually entrepreneurs themselves, these donors fund individuals who have developed an innovative model. Often provide non-financial support.	Fund a growth-orientated soft skills project, eg, Street League , a charity that uses football to engage and train disadvantaged groups including homeless people, to grow beyond London and Glasgow.
Social investor—Believes in a market solution to poverty and provides loans and business support to 'social enterprises' for a social or even financial return.	Support social enterprise employment projects being set up by homelessness agencies eg, Edinburgh Cyrenians or Tyneside Cyrenians or Thames Reach .

Choosing organisations to support

One way donors can set about choosing specific organisations to support is by using NPC's 'charity recommendations'. In this report, NPC talks about many different charities and the excellent work they are doing to tackle homelessness. Alongside it, we have highlighted a smaller sample of charities that we believe to be particularly effective, recommending one or two in each of our priority areas. These charities are listed on our website www.philanthropycapital.org and information on them can be downloaded without charge.

Analysts try to select according to the results of the organisations, their capacity to achieve these results and the risks threatening these results. The criteria used to analyse charities are outlined in *Funding success: NPC's approach to analysing charities*, also available on NPC's website.

NPC's recommendations are by no means a top ten or a ranking of the best organisations. They are, however, based on extensive due diligence—around 80 hours per organisation. They represent a set of charities that donors can have great confidence in backing.

Box 12: Pick your own

Donors who want to support a charity that NPC has analysed should consider finding out the answers to questions such as:

- **What does the organisation understand by homelessness?** How do its activities tackle the problem?
- **Can it evidence the impact it is having?** What does it achieve and how does it compare to its ‘competitors’?
- **If it delivers services directly, can it show that it listens to the needs of its clients?**

Some specific questions for day centres include:

- **What does it do to try and help people move on?** Does it provide more than ‘tea and sympathy’? Look out for structured activities that it runs—but check how many people actually use these services.
- **What can the organisation tell you about its results?** It is not at all straightforward to assess a centre’s quality, and success is sometimes measured in modest, incremental steps. Donors should not expect them to change the lives of all of their users, especially long-term rough sleepers, where impact may be more about engagement and stabilisation.
- **How many different people is it seeing each day (not just total annual number of visits)?**
- **Is the staff professional and trained?** Volunteers are vital, but if the centre is seeing people with complex problems, then trained professionals also need to be on hand.
- **How does it segment the people it works with?** Does it differentiate between those with modest and chronic needs?
- **Does it have a welcoming and positive ethos?**

Given that funding in the sector is not always stable, charities would benefit from strategic and long-term funding.

NPC’s recommendations in this sector will change over time. Analysts seek to review the performance of the organisations identified regularly and, periodically, to add new ones.

Other charities

Of course, NPC was not able to visit all of the charities that focus on tackling homelessness; there were simply too many. Donors who want to support a charity that NPC has not investigated (for example, a local charity), could examine the criteria in *Funding success* and ask the kinds of questions highlighted in Box 12.

How to fund

Donors need to think about how to fund the organisations they have chosen.

NPC is strongly of the view that, too often, charities have to rely on funding that is restricted to particular activities or projects. This is damaging because charities end up not being able to cover their overheads. Things like non-project staff salaries, administration and infrastructure can be a turn-off to funders, but they are fundamental to making organisations effective and enabling them to use their

resources effectively. Charities need unrestricted funds to counter this problem. In general, it is best for them to decide how to use particular funds, according to the overall needs of their organisations.

Given that funding in the sector is not always stable, charities stand to benefit greatly from long-term funding because it saves them from spending management time and money searching for funds to keep services running and allows them to think more strategically and plan ahead for the future. It also enables charities to deliver activities that have to occur over a prolonged period in order to succeed (for example, campaigns to lobby government).

Donors should also consider funding charities to evaluate the impact of their own services. Most charities in the sector are so constrained in terms of funding and staffing that they have had little capacity to develop sophisticated ways to prove their effectiveness. By funding charities to measure their impact (eg, through evaluations, or by improving data collection), donors could have leverage: if a charity can demonstrate that its service works, it can attract additional funds from elsewhere.

Housing

By definition homeless people are without appropriate housing; the more inadequate the available shelter, the bigger the danger. Life on the street is inherently damaging. But even the 60,000 people in hostels are exposed to dangers such as crime, illness and drug abuse. For hidden homeless people, including those in temporary or overcrowded accommodation, these risks may be less visible but still often apply.

The ultimate aim of policy is for all homeless people to get into their own homes and maintain them. While this report emphasises many factors that influence a person's ability to find and hold down a tenancy (health, employment, skills), access to quality housing remains a key structural constraint.

The core problem is that there is too little affordable housing of the right sort in the right places. Support is rationed by government according to need. This means that only families with children and some particularly vulnerable people are guaranteed housing. Most single homeless people, and couples without children, have to rely on Housing Benefit and wait long periods for subsidised social housing.

Charities seek to provide good quality shelter for homeless people, meeting their immediate needs for safety and security, but also preparing them for moving into their own tenancies. From the other direction, charities are also making sure that people have houses to move into, whether by lobbying government for more social housing or opening up the private rental sector.

Government covers the costs for the first part of this work, funding hostels and supported housing, through Housing Benefit and Supporting People. The biggest gap for donors is supporting charities that aim to help move people out of homelessness, whether by improving the way the system works, or by seeking to change the system itself.

What is the situation?

Homeless people are exposed to four main dangers:

- **Physical health issues:** Exposure to damp and cold and living in unhygienic and insanitary conditions make homeless people susceptible to infection and disease. Poor diet and sleep deprivation reduce people's capacity for constructive activity, including work.
- **Mental health issues:** Not having security of tenure and moving from place to place can worsen existing mental health problems and cause new ones. It can be very stressful and damaging to people's self-esteem and resilience.
- **Crime and assault:** Homeless people are far more likely than others to be a victim of crime, assault or theft.¹⁶
- **Risky behaviour:** Homeless people are at greater risk of taking part in drug abuse, heavy drinking and criminal activity.

All of these dangers exacerbate each other and reduce the motivation and capacity of individuals to pursue positive activities. For instance, finding a roof each night for those who are street homeless will clearly be more important than regularly attending training programmes.

Broadly speaking, the homelessness system is fairly effective at getting people some sort of shelter. Although some problems do still remain, such as the standard of quality in some hostels, and poor availability of specialist housing support.

More than half of people in hostels feel ready to move on but most are unable to because of a lack of permanent accommodation.



Photograph supplied by Edinburgh Cyrenians

Only one in ten people leaving hostels in London moves into the private rental sector.

Government spends at least £22bn a year on housing.

The major issue surrounds getting people from potentially damaging short-term places—a hostel or other temporary accommodation—into more stable tenure.

Barriers to moving into permanent accommodation include:

- the very restricted availability of social housing;
- problems in finding and paying for appropriate privately rented tenancies; and
- homeless people lacking the skills and drive to move on.

A combination of these factors has led to a large number of people remaining in poor housing, and getting stuck in temporary housing. More than half of people in hostels feel that they are ready to move on, but do not have the opportunity.⁵⁵ In a study of supported housing in North London, up to two thirds of residents were unable to move on to permanent accommodation.⁵⁶ As a consequence, considerable congestion exists, with charities complaining of increasing waiting lists, and people's lives deteriorating as they wait.

Government approaches these issues within the broader context of its housing policy. It has three major areas of activity:

- **providing access to housing** either by providing social housing at low rents or by increasing access to the private rental sector;
- **increasing people's ability to pay for housing** through Housing Benefit and Income Support;
- **developing the attitude and abilities of homeless people** by funding housing related support, and improving the quality of their facilities.

These schemes do not come cheap—in total they cost the government at least £22bn* a year.⁵⁷ The major costs are Housing Benefit (£12bn) and the subsidy that keeps social housing rents below market rent (£6.6bn). Government is by far the major funder in the homelessness charity sector. How this funding is structured and directed helps to shape and determine the housing opportunities for all homeless people.

Without understanding the way that these different strands of government activity are delivered (not least how they are rationed), a donor will struggle to understand the homelessness sector. Government policy on Housing Benefits and social housing not only affects people's housing situation but also other areas highlighted in NPC's analysis, such as their employment, education and social networks.

Each area of government activity is considered in turn below.

Access to housing: social housing

Four million households live in social housing. This includes all homes owned by local councils and housing associations, which let them out at below market rent. (Tenants are directed to housing associations by their local councils). In London, for example, rents are £70-80 per week below market prices.⁵⁷ In addition, social tenants normally enjoy more secure tenancies than private tenants.

To manage the considerable demand for places, local councils have devised systems that try to allocate supply on the basis of need. The housing register is the main mechanism they use: people who sign up are allocated points, based on a series of criteria including the length of time they have been waiting.

Under the Homelessness Act (2002), all local authorities have to show reasonable preference to:

- all homeless people;
- people living in unsanitary accommodation;
- those who need to move on medical or welfare grounds; and
- people who need to move to a particular area to prevent hardship to themselves or others.

Normally, 'statutory homeless' people are at the top of the list of priority. Councils have strong financial incentives to house them, as they want to reduce their bills for expensive temporary accommodation.

Is this working?

The short answer is: not brilliantly. The key problem is supply shortages, which manifest themselves as waiting lists.

In 2006, 1.6 million households in England were on the council house waiting list, a figure that has gone up by 60% since 1997. In popular areas they can wait as long as seven years before getting a house.⁵⁸

* Estimated using selected figures from Ends and Means: the future roles of social housing in England⁵⁷, plus around £1.6bn of Supporting People.

In 2005, only 170,000 households entered the social housing sector, down from 290,000 in 1998.⁵⁷

Long-term factors underlie this, including the delayed impact of the right to buy scheme of the 1980s and a reduction in new build social housing. There is also a low turn over of existing social tenants.⁵⁷

Campaigning from charities, led by **Shelter**, has helped deliver a renewed commitment from government to increase the supply of social housing. It has announced that it intends to build 45,000 more social homes per year.

This is good progress. However, relative to projected need, it is just a starting point—new household formation rates, immigration and wider economic circumstances mean that shortages are likely to persist. A report from the National Housing Federation found that around 80,000 new affordable homes (including social housing) are needed in England each year.⁵⁹ Moreover, implementation of the new building programme is likely to be held back by planning constraints.

There are also doubts about the **quality** of much social housing and its appropriateness as a way of helping vulnerable people.

The most thorough and detailed account of UK social housing to date—a review by the London School of Economics academic John Hills⁵⁷—raises serious questions about the future viability of social housing as a way of meeting need. Hills argues that more fundamental reform is needed to ensure, first, a better income mix in areas dominated by social housing and, second, integrated approaches to address worklessness and housing together.

For instance, 70% of social tenants are in the poorest 40% of households. More than half of social tenants of working age are unemployed—this is double the national average, and high even when disadvantages such as lower qualifications are taken into account.⁵⁷

NPC plans to look further at what donors can do to reshape social tenures in future research on housing.

Access to housing: private rental market

Only one in ten people leaving hostels in London moves into the private rental sector.⁶⁰ Government is looking at ways to increase this flow in two main ways: making housing more affordable and increasing its supply.

A number of local authorities run **rent deposit guarantee schemes**, which provide deposits or deposit guarantees for homeless people looking to rent flats.

The Government has introduced legislation to bring **empty homes** back into use. There are currently around 660,000 empty homes in England, the majority of them in areas of housing need. It is estimated that 85% of this property is privately owned and over 300,000 homes have been empty for more than six months.⁶¹

Since 2006, local councils have been able to apply for an Empty Dwelling Management Order (EDMO) for an empty house if the owner has no plans to bring it back into use. If the application is successful, the local authority can use the property to house people on its housing register.

Is this working?

It is not yet wholly clear. Key problems include:

Lack of supply: Rent deposit guarantee schemes have had a significant impact but they are limited in number, and normally restricted to certain groups. A survey of London schemes showed that only a few of them are open to rough sleepers and people looking to move on from hostels.⁶² Few empty homes are being recommissioned. Councils are unsure of their powers, and, faced by the threat of appropriation, most owners will bring their property back into use before the council can use an EDMO.



Photograph supplied by Brian Jones

Box 13: Local Housing Allowances

Problems with using Housing Benefit to pay rent to private landlords have led to government piloting a new approach called Local Housing Allowances (LHA).

Each local authority will be divided into areas with similar rent prices. Rent Officers will set individual LHA rates for each area. These will be published by the local authority so that landlords and prospective LHA customers can be clear about the amount of rent that LHA will cover.

There are no changes to the entitlement rules but payment will normally be to the tenant, who will then pay the landlord. Prospective tenants will be able to shop around. If they find a property they like with a rent that exceeds their LHA, they will need to make up the difference themselves. But if they find somewhere with a rent below their allowance, they will be able to keep the difference, up to a maximum £15.00.

The idea is that by paying money directly into people's bank accounts, it empowers them to act like consumers by looking for the best deals and putting pressure on landlords to offer cheaper rent.

This has been tested in eighteen local areas, and government is looking to make it national in April, 2008. While reviews have been positive, it has been met with caution by some charities in the sector, which have highlighted some potential problems. For example, it is not clear whether landlords might not simply raise their rents to be in line with the LHA. A more fundamental concern is that some vulnerable people will not be able to manage paying the rent out of their own bank accounts and will end up in arrears, and possibly be evicted.

If Housing Benefit claims are not processed properly an individual can quickly end up in rent arrears and end up homeless.

Suitability: As with social housing, questions remain about the suitability of privately rented properties for some vulnerable people. There is little security of tenure and formerly homeless people may find it hard to manage relationships with landlords. Organisations such as **Shelter** cite numerous examples of landlords taking advantage of vulnerable tenants—often failing to make repairs promptly and retaining deposits when tenants leave. The quality of private rental properties is mixed. Moving from a hostel into a damp, noisy, badly located flat does not constitute a meaningful end to homelessness. Campaigners argue that initiatives to open up the private rental sector need to include both consideration of quality and efforts to strengthen the rights of private tenants.

Increasing people's ability to pay for housing

Housing Benefit is the key mechanism by which government supports individuals.

It is available on a means-tested basis to a wide range of people and is paid directly to landlords to cover core rent costs. This includes hostels, where the money will typically go to the organisation that owns the building. Unless people are able to expand their income through employment or other sources, they are likely to remain on Housing Benefit when they first move into social housing or the private rental sector.

Is this working?

Perhaps the most striking thing about Housing Benefit is its cost. For the whole of the UK, in 2004/2005 it cost £12bn.⁵⁷

The Housing Benefit system also presents some considerable challenges. In particular:

Bad administration of Housing Benefit causes homelessness. Slow administration and late payment are notorious. Despite a central government target of 36 days to process a new claim, many local authorities lag. In 2006/2007 both Newcastle upon Tyne and Ealing took more than 70 days to process new claims.⁶³

Charities report that slow payment of Housing Benefit can drag people into homelessness. A tenant needing to submit a new claim because of a change in his income, for example, may end up in rent arrears and be evicted. He or she will then be classified as intentionally homeless and cut off from any claim to statutory support.

More widely, bad administration interacts potently with benefits disincentives. Tenants are unlikely to move off benefits if returning to them in the event of a crisis, such as losing a job, will be slow.

Like other means-tested benefits, it creates a 'poverty trap'. As people's income increases above a certain level, Housing Benefit is reduced. Currently, the reduction is set at 65%, so for every extra pound earned, Housing Benefit is reduced by 65p. Together with the loss of other means-tested benefits (such as Council Tax rebate and Income Support), this massively reduces the incentive for earning. Some homeless people, particularly part-time workers, can be left worse off by working.

An additional problem, is that people over the age of 19 who spend more than 16 hours a week in education cannot claim Housing Benefit. While this is designed to prevent university students from drawing benefits, it has the added consequence of stopping homeless adults from getting into further education. However, following lobbying by the **Foyer Federation**—a charity that supports accommodation projects for young people—the government has recently announced it is going to review this.

The level of Housing Benefit often does not cover the rent in the private rental sector. This acts as a barrier for people leaving social housing and hostels. Around 70% of people receiving Housing Benefit and renting from private landlords have to pay part of their rent costs out of their own pockets.⁵⁷ For homeless people with very low incomes, this is not an option. While the government is about to role out a new scheme of Local Housing Allowances, this also has potential pitfalls (see Box 13).

Under-25 year olds have a particular problem, as government assumes they will be living in a room in a shared house and limits their Housing Benefit accordingly. Some young homeless people do not know anyone with whom they can share a house, and some have mental health problems and/or do not want to live with other people.

Housing-related support

The **Supporting People** funding stream is allocated by Central Government to local authorities to fund services for vulnerable people (including older people, and people with learning disabilities) to help them into independent living. Supporting People is the single largest funding stream into the voluntary sector from government. It was created in 2003, bringing together a plethora of old funding streams. It cost £1.8bn in its first year, which was much more than anticipated, and has since been scaled back (see below).

The two main ways it is used in the homeless sector are to:

- pay for professional staff to work in hostels and other supported accommodation. These individuals help residents to address their problems and build their capacity to move on to their own homes; and
- pay for 'floating support' by trained staff who visit people in their own homes to make sure that they are looking after themselves and help them with any problems that arise.

This work is performed by charities, housing associations and sometimes the local authorities themselves.

Is this working?

Charities report that this kind of support makes a considerable difference to the services they can offer homeless people, and that 'floating support' is particularly valuable. However, a lot of areas are outside its remit, such as helping people into employment and improving their social skills.

The other key challenge is **future funding insecurity**. A government review recommended measures to reduce the original £1.8bn cost by tackling efficiency. In response, the budget for 2006/2007 was £1.64bn, of which £300m was spent on homelessness—a significant cut bearing in mind inflation.⁶⁴

A number of homelessness charities have already felt the impact of these cuts and are having to scale back their services.

Box 14: The great soup kitchen debate

Think about services for the homeless and the image of earnest workers doling out soup from vans springs to mind. 'Soup runs' are still common in city centres (though they have reduced as rough sleeping numbers have gone down). They are usually funded by voluntary donations and run by a range of organisations, from churches to student groups.

Recent attempts by some London councils to reduce soup runs have been met with public outcry.

The main argument against soup runs is that they sustain people living on the street rather than moving them on, and therefore do nothing to tackle homelessness. NPC is broadly in agreement with this argument. The public support for them is mainly based on the belief that homeless people need food and support. NPC agrees, but thinks that this should be given inside warm buildings where people can also access other services, not on the street.

NPC thinks that donors should think carefully before supporting soup runs, and should scrutinise their results. (The Donors' Role section of this report suggests some useful questions to ask of charities.) There is an important exception, which charities like **Simon Community**—who run tea and soup runs across London—correctly highlight. This is that some people living on the street are not entitled to mainstream services and benefits because of their immigration status, and therefore may have no option but to sleep rough and rely on food hand outs.

In addition (as noted in the previous chapter), government is trialling the removal of the ring-fence that currently protects Supporting People funding. Subject to the success of the trial, it intends to remove the ring-fence from April 2009.

What are charities doing?

Charities are being used by government to deliver the housing agenda in several ways. NPC estimates that statutory funding makes up around 80% of the charity sector's income, and charities perform three key functions with this funding:

- **outreach work** with rough sleepers and the 'hidden homeless';
- running **hostels** and other supported accommodation; and
- delivering '**floating support**' and other activities to help people resettle into their own homes.

Two other roles that charities play in improving the housing situation, often without government funding, are:

- improving access to the **private rental sector**; and
- **lobbying** for changes to the system—for instance, more social housing.

Supporting People is the single largest funding stream into the voluntary sector from government.

Box 15: Thames Reach's outreach—helping Mick off the streets

Mick used to work at an electronics company. But he became ill and lost his job. He ended up homeless when he had to leave the family home.

He spent the next eight months living in a bush by the local library:

'Don't think I didn't have a sense of humour though. I called the bush "Kate" after the pop star.'

It was Thames Reach's London Street Rescue who found me in the bush and brought me here to my new home [a Thames Reach hostel]. It's alright here. I'd probably have died if I was still sleeping rough.

I'd like to find a job, but I need to give up drinking first. I used to drink ten cans a day of super strength cider and have managed to cut down to three or four a day. I get the shakes from alcohol withdrawal, but it's something I need to do. I'd also like to get a flat back where I used to live and would like to see my daughter who's 16. I last saw her over a year ago.'

Outreach work

A number of homeless people miss out on the support available from the housing system, because either they do not know it exists, or it is not tailored to their needs, or they are distrustful and wary of getting involved.

Back in the 1980s, the main way that charities reached out to people on the street was through soup runs. This model was improved in the 1990s, when street outreach teams were formed to pursue the government's Rough Sleepers Initiative. These teams would approach people sleeping on the street and try to get them connected into local services.

Box 16: Rainer's specialist accommodation

Rainer is a leading national charity working with young people. It runs a number of high-quality supported accommodation projects to try to prevent homelessness among vulnerable young people, such as offenders, addicts and children leaving care.

It has developed a particularly successful model in West Sussex, to support people leaving young offenders institutions and prisons. Typically, young people enter the service with complex and high support needs. Many have led chaotic lives marred by drug, alcohol or gambling addictions. They often lack the basic skills that are essential to maintaining a tenancy and living independently.

Staff work carefully to build strong relationships with the young people, and help them to move on with their lives, and to build their confidence and skills. It has achieved some astonishing outcomes: around 20% of all tenants have reoffended, contrasting dramatically with a national reoffending rate approaching 80% for this age group.

Deborah, aged 19, was referred to Rainer three weeks after release from prison: *'I got released with nothing. I felt yet again a bit betrayed by the system. Every system going failed me ... It's everything really isn't it? If you've got a home to go to then you've somewhere to ... Well, it's hard to explain; when you've got that you can do anything. If you're homeless and you're sleeping on benches you can hardly go to college the next day. You can't do anything without an address, really.'*

Since 2002, the responsibility for funding street outreach has been taken on almost exclusively by local government. It is delivered through a mixture of local council units and commissioned charities, such as **Broadway** in the City of London.

Different views exist on the most effective way to work with people on the street, so this area can be a minefield, and has led to vehement debate. One particularly controversial issue is the role of soup kitchens (see Box 14).

Charities are developing different ways of running outreach services. In Newcastle, the **Tyneside Cyrenians** has recently begun an innovative outreach project staffed entirely by people with experience of homelessness, who may be best able to relate to, or connect with, people on the street. In London, **Thames Reach** (see Box 15) has started an outreach service which members of the public can call if they are worried about a rough sleeper. The London Street Rescue Team (unusually, one that is funded by central government) will then investigate.

In Oxford, the **Elmore Team** has pioneered an 'unassertive' approach to street outreach. It works with those who are severely excluded, often those with mental health problems or engaged in drug abuse, who may have been excluded from some homeless services because of violent behaviour. Its innovation is that, unusually for the sector, it does not always immediately try to get people into housing. It argues that people in its client group often need help dealing with other problems before they are able to maintain a place in a hostel or supported accommodation.

It could be suggested that such an approach helps to sustain people's street lifestyle. The organisation's workers counter that, if these people are put into hostels too quickly, they are likely to be evicted and further alienated from support.

It is harder for homelessness charities to engage with the hidden homeless. Activity is largely about raising awareness of their rights, providing advice, and highlighting the existence of services from local authorities. **Shelter** makes information accessible via its website and its helpline, and offers advice from a network of centres. **Citizens Advice Bureaux** around the UK offer housing advice and other services. **Day centres'** users will also typically include some hidden homeless.

Impact

Engaging people on the street is a vital part of the system. For people who are newly arrived on the street, outreach can quickly transfer them into support, before they become institutionalised. For more entrenched rough sleepers, outreach can provide a way to build up relationships and connect them into support.

Another reason that outreach teams are needed is that they are better placed to work with rough sleepers than agencies such as the police and the ambulance service. NPC has heard reports of police just moving rough sleepers into different police zones, and ambulances being called out several times a night (at great expense to the taxpayer) to deal with drunken rough sleepers.

It is difficult to compare the effectiveness of outreach teams. Although they do compile some useful data, a lot of it is based on measuring outputs. This makes it hard to know how many people they overlook, to measure the quality of their relationships with homeless people, or to find out what happens to them later.

The **Elmore Team** is one example of an organisation that does try to measure its longer term impact. The tenancy sustainment success rate is 91% among the people it has helped, and their eviction rate is very low, at under 5% in 3 months.

Running hostels and supported accommodation

The main direct housing activity of charities is running hostels and supported accommodation. This translates different funding streams, such as Housing Benefit and Supporting People, into shelter and other help. Accommodation varies from open access short-term hostels, to more specialist accommodation (see Box 16).

A fundamental secondary role in accommodation is coordinating the sector. This includes taking part in local committees of service providers, such as the Pan-London Providers Group, which comprises the Chief Executives of the six largest provider groups in London. These help to coordinate activities and lobby politicians and policy-makers. The same happens on a smaller scale in other urban areas, such as Birmingham and Edinburgh. Often, it also means establishing the situation on the ground. **Broadway** has funding from the Department for Communities and Local Government to run the CHAIN system, which collects data on homeless people (particularly rough sleepers) in London, and Clearing House, which links them up to free beds.

Box 17: Places of Change

The government has invested heavily in hostels since the 1980s, and spending grew during its crackdown on rough sleeping in the 1990s. But this was mainly about increasing the number of beds, often in dormitories.

In 2005, the government launched the 'Hostels Capital Improvement Programme'. This new funding stream was aimed at turning hostels into 'places of change'. It has so far put £90m into improving the fabric of 80 hostels in 34 local authorities around England, and another £60m of funding will be awarded from 2008-2011. The intention is not just to provide direct funding to charities, but to demonstrate what hostels and day centres can do, and share this learning with the rest of the sector.

The upside has been an increase in quality of hostels; the downside a resulting decline in numbers of hostel beds, as dormitories have been turned into single rooms.

The government argues that faster move-on will reduce demand for hostel spaces, but this is contingent on opening up move-on accommodation—an objective which has not yet been realised.

One beneficiary of the funding was **St Mungo's**, London's largest hostel provider. It received funding to improve its Cromwell Road hostel, making it look more like a hotel. Instead of a wire grate at the lobby, it is now more open plan and welcoming. It includes an IT room and leisure room. The hostel is also divided into two halves, one side for new arrivals, the other for people preparing to leave—they have more facilities and are able to learn life skills and feel a sense of progression.

Charities also do research and share best practice on accommodation issues. For example, **Homeless Link** has published a best practice guide for hostels (available on its website). It has also been commissioned by the Department of Communities and Local Government to spread information about its 'Places of Change' funding (see Box 17) and help organisations to apply.

Improving progression within the system

Homeless Link has also looked at ways to improve the way people progress through the system. Its research in London highlighted the fact that half of people in hostels in London were ready to move on, but lacked anywhere to go to.⁵⁵ In response, it devised the Move On Pathway Protocol (MOPP) which involved a partnership between the local authority and voluntary sector hostel providers. They jointly undertook an audit of need and supply for move-on accommodation and developed joint action plans to bridge the gap.

One of the key ways of improving the system and the flow-through is to increase people's access to private rental accommodation as an alternative to social housing. Some charities are exploring different ways to overcome the problems associated with it.

Thames Reach provides floating support to 2,700 people a year, on top of the 800 people it houses.

Part of their activity involves making the private rental sector a viable and attractive option for homeless people, challenging the pervading expectation that, if you wait long enough, you will get a council house. Charities can include the private rental sector in the housing advice they offer through hostels and outreach, and can build relationships with local landlords. The **Brighton Housing Trust** has two workers doing this, and a portfolio of landlords they can pass their clients on to.

Some homeless people need financial help as well, particularly to pay a deposit before renting. As noted above, **Crisis** has helped develop a rent deposit programme called Smartmove, which helps non-statutory homeless people to find homes by providing a deposit or acting as a guarantor. Crisis franchises the model out to other organisations. **Edinburgh Cyrenians** was the first organisation to use it in Scotland.

Broadway in London has decided to tackle the problem head on, and has developed a scheme directly matching homeless people with private rental accommodation.

It has found that it can only attract enough landlords by taking over responsibility for management of their properties. While homeless people rent flats, Broadway guarantees the rental income for a minimum period (normally five years). The major challenges have been finding enough properties and controlling the costs of managing them.

Box 18: Floating support—helping vulnerable people to live in their own homes

Amanda is a 34 year old with two children aged eight and ten. Both Amanda and her husband have learning disabilities.

Over the years the family have had several homes in the private rental sector but have always been evicted due to rent arrears and poor property management.

The local authority arranged for a local charity, the **Roberts Centre**, to provide floating support to them. Staff visit daily and are working with the family on budgeting and home management. Sometimes the focus of the visits is money, and they help the family to shop and pay the bills. Other topics include home management and keeping the home a safe environment for the family to live in.

The family have settled into their new home and have started to establish links in their local community. The children are attending school regularly and have made friends in the neighbourhood.

Roberts Centre staff regularly sit down with the family to review its progress. They will assess whether the level of support can be decreased without jeopardising their housing and will encourage such independence if it is feasible.

Impact

The evidence on attempts to open up the private rental sector gives a mixed picture—chiefly because they are few, and most are new. Some small-scale schemes, such as those providing rent deposits to landlords, have been successful. Of tenants supported by Edinburgh Cyrenians, 97% sustained tenancies for over a year, and 63% saved and replaced the charity's guarantees with their own deposits.

Other projects have faced challenges—particularly in finding enough properties in the private rental system of adequate quality at an affordable price. However, as this is a new area that charities are moving into, risks are inevitable.

Resettlement and floating support

Supporting People can pay for floating support for people who have moved into permanent accommodation, or for people at risk of losing their homes. Most of the charities that run hostels and supported accommodation also provide floating support. For example, **Thames Reach** provides it to 2,700 people a year, on top of the 800 people it houses in its hostels and supported accommodation (see Box 18 another example of a charity providing floating support).

Other charities help homeless people resettle in other ways. **Edinburgh Cyrenians** runs a scheme to help under-25s, who get restricted Housing Benefit (which forces them to share accommodation), to find flatmates and housing, and it mediates to settle disputes before they get out of control.

Charities can also help with the more practical side of setting up home. For example, most social housing is unfurnished and charities highlight lack of furniture as a non-trivial cause of tenancy breakdown. **Bethany Christian Trust** helps people to apply for small grants from the many trusts who give to individuals (such as those that help people from certain professions or ethnic backgrounds) in order to help them set up their homes. It also has a white goods and furniture restoration firm, which provides people with the things they need at reduced prices.

Impact

Providing resettlement support is vital to preventing repeat homelessness, and appears to generate good results. For example, **St Basils** runs floating support for young homeless people in Birmingham, and 95% of them are still in their tenancies 12 months after moving in.

Supporting People funding restricts the people with whom charities can work (and for how long). Therefore, some charities seek funding from trusts and donations to run more flexible or specialist services.

Lobbying to change the system

A number of charities feel that it is important not just to improve how the system works, but also to change the system itself, by increasing funding or by challenging some of the structural impediments to 'solving' homelessness.

Charities played a significant role in getting government to focus on rough sleepers, and also to expand the groups of people it has to house. In Scotland, charities were part of the Homelessness Task Force, the committee that advised government on changing its homelessness legislation to abolish 'priority need'.

A dominant focus has been on encouraging the government to increase the amounts of affordable housing available for homeless people, giving them somewhere to move on to. **Shelter** has been leading the charge, calling for the government to fund an extra 20,000 social rented homes a year (on top of the government's former commitment to fund 30,000). The government has recently announced plans to increase the number by 15,000 to 45,000 homes a year.

Another example of targeted lobbying is the work of the **Empty Homes Agency (EHA)**. The charity's purpose is to highlight the waste represented by homes standing empty—it estimates that each one costs around £25,000 to keep empty each year*—and to raise awareness of the potential of these homes to house people.

EHA was important in persuading the government to give councils greater powers to bring empty homes back into use—the Empty Dwelling Management Orders mentioned earlier in this report. It is now seeking to encourage local authorities to use their new powers, as well as lobbying for other changes to the law that could make it easier to bring more homes back into use. It is also encouraging local communities to get involved by identifying empty homes and putting pressure on their councils to bring them back into use.

There are also efforts to change the Housing Benefit system. This includes the campaign led by the **Foyer Federation** to overturn the 16 hour rule that means people over 18 getting more than 16 hours of education each week cannot claim Housing Benefit.

Finally, charities have been seeking ways of helping those who are excluded from the system of support, in particular migrants from the accession states of Eastern Europe.

Homeless Link in London and **Edinburgh Cyrenians** in Edinburgh have done research into the issues that face this group and the services open to them.

Impact

Lobbying is a risky business. The outcomes charities are seeking—such as changes in the law—are not easy to achieve, and are influenced by many factors. However, when they are successful they can have a considerable impact.

NPC believes that charities have a crucial role to play in putting pressure on government to improve the situation of homeless people.

What can a donor fund?

The two types of accommodation a donor can fund are temporary accommodation (eg, hostels) and permanent accommodation. Although there may be some opportunities for a donor to support the improvement of temporary accommodation, NPC's priority is increasing access to permanent accommodation.

Improving temporary accommodation

Broadly, NPC thinks donors should not be funding core accommodation and support costs. Though an exception may be made for charities housing migrants who are not eligible for government funding and who are particularly vulnerable or in need.

This view may change, dependent on what happens with the Supporting People funding stream. Its amalgamation into local authority budgets may result in charities losing contracts or funding through no fault of their own, even if there is still considerable local need. Donors will then need to consider whether they are comfortable stepping in to support a service that previously relied on statutory funding.

The role of donors in funding the capital costs involved in accommodation is also a grey area. Loan financing through banks or institutions such as Futurebuilders may provide a better answer, with repayments financed through higher charges to local government. However, many charities are loath to take on extra debt

Empty Homes Agency estimates that it costs around £25,000 to keep a home empty each year.

* Costs include lost rental income and impact on local property prices.

and also risk becoming uncompetitive in tendering for local contracts.

In areas that lack hostels or specialist supported housing, a donor may want to help charities to expand provision. It is important that local authorities commit to providing revenue costs to keep any new capital project viable over the long term.

A final thing for a donor to think about is funding activities to increase the quality of the accommodation on offer. This could involve funding ways to share good practice, or even better ways to track outcomes.

Moving into permanent accommodation

Generally, within the area of housing, the main priority for funders is to increase access to permanent housing, helping people move on from hostels and temporary accommodation.

While this is helped by improving the standard of support found in temporary accommodation, considerable barriers remain that could be tackled by philanthropy.

The first is helping homeless people to move into properties rented from private landlords. There is a great need for this. It is difficult to do, and the options for donors at the moment are quite limited and risky. However, those who are particularly engaged—and perhaps have some experience in the property business—should consider this area of activity.

The second is funding charities to lobby government on housing issues (such as the need for more social homes). As noted above, this is also a risky option. The payback for lobbying work is uncertain, and it is usually difficult to attribute successes to particular organisations. However, the possible return is significant because changes to legislation, funding or policy have broad impact.



Photograph supplied by Brian Jones

Prevention

Prevention is generally better than cure. Stopping people from becoming homeless should help pre-empt the many problems it causes—the impact on individuals, the heartache of families, and the costs to society.

Many factors, including mental illness and poverty, contribute to individuals or families ending up in precarious housing situations. Triggers like family breakdown or job loss can then tip them into a downward spiral that ends in homelessness.

Historically, the emphasis of the sector has been on meeting immediate need, rather than prevention. This focus has been gradually shifting. In 2002, the Government mandated all local authorities to develop prevention strategies, and provided funding towards these.

Despite this increase in government activity, donors still have a significant role in prevention. While government spends around £50m on targeted prevention services each year in England, this does not meet all need. Significant gaps remain and there are many opportunities for excellent social return in scaling up established approaches. Prevention is an attractive option to donors thinking about where their philanthropy can make an impact.

What is the situation?

Causes of homelessness

Many of the reasons people become homeless are avoidable. They are a combination of risk factors, compounded by an event or personal crisis which triggers an immediate housing problem. Donors can tackle either the risk factors or the triggers. The risk factors include:

- mental ill health;
- drug and alcohol addictions;
- poverty;
- unemployment/lack of skills;
- history of offending; and
- poor family relationships, including childhood abuse.

The precise circumstances of personal crises differ but often include bereavement, relationship breakdown, or job loss. These

events can start people on a downward spiral, which, if they do not have the support and resources to look after themselves, can result in homelessness. The ultimate point at which an individual ends up without shelter will typically involve:

- eviction, which may result from rent arrears or anti-social behaviour, or from a relationship breakdown between parents and a teenage child;
- leaving a current home, which may mean a young person leaving his or her family, or a victim of domestic violence fleeing her partner; or
- leaving an institution, such as prison, with no accommodation arranged.

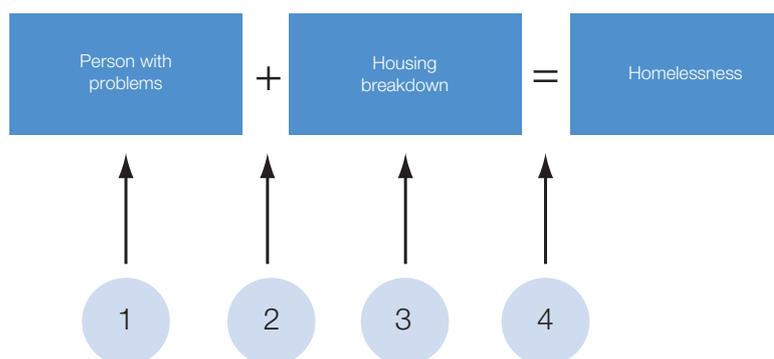
Unfortunately, policy-makers have incomplete knowledge about the causes of homelessness—especially the way different causes interact.

Official statistics provide some data but they are limited, first, by only including those accepted as statutory homeless, and, second, by only naming one reason for homelessness—the most common being ‘parents no longer willing or able to accommodate’, which is cited in 23% of cases.²²

The many thousands of people who are not accepted as being the responsibility of local authorities are missing from this account. The only information on these people comes from survey data. For example, St Mungo’s surveyed its residents and found that 41% said that relationship breakdown was part of the reason they became homeless.⁶⁵

Figure 12 suggests a simplified model for how homelessness arises: at its most basic, that a person with problems has a housing breakdown.

Figure 12: Intervention points



Many of the reasons people become homeless are avoidable.

Given the high costs associated with homelessness, prevention activities are usually cost-effective.

The good news is that the causal chain of homelessness presents a range of different points at which charities can intervene to try to tackle the problem. At the most fundamental level, tackling factors such as substance abuse and mental health problems will reduce the size of groups acutely vulnerable to homelessness. But it is also possible to target people as housing problems emerge and to address the triggers that tip them into homelessness. Key interventions here include advice and working with at-risk groups at important transition points.

Thinking about the problem through time, agencies can try to prevent homelessness by:

1. reducing the numbers of people exposed to problems that make them vulnerable—for instance, by addressing poverty, abuse, unemployment and low skills so that there are fewer poor, unemployed, unskilled and traumatised people;
2. targeting at-risk groups—young people, prisoners, anti-social families—to help them avoid housing breakdown; or providing housing advice to help people avoid making poor choices that lead to homelessness;
3. intervening to prevent someone's housing breakdown. This could be by support through a crisis like bereavement or job loss—for instance, via counselling or job brokerage. It could be by general housing advice. Tackling the link between the crisis and its housing consequences can also help to avoid homelessness—for instance, providing family mediation to parents and their children when their relationship breaks down; and
4. early intervention—by helping someone whose housing breakdown is unavoidable to find suitable accommodation quickly.

These different approaches have their pros and cons. For example, only a small proportion of people with problems such as poor family relationships will actually end up homeless. Therefore, some of the work in options (1) and (2) could be wasted, although it might have other important benefits for the individuals affected and society as a whole. Options (3) and (4) are much more targeted but, in some cases, may come too late to make a long-term difference.

Given the high costs associated with homelessness, prevention activities are usually cost-effective if they prevent even a handful of people from becoming homeless.

However, there is poor data on the long-term impact of most of the prevention work discussed in this section. Because of this, a full cost-benefit analysis is not possible.

There is a risk that prevention activities are not permanently preventing homelessness, just putting it off—though of course, even delay has a value.

What the government is doing

The government has recognised that preventing people from becoming homeless in the first place is a cost-effective measure that can have benefits for individual welfare. Since 2002, local authorities in England have had a duty to create 'homelessness prevention strategies' and have been encouraged to buy homelessness prevention services, such as family mediation. Often, these have been delivered by charities, which has increased local authorities' collaboration with the voluntary sector.⁶⁶

Government is the largest funder in this area (from 2008/2009, to the tune of around £50m per annum in England).⁶⁷ The Scottish Government has put similar emphasis on local homelessness strategies, and expects local authorities to identify people in housing difficulties as soon as possible, and work with at-risk groups. It also expects local authorities to make sure that other services needed by people at risk of homelessness—such as financial advice and alcohol counselling—are available and accessible.⁴⁹

The government says that its efforts are working: the numbers of people accepted as homeless has reduced sharply in the past few years; from 135,430 in 2003/2004 to 73,360 in 2006/2007 (without any marked change in the ratio of acceptances to applications).²² A more critical view is sometimes put forward, namely that local authorities are using prevention activities to turn people away from their severely constrained housing resources, for instance by using advice services to deter them from presenting as homeless. NPC has heard some concern of this nature from charities, but also a more general view that prevention has been at least partially effective in reducing demand.

That said, some charities are worried that despite the relatively large amounts of funding going into prevention, local authorities are still restricted in what they can fund. They report tight time restrictions and a focus on preventing immediate homelessness, rather than dealing with the underlying causes. With reference to the diagram above, councils tend to work more at stages 3 and 4 than 1 and 2. Also, despite having the remit to prevent all groups from becoming homeless, they understandably tend to focus their resources on 'priority need' groups whom they would otherwise have an obligation to house.⁶⁸

Arguably, this leaves a space where private donors can make a difference—using funding to increase charities' flexibility and their ability to take a long-term view.

What are charities doing?

Charities have been central to delivering the government's homelessness prevention services. This presents risks: a fine line exists between acting in people's best interests to help them avoid homelessness, and helping local authorities to shirk their obligations to house and support them.⁶⁸ Hopefully, as charities are separate organisations (even when contracted by local authorities), they are more likely to be influenced by the needs of homeless people than by the pressure to reduce the financial burden on local authorities.

The activities of charities preventing homelessness can be mapped across the range of options set out in the model above.

Charities are working to address the general factors that underpin homelessness, by:

- dealing with **underlying problems** (to reduce the size of the group at step 1 in the diagram);
- providing **benefit and housing advice** (to reduce the number of housing breakdowns, step 3); and
- working with **groups at particular risk** of becoming homeless. Interventions can be targeted before housing problems arise (step 2), by educating children in schools or working with prisoners, for example, or once there are housing problems (step 4), by helping a woman who wants to leave her home due to domestic violence, for instance.

Dealing with underlying problems

Underlying problems like poor mental health or a history of child abuse do not affect all homeless people—but they are disproportionately prevalent among those who end up being homeless for a long time. These problems also put people at risk of a whole range of other negative outcomes, from low employment rates to family breakdown.

They are best dealt with as early as possible, and before things reach crisis point and people lose their homes.

Generally speaking, homelessness charities do not do this work—it is undertaken further 'upstream' by charities and services in sectors such as education, mental health, substance misuse and child abuse.

Because these organisations are working away from (or sometimes in parallel with) the homelessness sector, the direct impact of their activities on homelessness is difficult to track. Conversely, reduced vulnerability to homelessness is only one of many outcomes that might be expected from, for instance, tackling child abuse or improving mental health. NPC directs donors interested in this form of prevention to its other published and forthcoming reports on sectors working to tackle disadvantage.



Photograph supplied by The Connection at St Martin's

Problems with privately rented properties are the most common reasons people approach Citizens Advice Bureaux.

Providing advice

Charities' main direct contribution to preventing homelessness is stopping housing breakdown by the provision of advice. Personalised and expert help on housing, finances and benefits can help to solve two common causes of statutory homelessness.

- **Problems with existing tenancies**, particularly in the private rental sector: around a fifth of those accepted as homeless by local authorities say the cause of homelessness was losing their current tenancies and problems with privately rented properties are the most common reasons people approach **Citizens Advice Bureaux**.^{22,69}
- **Problems with rent arrears and debt**: these underlie 5% of cases accepted as homeless by the local authority.⁷⁰ With the advent of the credit crunch and a wider economic downturn, this problem may become more prevalent.

Charities point out that problems like debt and rent arrears are likely to be much more common than these figures suggest. Statutory figures only record the most recent cause of homelessness. It may be, for example, that the reason someone left his family home was that he had only moved back there after getting into debt.²⁴

Advice is delivered by almost all the homelessness charities that NPC has looked at, especially through open-access services, such as day centres. It is also a primary function of local authority housing departments.

The giant in this area is **Shelter**. Through phone lines, email, website and a network of 50 housing aid centres, it provides specialist housing advice to 170,000 people a year. Its remit is wide—from helping families living in overcrowded accommodation to apply for better housing from their local authorities, to advising students on how to get their deposits back from private landlords. By helping people to understand their rights and options, it helps them to manage and avoid becoming homeless. Shelter's work is mainly delivered through contracts with the government and the Legal Services Commission.

Other agencies outside the housing sector—such as **Citizens Advice Bureaux (CABx)**—provide advice about a variety of problems which may be assumed to help hundreds of people avoid homelessness each year. Each year, at least 280,000 people approach CABx with housing problems, 45,000 of which (16%) are classified as threatened homelessness. In addition, large numbers of people seek help from them with debt and financial problems, which are almost always part of the reason

people become homeless. NPC's forthcoming report on financial exclusion, *Short-changed*, looks at such advice in more detail.

Thames Reach runs an in-depth advice service in Southwark for people at risk of losing their home. Advertised through posters saying 'Are you struggling to cope?' in GP's surgeries and libraries, the service is open to anyone who needs it. As a result, people present with a significant range of issues. Workers help them deal with the problems they are facing and often visit them at home.

There are also specialist advice services, such as **St Basils**, which works with young people (see below). In Glasgow, **Positive Action in Housing** provides advice and advocacy to local people. It specialises in working with asylum seekers and refugees, who make up 64% of its clients. In 2006/2007, it took on over 450 cases of homelessness or overcrowding.

As discussed in the previous section of this report, a major structural problem influencing homelessness is the poor administration of the Housing Benefit system. Housing Benefit problems are the cause of a significant minority of homelessness cases, including people who are not in the usual at-risk groups, such as older people who have not previously been homeless.⁷¹

In Portsmouth, around 90% of the housing eviction cases that were taken to the local court began with a problem with Housing Benefit. A local homelessness charity, **The Roberts Centre**, devised a simple solution. Using charitable funding, it seconded a Housing Benefit officer from the local authority to find people whose claims were due and help them with any problems.

Impact

There is a good evidence base on the short-term impact of advice, particularly in relation to managing debt problems and saving tenancies. For example, analysis of Shelter's work in 2004/2005 under contract to Bournemouth Borough Council showed that by saving people from homelessness, the service generated savings that were greater than its costs, even using very conservative estimates.⁶⁸ Longer-term effects are less certain, though evaluations by the Legal Services Commission of advice in adjacent fields, such as debt, show that it does strengthen people's reported confidence in addressing their problems, and their knowledge of where to turn in a crisis.⁷²

One indicator of the value of advice is demand for it: hundreds of thousands of people approach the likes of Shelter and Citizens Advice Bureau each year, and there are sometimes long queues—especially for face-to-face casework advice.

Although she has done a lot for me, she has made me do a lot for myself. This has given me more confidence.

Tracy, helped by the Roberts Centre's Housing Benefit Officer

There is also strong evidence on the impact of discrete projects, such as the Roberts Centre's Housing Benefit service, in economic terms at least. The salary of its Housing Benefits officer is less than the value of the benefits she helps people claim, and several evictions—which are expensive—have been avoided. The local council has recognised that this is a high-value approach, and is now funding the project.

Challenges

An important problem with advice services is that people access them too late: charities need to strengthen efforts to make them accessible so that they engage with people before they are in crisis.

Advice services are currently facing an uncertain future thanks to funding changes by the Legal Services Commission—in particular the introduction of a fixed fee system for casework advice. These look set to reduce the range of cases that can be supported with in-depth help, and put more pressure on advisers to resolve cases quickly. This is potentially worrying, given that external pressures like the credit crunch might reasonably be expected to increase pressures on people struggling to pay a mortgage or rent.

This is an area for donors to keep under review and, where services end up facing cuts, they may have an important role to play.

Groups at risk

The other main preventative approach used by homelessness charities is working with particular groups at risk of homelessness—either before or after housing problems arise.

These groups are considered, in turn, below:

- young people;
- victims of domestic violence;
- families; and
- people leaving institutions such as prison.

Young people

Young people between the ages of 16 and 24 make up around 40% of those accepted as statutory homeless.²² While the exact number of all young homeless people is unknown, indications from Scotland suggest this group is growing.⁷³ The two principal reasons that young people leave their families and become homeless are **family conflict** and **misconceptions** about their housing rights or their own ability to live independently.

Just under a quarter of people accepted as statutory homeless say the main reason for their homelessness was that their 'parents were no longer able or willing to provide

accommodation' (up from 16% ten years ago).²² A common scenario is the young person not getting on with his or her parent's new partner, and then being kicked out of the house.

Some young people apply to the local authority's housing department claiming to be homeless as they mistakenly think that this is an easy way to access housing.⁶⁸ In Brighton, eight out of ten young people thought they could move into social housing.⁷⁴ In reality, young people are highly unlikely to be permanently housed, and could have to spend years in hostels and vulnerable to danger. Most charities agree that young people should be at home until they are 18, unless, of course, they are at risk of abuse.

Charities carry out three main activities to address these problems:

- work in schools;
- specialist housing advice; and
- family mediation.

Educating young people in school about the realities of homelessness

A number of charities go into schools to explain to young people—normally teenagers—the realities of homelessness and their rights. These include **St Basils** in Birmingham (see Box 19), **Alone in London** and **Brent Homeless User Group**. They train people with experience of homelessness to deliver the workshops in schools, which gives them credibility.

Little public funding is available for such activities, though some local authorities do support them. This is partly because it is not easy to demonstrate their effectiveness.

“My step-dad sexually abused me and I kicked him out on Christmas Eve. When my Mum came home and found out she battered me and told me to leave. He moved back in not long after. I stayed with friends.”

Angela, a young homeless woman⁷

Box 19: St Basils—preventing youth homelessness in Birmingham

St Basils is a charity working with homeless and disadvantaged young people in Birmingham. It runs a range of services, including accommodation for nearly 1,000 young people each year. It also focuses on preventing homelessness through a number of activities, including:

- **Housing advice and Home Options.** Through a city centre drop-in advice centre, St Basils delivers advice to over 3,500 young people each year. There has been a 90% drop in the number of young people needing emergency accommodation since St Basils began delivering advice in local authority housing offices.
- **Family mediation.** St Basils works with young people and their families to improve relationships. It worked with over 250 young people in 2007, and 95% reported that this resulted in a 'positive outcome', such as the conflict being resolved.
- **Training and mentoring in schools.** St Basils trains young people who have experienced homelessness to deliver workshops and presentations about the subject to school pupils. Schools can also refer young people at risk to the St Basils mentoring service.

Box 20: Saving the taxpayer's money—Alone in London's family mediation service

Alone in London runs a Family Mediation Service. The service supports young people before they decide whether or not to proceed to 'conflict resolution' mediation, and also for up to 12 months after this, in order to ensure that old problems do not resurface. It is paid for by a mix of contracts with local authority housing departments and voluntary funding.

The total annual cost of its family mediation service is around £185,000. In 2006/2007, out of 245 cases supported by the service, 94 young people stayed at, or returned to, their family homes after Alone in London's support. On average, therefore, it costs around £755 per young person seen, and around £1,968 for every young person prevented from leaving home.

Alone in London estimates that it costs a local authority around £7,000 to accommodate a young person for a year.

Therefore, Alone in London estimates that it saves councils £658,000 per annum (94 x £7,000).

On this basis, every £1 spent on Alone's family mediation can be said to save £3 in accommodation and support costs alone.

Birmingham City says that there has been a 90% reduction in young people needing emergency accommodation since St Basils began delivering housing advice in neighbourhood offices.

Providing specialist advice to young people with housing problems

Research suggests that young people do not always get a good quality service in general advice agencies: they need specialist services.⁷⁵

Birmingham is one of a number of local authorities offering 'housing options' advice sessions before the official homelessness assessment. In 2004 it asked specialist workers from the local youth homelessness charity **St Basils** to deliver this service in a local neighbourhood office. The charity's workers were able to take a holistic view and lay out young people's options to them in a more realistic manner, for example, by explaining that becoming homeless just to get a house would not work. They were also able to refer the young people on to St Basils' other services, such as family mediation.

Although housing problems are the most common reason that disadvantaged young people present at services, it is clear that most people who become homeless have many other issues.⁷⁶ Youth homelessness agencies are likely to work best where they try to deal with other issues simultaneously—but funding does not always allow this.

One example of a centre able to offer most of the services that people need all in one place is **Croydon Association for Young Single Homeless (CAYSH)**. CAYSH is a housing charity that runs a drop-in advice centre for young people aged 16–25. Its workers offer immediate advice and support and, if a person's situation is complicated, can also arrange same-day meetings with representatives

from both the Social Services and Housing departments in the same building. This one-stop shop is rare but NPC thinks it is likely to be effective, especially in working with vulnerable young people who find it hard to navigate services on their own.

Providing family mediation to prevent youth homelessness

Charities also prevent youth homelessness by helping families to talk through their problems and resolve conflicts. Homelessness can arise from initially quite trivial disagreements or from deeper problems. An independent voice, offering support and a structure for discussion, has the potential to make a big difference.

The government says it is committed to improving access to family mediation schemes,⁷⁷ and many local authorities fund charities such as **Relate** and young people's charities to deliver mediation services to young people.* Around 80% of local authorities operate some form of mediation service to prevent homelessness.⁷⁸

Alone in London, a charity based near King's Cross, runs a family mediation service for young people who have left their family homes because of conflict. It offers one-to-one support to the young person both prior to the mediation sessions and for 12 months afterwards. Alone in London has turned down contracts offered by some local authorities who wanted a cheaper and more short-term response, which the charity thinks would fail to deal with the underlying issues. However, it has evidence that its approach is cost-effective (see Box 20). The charity is also helping other organisations, such as **Edinburgh Cyrenians**, to set up their own family mediation projects.

Impact

The impact of these activities can be measured in a number of ways. In its work in schools, St Basils tries to capture attitudinal shifts. At the beginning of its workshop it asks pupils '*When do you think is the best age to leave home?*'. Initially, the average response is 16. Afterwards, 55% of the class show a significant change in their opinion, and the mean age given is 19, though this immediate change in attitude may not last and lead to behaviour change. NPC will be interested to see if there is any future reduction in youth homelessness in areas where school work is common.

More concrete evidence can be found for the impact of specialist advice and mediation work. Following the St Basils pilot advice service, the number of young people needing emergency accommodation in that area dropped by 92%. Clearly, it is difficult to attribute all of this change

* Relate's other work with people having relationship problems is also likely to have an impact on homelessness, given that relationship breakdown is so often one of the reasons people begin their descent into homelessness.



Photograph supplied by Edinburgh Cyrenians

but local commissioners think St Basils was influential and, accordingly, Birmingham Council has expanded funding for the service.

Family mediation is widely accepted as a very important tool for tackling youth homelessness, so long as participants undertake it voluntarily.⁶⁸ There is a lot of anecdotal and some quantitative evidence for this. For instance, Alone in London estimate that nearly 40% of the young people it works with stay or remain at home as a result of its intervention.

Charities report significant benefits to young people, even if they do not stay at home, arising from improved relationships with their families, which help them to avoid and deal with future problems.

Victims of domestic violence

Official statistics indicate that 13% of households accepted by local authorities left their previous homes due to a 'violent relationship breakdown with partner'.⁷⁰ They have counted as 'priority need' applicants since 2002. **Crisis's** research into the experiences of 144 homeless women found that 20% left their homes to escape violence from someone they knew—whether a partner, family member or associate.⁹

One way of helping these women avoid homelessness is to assist them to live safely in their own homes, through 'sanctuary schemes'. A sanctuary is a safe room in the home of a victim of domestic violence to enable them to remain there safely.⁷⁹ The safe room is secured with safety measures such as reinforced door, heavy duty locks on the window and doors, alarms and CCTV. It provides a place for the victim to retreat if she is in danger, call the police, and wait for their arrival. Sanctuary homes are recorded on the police database to ensure the fastest possible response in the event of an incident.⁷⁹

Sanctuary schemes are popular with local authorities because they are much cheaper than paying for women and their children to live in refuges or other temporary accommodation. (Installing security systems in a sanctuary only costs between £750 and £1,000.) Consequently, they often form a key part of local authorities' homelessness prevention strategies.

They are extremely valuable for women who wish to stay in their own homes, in familiar surroundings near their friends and family. However, some women want to move away because they are living in fear. Other women living in sanctuaries are safe inside, but have become prisoners because they are too afraid to step outside their own doors.

Some charities are concerned that women are being pushed into opting for sanctuary schemes. NPC's report into violence against women, *Hard knock life*, deals with domestic violence in more depth. The research found that charities can play a crucial role by acting as 'advocates' for women, helping them to understand the system—everything from the legal aspects of the court system to treatment for trauma. Advocates also help on practical matters such as housing, helping women to understand all their different options and choose the one that is right for them.

ADVANCE, a charity in Hammersmith and Fulham, was one of the first advocacy projects in the UK. It provides 24-hour crisis response, support and advice to around 600 women every year. One of the advocates is a housing specialist, who works with women approaching the council because they are homeless as a result of domestic violence. She helps them to think through their housing options and understand their rights, but also supports them to deal with their wider situations, and the abuse itself.

A third of prisoners leave jail with nowhere to go.

Hard knock life highlights many other options for donors interested in solving domestic violence problems.

Impact

There are proven approaches that help victims of domestic violence to avoid homelessness.

For instance, 83% of women said that after the support they received from ADVANCE, they felt safer and the abuse had stopped. In 2007, its specialist housing advocate saw 250 women who approached the council's housing office. Most clients were found rental properties from private landlords, though nine were found places in refuges and 11 were provided with sanctuary schemes.

Families

If families become homeless, the government will generally house them. However, if a family is deemed to have become homeless 'intentionally', due to rent arrears or anti-social behaviour, it will no longer qualify for government support.

The Roberts Centre in Portsmouth offers supported housing to families who are identified by local agencies as being at risk of homelessness. For example, the family may have children who are causing disruption, which means that the families risk being evicted for anti-social behaviour, or the parents may have learning difficulties and have problems paying the bills. The family is offered the chance to be housed in council accommodation while receiving support from Roberts Centre workers. Workers visit the family regularly, helping

them to live independently by teaching them skills such as budgeting and good parenting. Support is withdrawn once the family is thought to be able to look after itself, and the family is then allowed to remain in the same home.

NPC has not come across many charities seeking to prevent homelessness among families, though **Shelter** works with families on a large scale through its tenancy sustainment scheme Homeless to Home. A quarter of its activity is with families. There are also open access projects such as **Thames Reach's** support service in Southwark. In general, it is likely that a lot of work is being done by organisations outside the homelessness sector: for instance, by parenting groups, family centres and community organisations.

Impact

Helping families to avoid homelessness could have significant knock-on effects on other areas of their lives, not least because their other problems are often the cause of homelessness.

The Roberts Centre's work is recognised locally and nationally as providing excellent services for families who are anti-social. As a result, central government is funding it to deliver a targeted intensive programme with particularly disruptive families, as part of the 'Respect' agenda.

People leaving institutions

People leaving institutions—be they prisons, the care system, the armed forces and mental health wards—are more likely to become homeless than the population as a whole. It is, of course, difficult to strip out the causality here: for example, homeless people are more likely to end up in prison in the first place. But it does mean that targeting these groups could help prevent homelessness. This section discusses some particular interventions used by charities working with two key groups: prisoners and young people in care.

Prisoners and young offenders

Up to a third of prisoners lose their housing due to their imprisonment.¹⁸ Yet this can often be avoided. For example, convicted prisoners can draw Housing Benefit for up to 13 weeks (rising to a year for people on remand), allowing them to keep up rent payments until they are released. However, this requires a separate application and most prisoners do not know they are eligible.



Photograph supplied by St Giles Trust



Photograph supplied by St Giles Trust

Services within prisons are patchy. While prisons have to give some kind of housing advice on admission, this could amount to a few leaflets. Support on leaving prison is also inconsistent, particularly for people with a sentence of less than a year.

A third of prisoners say that they have nowhere to stay when they leave prison. Given that research suggests stable housing reduces the risk of reoffending—possibly by up to 20%¹⁸—there are good reasons to help prisoners with their housing. After all, the total cost of convicting an offender in court is £126,500.¹⁸

Some charities work in prisons to deliver housing advice. For example, **St Mungo's** works in six prisons across London and also runs a specific project helping Muslim ex-prisoners in East London.

St Giles Trust has developed an interesting and potentially effective model to ensure that housing advice is widely available. It trains prisoners in jail to give housing advice to their peers. Each year, it trains over 100 prisoners in 20 prisons to NVQ3 level (equivalent to two A-levels) in 'Advice and Guidance'. These 'peer advisors' then help other prisoners to sort out their housing problems. When peer advisors leave prison, St Giles employs a proportion of them to provide support to other ex-offenders, meeting them when they leave prison and helping them into education and employment services, for example.

People leaving care

Historically, people who have been in the care system have been a significant proportion of the homeless population. For example, 21% of **Centrepoint** users have been in care at some time, compared with 2% of the general population.^{40,18} This is not to say that there is a causal relationship between being in care and becoming homeless: it is much more likely that the kinds of factors that lead to children being in care (poor family experience, poverty, parental substance abuse) also fail to prepare people for living independently successfully, and can therefore lead to homelessness.

People over 16 who leave care are covered by the Children (Leaving Care) Act of 2000 as well being named as a priority group in the Homelessness Act 2002. These mainly obligate local authorities to provide accommodation and tenancy support to the young people concerned.

Some charities offer further support, helping people to develop their confidence and skills as an indirect way of preventing homelessness. The Scottish homeless charity **Move On** provides a mentoring service for young care leavers. It matches young people with adult volunteers, who meet them two to three times a month to take part in cultural and leisure activities. These are chosen by the pair, and are usually based around a shared goal—such as learning to play the guitar, or improving their swimming skills. Move On aims to aid the young person's transition into adulthood and independent living, by raising his or her self-esteem and confidence.

“You know, the prisoners out there know that we are prisoners as well, so, you know, straightaway I think that we've got a rapport with them, and that, we can talk to them and they're a bit more at ease with us.”

Prison Peer Advisor with
St Giles



Photograph supplied by Alone in London (Well Freeman)

Impact

These activities are able to improve the flow of people from institutions into good accommodation. In 2006/2007 St Mungo's helped 852 ex-offenders find accommodation on leaving prison. St Giles estimates that it helped over 700 people keep their existing homes, and found new accommodation for 279 people.

What would have happened in these cases if specialist support had been unavailable is unknown, but the high numbers of people leaving prison and having nowhere to go indicate that standard, generic provision is not working.

The fact that these activities integrate housing advice into wider support, such as mentoring and meeting people at the prison gate, suggest the added value of these services. For St Giles's peer advisors, the intensive training and experience they receive, and the possibility of working for St Giles on release, should help their employment prospects.

Measuring this wider impact is not as simple as counting the numbers of people moving into housing, and charities have tended to concentrate on establishing their model rather than tracking outcomes. So while these schemes have a strong reputation for quality—St Giles has won multiple awards for its prison work and Move On has been recognised as one of the top 10% of mentoring schemes in the country—their long-term evidence base is less developed.

However, in 2006 St Giles commissioned the Institute for Criminal Policy Research (ICPR) at King's College to carry out a three-year evaluation of the Peer Advice service. This hopefully will spell out the wider benefits of the scheme.

What can a donor fund?

Although the government has begun to focus significant resources into homelessness prevention, it is still quite restrictive on what it will fund. Therefore donors can make a difference by allowing charities to carry out a wider range of activities with a broader range of people. Some preventative work is unlikely to be done by charities working under the banner of homelessness, and instead will be covered by those focusing on abused children, poor families and people with mental health problems. But within the homelessness sector, charities undertake some interesting services using grants and donations. The main alternatives comprise funding existing services, helping charities to develop evidence of their effectiveness or looking further upstream.

Fund existing homelessness prevention activities

Although local authorities fund many of the activities described above through their homelessness prevention strategies, charities still seek private funding for these services. This is often so that they can offer a slightly wider service than local authorities will pay for—such as supporting **Alone in London** to deliver a more intense and long-term family mediation service, which should then lead to better outcomes.

Private money is also used in areas where government funding is lacking or precarious. Prison work is a good example of a highly-volatile funding environment, because of both lack of strategic funding and a highly-confusing and inconsistent commissioning system. While prisons have targets to improve housing outcomes, they lack the money to achieve them. In these situations, often charities have to fill in the gaps.

A similar situation may emerge with advice services, as changes to Legal Service Commission funding (the main government funder, via legal aid) affect specialist housing advisers.

There are many advantages to funding existing prevention activities. Firstly, it is relatively cheap, as it piggy-backs on other (usually government) funding. Secondly, most established approaches have some evidence of their effectiveness, at least in the short term.

Help charities to establish an evidence base

A range of creative and relatively recent approaches also exist, which so far have little evidence of their effectiveness, particularly of whether they prevent problems emerging permanently, or simply delay them.

Private funding could allow organisations to begin to evaluate their services rigorously. The benefits could be significant: firstly, it could increase understanding of what works (and what does not), so charities could better target their resources and activities; and secondly, a better evidence base could attract more funding for successful work, perhaps encouraging the government to fund such activities more broadly.

Look further upstream

Homelessness is not always caused by immediate triggers that can be solved by the solutions above. There are often underlying problems that lead to people living chaotic lives in unstable accommodation. If donors want to

prevent this kind of homelessness, the most effective work is probably done before people reach the point of homelessness. For example:

- Helping people who are victims of **child abuse** to overcome their experiences could help prevent them from developing mental health problems that can lead to substance abuse and homelessness. NPC's report *Not seen and not heard* discusses these issues in more detail.
- Supporting people with **mental health** problems to access the treatment that they need may prevent homelessness in itself and also stop people from 'self-medicating' with drugs and drink, which can also lead to homelessness. NPC's report *Don't mind me* looks at the role of charities in supporting adults with mental health problems, and a report into the mental health of children and young people will be published in late 2008.
- Working with **families** who are at risk of their children being taken into care could help both the parents and the children avoid homelessness in the future. NPC has heard that the trigger for a significant proportion of homeless women's descent into homelessness was their children being taken into care. NPC will be publishing a research report about parenting in 2009.
- Helping children to overcome **truancy and exclusion** and do well at school can put them on a trajectory for a successful life, avoiding unemployment and poverty. NPC's 2005 report *School's out?* highlights the role of charities helping children to succeed at school.
- Helping people with **drug and alcohol addictions** to overcome their dependency could have a significant impact on homelessness. NPC will be publishing research about charities working to tackle substance abuse in 2009.

There will be important outcomes of work on these issues, though it will be hard to make direct and quantifiable connections between funding services and reducing homelessness. This should not put donors off: looking upstream could have a significant effect, though the results may not become clear for a long time.



Photograph supplied by The Passage

Health

Homeless people experience high levels of health problems, including mental and physical illness, as well as problematic drug and alcohol use.

Some of these predate homelessness: the poverty, addiction or family breakdown underlying individuals' housing difficulties have their own health implications. However, being homeless worsens the situation and creates new health problems.

Living in inappropriate accommodation or on the streets puts people at risk, and often reduces access to medical services. Many homeless people end up intermittently using A&E rather than benefiting from sustained and preventative primary care.

The damage to the individual is obvious, but society is also affected through costs to the NHS and (where drugs or disorder are involved) the criminal justice system.

Government has the primary role in addressing ill health through the National Health Service. It sometimes uses charities to deliver services directly to homeless people. Its response is well intentioned but remains inadequate, particularly in addressing substance abuse and mental health problems.

Charities do have a role to play, largely with the support of private money. This includes promoting healthy living, developing innovative solutions to health problems, and lobbying and campaigning for better health services for homeless people.

What is the situation?

Surveys of homeless people consistently find that their health is much worse than that of the population as a whole. In addition to high levels of acute illnesses, three-fifths of respondents in a survey in Scotland reported a long-term illness or disability (61%).⁸⁰ Children living in bad housing are almost twice as likely to suffer from poor health as other children.⁴ Some experts claim the life expectancy of rough sleepers is twenty or thirty years less than the national average.⁸¹

NPC has grouped homeless people's health problems into three areas: physical health, mental health, and substance abuse/addiction.

Poor physical health

Homeless people are likely to become ill more often and more severely than the general population. Rough sleepers are three times more likely than the general population to have chronic chest and breathing problems, and twice as likely to have musculo-skeletal problems.¹² Other common conditions include: skin infections, gastro-intestinal problems, bad teeth, bad backs, and ulcers.⁸²

Chronic conditions such as arthritis and diabetes, are more likely to have reached an advanced stage with homeless people. While the incidence of infectious diseases, such as HIV/Aids and Hepatitis B and C, is much higher.¹³ Sometimes particularly virulent strains emerge, such as multi-drug resistant tuberculosis, which can occur when people do not carry out a full course of treatment.

Generally, as homeless people get older, their physical health needs become more pronounced. This is particularly apparent among those in hostels and on the street. The cumulative effects of their homelessness, their substance abuse and their lack of medical care, lead to premature aging. The charity **Thames Reach** calls these people 'young olds'—people in their late thirties through to mid fifties who have the physical health of people decades older.

Mental health problems

Poor mental health is also prevalent among homeless people. Between 30% and 50% of single homeless people have mental health problems, compared to 10-25% of the general population.¹⁶

While people living in hostels and bed and breakfast accommodation are eight times more likely to have a serious mental health problem than the general population, this rises to eleven times for people sleeping rough.¹² Half of families living in temporary accommodation experience high levels of distress and depression⁸³ and their children are more likely to have behavioural problems.¹⁷

Well, my experience of sleeping out, you can get very, very sick and very bad arthritis. You get very dirty and you can lose your mind and things, anything could happen to you.

Joe, a rough sleeper¹²

Living in hostels, where there are so many drugs in front of your face and you've got to try and resist. All when you are at rock bottom and for twelve hours a day you are sitting with nothing to do...

Matt, a homeless person⁸

I feel sick sometimes... With five people in a [bed] room I feel ill. I can't breathe sometimes and that makes me feel ill. I have to miss school because I have a headache or feel sick.

Lindsey, a 14-year-old girl living in temporary accommodation⁴

Substance abuse

Homeless people are also likely to have problems with alcohol and substance misuse. Around half of rough sleepers are reliant on alcohol, while 70% have misused drugs.¹³ In a London study, almost four out of five homeless people had used drugs. Levels of dependency and the likelihood of injecting rose, the longer they were homeless.⁸⁴

In a survey of young homeless people, four out of ten were classified as 'problem drinkers' and almost all of them had used drugs, with two in five having taken heroin. Not only were they more likely to misuse drugs, but they also did so in a risky way. This included poly-drug use and unsafe injecting practices. Almost one quarter had accidentally overdosed on drugs or alcohol and 61% knew someone who had overdosed on drugs.⁸⁵

Impact of poor health

Poor health has an obvious impact on quality of life. A problem in one area can easily escalate, for example substance abuse can quickly lead to wider mental and physical health problems.

On top of this, poor health prevents people from getting employment, holding down relationships and sustaining tenancies. Mental health and addiction problems, in particular, are major barriers. Even specialist services are sometimes unwilling or unable to work with severe cases. People who are dependent on drugs or alcohol are almost twice as likely as non-dependent users to be banned from homelessness services.⁸⁴

Addiction and mental illness can stop people from wanting help, or from taking part in activities like training or social groups. And even when they do, their conditions can make it hard for them to keep up the commitment. Without dealing first with these problems, other interventions may ultimately fail.

Poor health among the homeless population has a wider cost to society—primarily through the extra pressure put on the National Health Service. Instead of treating conditions early, illnesses are likely to become advanced and hard to treat. Instead of going to GPs, at a charge of £20 a visit, homeless people often end up in A&E, which costs ten times as much.¹⁹

The burden on the criminal justice system due to drug abuse and mental illness is also likely to be high, including imprisonment for anti-social behaviour. Over half of young homeless people with a history of drug use felt it had a link with their offending rates. This proportion rose to almost four in five for problematic drug users.⁸⁵

Why is it like this?

Previous experiences

Many people will become homeless with existing health problems. Poor health itself is a major cause of homelessness, largely through mental health and substance abuse problems. In addition, many of the factors causing homelessness also contribute to ill health. For instance:

- Being **poor** increases the likelihood of poor nutrition, having little health education, and experiencing higher levels of mental and physical ill health. It also increases the likelihood of homelessness.
- **Traumatic experiences**, such as family breakdown, abuse, and bereavement contribute to both homelessness and to poor well-being, particularly poor mental health. Young homeless people are twice as likely to be depressed and anxious if they ran away from a violent home than from a non-violent home.⁸⁶
- People **leaving institutions**, such as prison or care, are more likely both to be ill and homeless than the general public.

Impact of homelessness

Becoming homeless exacerbates existing problems and increases the chances of developing new areas of poor health. The poor physical environment, the damaging lifestyle, and the psychological impact all have a significant impact.

Effect of poor physical environment and vulnerability: The practicalities of life in damp, overcrowded, unhygienic conditions contribute to poor health. Living in overcrowded conditions with poor sanitation leads to the spread of infectious diseases and conditions, such as scabies or lice. Dust and dirt exacerbate asthma and chest problems. People cannot maintain a good diet with limited access to anywhere to store or prepare food.

Homeless people also experience increased risk of injury. Homeless people on the street are fifteen times more likely to be assaulted than the wider population.⁸⁷ Families in bad housing are often exposed to faulty electrics, uneven floors, or the use of cooking equipment in areas used for playing or sleeping.⁴

Homeless lifestyle: Homeless people are exposed to greater pressure to take drugs, and, arguably, face circumstances that increase their desire for them. The Advisory Council on the Misuse of Drugs, an independent government advisory body, concluded that it was hard to conceive of a situation more encouraging of substance use than homelessness. More than

half of young homeless people who have used heroin and crack cocaine did not do so until they became homeless.⁸⁵

Psychological impact: Being homeless involves a considerable amount of stress and anxiety—worrying about the future and how to meet immediate needs. Over time, people begin to feel marginalised and undervalued. Self-neglect can be a type of mental health problem, including depression or low self-esteem. It can manifest itself in risk-taking behaviour like unprotected sex, sharing needles and self-harm.

In a survey in Glasgow of lone homeless people, just over a quarter had attempted suicide, and about one in five had self-harmed.¹⁵

Difficulties getting effective services

Poor health is compounded by a lack of adequate medical care. Homeless people interviewed in 2003 were almost 40 times more likely not to be registered with a GP than the average person. Over half had had no contact with a GP in the last year, while 5% said they never received any healthcare.⁸⁸ A more recent survey of 600 homeless people, found that one in three were not getting the treatment they needed.⁸⁹

The reasons for this, which are described below, include people's reluctance to engage, attitudes within the medical system, and a lack of specialist services.

Reluctance to engage with mainstream services

Homeless people can be unwilling to engage with the mainstream health service. They may not know they are eligible, may not feel worthy of getting help, and can be ashamed of the way they look.⁸⁵ Many feel that their other problems are more pressing. Families moving around temporary accommodation may be waiting until they settle down before registering with a GP.

Some research, though, suggests that young people are more likely to get the right support—73% said that they would go to their GPs; only 9% said that they would go to hospital. This probably reflects recent efforts by day centres.⁸⁵

Inaccessibility of health services

People who do want to access health services may encounter barriers. Homeless people in rural areas, in particular, may be far away from targeted services.⁹⁰

The attitudes of health workers can also be off-putting—from receptionists unwilling to make appointments, to the manner and attitude of doctors and consultants.^{91,92} Some health workers do not know how to

treat, or interact with, homeless people. GPs can be reluctant to work with a difficult and expensive client group. In a survey of Bristol GPs in 1999, only a quarter were willing to fully register homeless people. Factors behind this included: associated social problems, lack of medical records, complex health problems, and associated alcohol or substance misuse.⁹³

Hospitals may not know what to do when discharging people—particularly if the choice is between keeping them on the wards and returning them to the streets.

Limited availability of specialist support for mental health and substance abuse problems

Despite the high numbers of people affected by mental health and substance abuse problems, inadequate specialist support is available. In a 2006 survey of homelessness services, over 90% of organisations reported having clients with mental health, alcohol or drug misuse issues and more than 70% felt that the support available was inadequate.⁶⁴

According to some charities, the situation has improved recently; better partnerships have been established between homeless organisations and specialist services.

However, support for substance users is still concentrated on light touch activities, such as needle exchange and provision of basic information. Access to mental health therapies, such as cognitive behavioural therapy and talking therapies, is usually by referral to other organisations, yet these are often inaccessible and inadequate.³⁰ Only half of people get the mental health treatment they need.²¹

Further difficulties occur when homeless people experience addiction and mental illness together. Combined, their impact can be considerable, yet neither problem may be severe enough to qualify for residential drug treatment or psychiatric support.

Effectiveness of support

Even when people can get treatment, questions remain about its effectiveness, particularly in relation to drug problems.

Recent analysis of drug treatment services shows that fewer than 3% of all people getting statutory services for their addiction were drug free after treatment.⁹⁴ This finding needs to be interpreted cautiously, as treatment programmes may have other effects, such as reducing severity of abuse and cutting crime. But it does indicate how big the challenge is. This issue will be examined further in future NPC research on substance abuse.

“I was homeless before I went to detoxify and then after I had finished my detox, they discharged me at 5:30am and I was homeless again.”

Dave, a homeless former drug addict.²

“Life is full of hazards, not just from contaminated heroin but from simply trying to find decent food to eat.”

Doctor Tan, a GP at St Mungo's¹¹

“Before I used to go out and get a burger if I had a few quid spare, but now I’d sooner go out and get a salad. It’s pretty cool really.”

Paul, a member of the Booth Centre

What are charities doing?

Homelessness charities place considerable emphasis on the work they do on health, both because it improves the quality of their clients’ lives and because it overcomes barriers that stop them from benefiting from other programmes.

Charities undertake activity in three main areas:

- encouraging healthy living;
- improving access to the health system; and
- improving the health system itself.

These are discussed in turn, below.

Encouraging healthy living

Some people argue that being both homeless and healthy is impossible—that no homeless person can ever be healthy in the sense of enjoying physical, mental and social well-being as well as an absence of disease.

However, different scales of healthy living exist, and homelessness charities work both to promote healthy behaviour and to reduce the risk of harm.

Promoting healthy behaviour

One of the traditional activities of hostels and day centres is providing food, often at a low price. Most charities that NPC has spoken to say they ensure that hot meals are available, healthy and balanced.

Some also operate more structured schemes. **Edinburgh Cyrenians** runs a Good Food for Homelessness programme, based around its FareShare franchise.* This collects high quality surplus food from retailers and distributes over six tonnes each week to 44 homelessness projects in Edinburgh and the Lothians. This food provides approximately 4,000 meals each week in the region. It also runs ‘Cooking at Home’ classes to improve the diet of homeless people and arm them with some of the skills they need to live healthily and independently. The classes are run by volunteers in seven homeless projects around Edinburgh and the charity is currently working with another seven local services to help them establish schemes of their own.

Charities also promote exercise and physical activity. Hostels often run walking groups, or take people swimming. Classes run by day centres sometimes include yoga or aerobics.

In 2006, the **Rock Trust** in Edinburgh launched a programme called Active Futures. Around 30 women attend a ten week programme, taking part in six or seven activities each week,

such as swimming and dancing. The charity is careful to offer activities that young people can continue to enjoy. So, for example, rather than taking people abseiling, it takes them kayaking—because there is a kayaking club in Edinburgh that they can join for just £10 per year.

Charities also provide general health education, ranging from leaflets and lectures to more informal group work around specific issues, such as mental health. The **Hove YMCA** provides sex education, as well as housing advice, to young homeless people in Brighton and Hove. It has a specific strand for the significant numbers of lesbian, gay, bisexual and transgender (LGBT) young people who use its services.

Harm minimisation

Work on minimising harm is sometimes controversial: a lot of services exclude drug users and drinkers altogether, but some specialist provision has emerged.

There are now a number of ‘wet hostels’ and ‘wet day centres’, which allow occupants to drink on site. The thinking behind these is that, by encouraging people to use homelessness services, they present workers with opportunities to help them reduce their drinking and access other types of support. They can also prevent people from being arrested for drinking on the streets.

The **Booth Centre** in Manchester opened the first wet garden in the UK in 2001. This followed a decision by the City Council to introduce a by-law to prevent people drinking on the streets. The garden provides a safe and secure place for 20-40 people each day, and exposes them to other forms of support and assistance, such as gardening schemes and cookery classes.

Thames Reach runs wet hostels in central London, and it is also addressing the widespread availability and low price of super-strength lagers and ciders. These typically contain 9% alcohol, and one tin exceeds the government’s safe alcohol limit for men. It is asking the government to increase the tax on these super-strength drinks in order to raise their prices and so reduce their availability to homeless alcoholics.

For drug users, homeless charities have less leeway. They have to tread a fine line between continuing to engage with drug users in order to minimise harm and reduce dependency, and encouraging their addiction. Most day centres and hostels ban people for drug use on the premises.

* This is under license from the charity **FareShare UK**. FareShare UK developed the model and the relationships with large food suppliers such as Marks and Spencer.

A lot of hostels now have sharp bins for used needles and some, such as **Brighton Housing Trust**, provide a needle exchange. A user meets a drugs worker to ensure he or she is aware of harm reduction methods and how to inject more safely, and is then able to access the needle exchange 24 hours a day.

Impact

Efforts to promote healthy living and minimise harm are important first stages, and there is anecdotal evidence that they can improve people's lives and help them to stabilise.

However, food and exercise alone are unlikely to be enough to make a big difference to the lives of homeless people, particularly given the countervailing pressures on them.

Harm minimisation seems likely to work best where it is carefully integrated with other services. Given that much of this activity is new, different approaches are still being developed.

Lobbying may play an important role in tackling drinking. Thames Reach's campaign has helped put super-strength lagers and ciders on the agenda—it has persuaded several major retailers in the borough of Westminster to stop selling these super-strength drinks.

Improving access to health services

Charities help homeless people to access health services both by linking them to the NHS, and by providing care on-site.

Key workers

Most hostels and day centres have key workers who provide support and advice to their members or clients. This includes helping and encouraging them to set up medical appointments, referring them on to their GPs or, where available, drug, alcohol and mental health treatment.

Some charities have specialist facilities.

Tyneside Cyrenians has a drugs team that refers people from its day centres and hostels to local treatment centres and then supports them to make sure they stay the course.

There are also initiatives to build the capacity of homeless workers so that they know what to do, particularly about specialist issues.

Homeless Link, the umbrella membership body, has produced guidelines for homeless charities on recognising and dealing with tuberculosis.

Providing medical services on site

The advantages of on-site medical services are twofold: people do not need to travel to appointments, and on-site medical workers know about dealing with homelessness.

Just under a sixth of service providers have GP services in house.³⁰ These are often complemented by other primary care and specialist services. **The Passage** day centre, runs a health care team, including substance abuse and mental health workers (see Box 7 in previous section).

Broadway runs a custom-designed 'healthy living centre' at its day centre in Shepherds Bush, which offers:

- **primary medical services**, including a nurse, optician, podiatrist and GP;
- **complementary therapies**, such as acupuncture, massage and yoga;
- **specialist services**, with three workers providing support on mental health, multiple needs and drugs and alcohol; and
- **primary care services**, including showers, laundry and food.

The **Spitalfields Crypt Trust** runs Acorn House, providing accommodation for 16 people with alcohol addiction. As part of this it runs a structured therapeutic programme, involving group therapy and individual counselling sessions. It also links people into local Alcoholics Anonymous sessions.

Impact

Getting people to go to medical appointments is the first step to getting them treated—so this work is important.

Yet NPC has heard from several organisations that the mechanisms to get people to keep their appointments are weak. Charities often count the numbers of referrals that people have received, not the number of appointments they have attended or (even better) whether their behaviour and health improves as a consequence.

Services co-located with homeless provision are likely to have higher attendance rates than others, and it is easier to measure the number of people they help and, in some cases, the health outcomes. For example, four out of five people attending **Broadway's** Healthy Living Centre reported that using the service made 'some difference' or 'a lot of difference' to their health.

Some argue that on-site provision is tantamount to erecting a parallel health system for homeless people, which keeps them excluded from the mainstream. NPC's view is that its role in providing people with an initial access point to healthcare services is important enough to override this concern.

P3's treatment for ex-servicemen with Post Traumatic Stress Disorder (PTSD) costs 20% of the cost of a month-long stay at the Priory.

Improving the health system itself

Work by charities to improve the healthcare homeless people receive from the NHS includes three main areas of work:

- providing training and guidelines;
- developing pilot projects; and
- lobbying government for more emphasis on, and better co-ordination of, healthcare for homeless people.

Training and guidelines

Homeless charities are providing training, both to homeless workers, but also to medical health professionals. **Homeless Link**, the umbrella organisation for England, has run courses for homelessness agencies as part of its Health Inclusion Project (HIP). In total, 600 people participated in a series of one-to-four day courses on drugs, mental health and multiple needs.

Homeless Link has also provided support to several professional bodies such as the British Dental Association, the Department of Health, and the National Treatment Agency, to help produce good practice documents on working with homeless people.

On top of this, Homeless Link has produced a series of toolkits and protocols on health related issues for service providers and commissioners. Along with the Department of Health and the London Network of Nurses and Midwives, it produced a protocol for hospitals to follow when discharging homeless people.⁹⁶ It has also devised an online toolkit called

Box 21: A challenge to the sector

John Bird, the founder of the Big Issue, argues that homelessness charities working with rough sleepers and those in hostels are far too permissive towards them. His view is that the addictions from which many homeless people suffer are a sort of mental illness.

He argues that people should be given much more intensive treatment than is currently generally available. He identifies the need for 'therapeutic communities' along the lines of private rehabilitation hospitals such as the Priory. Under this scheme, people would get in-depth medical and psychological support to address all their problems, not fragmented care within a broader system that is ill-equipped to help them. Controversially, Bird thinks that, as a last resort, people should be sectioned and given treatment forcibly.⁹⁵

Bird's proposal has not been wholly well received in the homelessness sector. To the extent that charities have commented on it, they argue that it is punitive and would scare people from seeking help without working in the long term—they ask 'What happens when someone returns to society and has to face his or her underlying problems again?'

Nonetheless Bird's comments do raise challenging questions for the sector, and ones that donors should reflect on. They are a salutary reminder that a lot of what charities are currently doing is fairly light touch. They highlight, too, a dearth of more intensive provision.

Clean Break, which helps commissioners and service providers to integrate housing and drug treatment services

Other charities are also working directly with health workers on the ground. For example, in Newcastle, **Tyneside Cyrenians** has used the work it does with homeless women involved in prostitution to train local GPs. It has run training sessions on how to work with this particular client group, including the nature of their health needs, and how best to interact with them.

In London, **Thames Reach** has set up a partnership between its Street Outreach service and the London Ambulance Service. This prevents the ambulance service from being called out unnecessarily to deal with homeless people who do not need medical treatment.

Developing new methods of treatment

On top of providing and facilitating access to direct health care, charities also have a role in developing more specific interventions. This is particularly pertinent for substance abuse and mental health problems. Yet few examples exist. In many areas, such as drug abuse, people have little idea of what works—let alone how to target it at homeless people. Ideas to tackle this issue have proved controversial (see Box 21).

NPC has come across only a few examples of new work. One is in Southampton, run by a local charity, the **Society of St James**, and funded by the Department of Communities and Local Government, the local council and local health trust. This provided cognitive behavioural therapy to a group of 23 extremely chaotic homeless men. It was aimed at addressing the problems they had, such as anger, impulsive behaviour and emotional instability. All of these had affected their ability to maintain tenancies in the past.

Another new treatment is being developed by the charity P3, which runs a range of services for homeless and mentally ill people. It predicts that the number of people suffering from Post Traumatic Stress Disorder (PTSD) will soar in the next few years, as the 130,000 soldiers returning from Iraq and Afghanistan suffer the impact of their experiences. Of the 30,000 British personnel who served in the Falklands war, 300 have since committed suicide—more than died in the war. Many of them ended up homeless.

The charity has developed a new treatment for combat-related PTSD, which in pilot studies provided relief from symptoms for 80% of those who completed the course.

It is now looking to roll out the treatment to those who need it. But it is expensive. It costs £4,000 to provide six months of support to a PTSD casualty and his or her partner. However, that is just half the cost of six weeks of respite care and only 20% of the cost of a month-long stay at the Priory.⁹⁷

Lobbying for better healthcare structure

Charities are also working to improve the whole system. **St Mungo's, Shelter** and **Crisis** have carried out a series of research reports highlighting the health needs of homeless people.

Homeless Link received funding from the Department of Health to run a Health Inclusion Project to improve access to healthcare for homeless people. As well as the activities mentioned above, it also pushed for greater co-ordination between health and homelessness at a national level. During the course of the project, health and homelessness specialist advisors were appointed by the Department for Communities and Local Government and Department of Health.

The project has now ended but Homeless Link has been able to highlight the lack of health services through its briefings for government and ministers. These include responses to the Home Office consultation on drug strategy, and the Department of Health's review of the care plan approach for mental health problems.

In Scotland, **Edinburgh Cyrenians** has used the expertise from its Good Food Programme to advise the Scottish government on better health provision for homeless people. In 2005, the Scottish Minister for Health and Community Care launched the Scottish Executive's Health and Homelessness Standards at Edinburgh Cyrenians' farm. These set out guidelines for local NHS trusts on the policies and systems they should have in place to meet the health needs of homeless people.

Impact

Efforts to improve the system are unlikely to result in immediate impact. Charities can point to incremental steps, such as more people exposed to information (eg, numbers of people attending conferences, visiting websites, using toolkits). At the other extreme, high-level changes, such as establishing guidelines or protocols, are potentially important. However, their actual impact is hard to measure and even harder to attribute to any particular charity.

At the start of its Health Inclusion Project, Homeless Link did capture data on accessing different types of health care, asking people whether they thought services had good availability, adequate availability or were very difficult to access. This baseline data was then compared with similar data two years later. The results suggested that between 2004 and 2006, access to different types of health care improved across the board. Particularly impressive were:

- 21% of respondents saying access to GPs had got easier;

- a drop of 39% in the number of people saying access to GPs is very difficult; and
- a fall in the percentage of people saying access to drug treatment is difficult, from 54% to 35%.

This probably suggests that recent charitable activity is paying off, but disaggregating charities' impact from the effects of wider funding or organisational changes in the health system is challenging.

What can a donor fund?

A donor might not automatically think that he or she had a role in improving the health of homeless people. Government, after all, is primarily responsible for treatment of health problems and all medical work should be free at point of delivery. Medical services that charities do provide, such as premises for a GP or addiction treatment, should always be paid for by government.

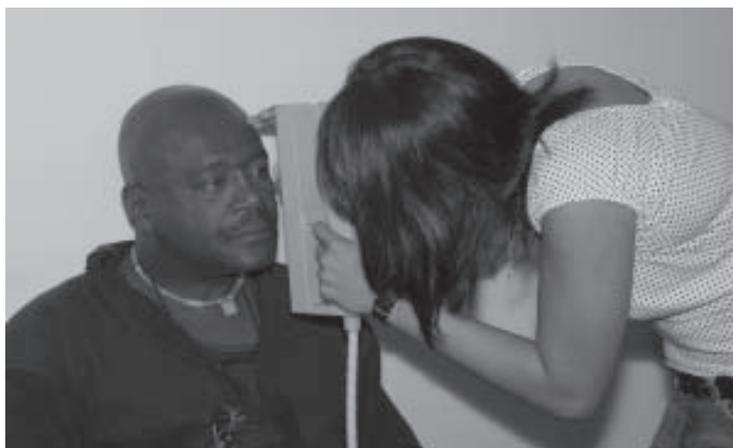
NPC broadly agrees with this and has therefore not identified health as a key priority. However, donors do have a role in ancillary efforts to improve health. These include:

Promoting healthy living

The role of the NHS in promoting healthy living is uncertain. Existing efforts are usually generic and focused across the population as a whole. Specific programmes targeted at homeless people are rarely funded through the mainstream health service. If they are, they are piecemeal and short-term. A donor can fund healthy living projects, which lead to modest benefits affecting small groups of people. But this is best done alongside efforts to integrate them into broader support.

Improving how the health system works

A donor may wish to have a broader impact, influencing the approach and the design of the NHS, both at local and national level. This can



Photograph supplied by The Passage

include funding research, producing guidelines and toolkits, and lobbying and campaigning. While the potential impact is considerable, it is also uncertain.

Exploring new ways of delivering health services

For the more engaged and risk-taking donor, funding service development is an option. As homeless people often challenge the traditional health care system, an argument can be made in support of using private money to develop new initiatives. These may be types of treatment (eg, talking therapies) or methods of delivery, such as therapeutic communities. If successful, their costs could be taken on by local health services, and their lessons shared with the rest of the sector.

A grey area....

Charities often look for private philanthropy to supplement the government funding they get in order to provide more rounded services. They argue that private funding can make the difference between a basic service, and one which makes a lasting difference.

This is a difficult issue. Government is responsible for providing health care—yet resources are stretched and may not be adequate for the complex and multiple needs of homeless people. NPC has some sympathy with the charities' viewpoint, and when efforts to increase funding from local health trusts fail, private philanthropy can be an option. But these activities should be monitored closely, and successful results used to lobby for greater government funding in the future.



Photograph supplied by St Mungo's

Soft skills and social networks

So far, this report has examined the situations that homeless people find themselves in, rather than the traits of the people themselves—their thinking, their attitudes, and their relationships. But it is largely up to homeless people themselves if they are going to move on with their lives. Often, the success of programmes, such as employment schemes or drug detox, is dependant on an individual's resilience and psychological resources.

Some homeless people, particularly those who have spent long periods in bad accommodation or with mental health problems, may have reached such a low point that they are socially isolated and lack the basic capacity or desire to improve their lives. Others may be young and unsure of themselves, having problems living alone but finding it hard to ask for help.

Charities have come to believe that by addressing 'soft skills' deficits like low self-esteem and lack of confidence they can both improve people's quality of life and contribute to the success of 'harder' outcomes, such as employment and sustaining tenancies. To do this, they run group activities, and in rare cases, they offer more intensive individualised counselling.

Government funding for this work is often patchy and inconsistent. While policies on employment, education and housing speak of the importance of soft skills, individual departments are loath to commit resources to areas where they are unable to see an immediate pay-off.

Evidence on the long-term effectiveness of different approaches is meagre. NPC recognises the lack of a rigorous evidence base, yet still highlights this area as a priority for donors. The idea behind this work makes logical sense, backed up by related research and (often compelling) anecdotes. Soft skills work is likely to work best where it meets particular criteria, including strong links into 'hard' welfare services.

What is the situation?

It is commonly accepted that many homeless people—particularly rough sleepers and those living in hostels—often have fundamental personal problems such as:

- low levels of confidence and self-esteem;
- poor social networks—little contact with supportive friends and family members;
- inability to communicate effectively and work well in group settings;
- poor basic skills such as literacy, numeracy and IT;
- lack of time-keeping skills and inability to commit to long-term activities;
- lack of 'life skills' needed for independent living, such as budgeting; and
- other personal traits such as negative attitudes and low dependability.

Clearly these problems are diverse: some are psychological, some are social and some are to do with learning and education. But they are closely interlinked and overlapping—to take one example, low literacy is linked to low confidence, which can undermine communication skills.

Charities have described these problems as, collectively, a deficit of 'soft skills'. They argue that they are important to the well-being of individuals: without them, people cannot function well, and feel isolated and lonely.

Moreover, charities point out that developing soft skills builds on the core support work offered by charities, and may improve its effectiveness. A lot of money is spent on welfare services that are, arguably, unable to make maximum impact because basic work to strengthen individuals' capabilities has not been undertaken. On this reading, funding soft skills work is potentially a way of making all other services function better.

A common—though relatively recent—refrain within the sector is that 'meaningful activities' need to be provided to help homeless people address these deficits. Such activities are in demand: research by **Crisis** found that more than half of all homeless people want to engage in learning and skills development, but only a fifth do so at present.¹⁰

“I don’t even feel part of my family, never mind part of society.”

Jo, a homeless person¹

A note of caution, though. Charities working in this field have identified a valid problem. But the evidence base that ‘meaningful activities’ can give people the soft skills they lack is incomplete.

This is not to say that initiatives to bolster people’s self-esteem do not work and should not be supported. But donors should encourage charities to be explicit about the link between their work and improved outcomes, and to try to evidence it.

Why soft skills are important

The importance and relevance of some of the skills mentioned above, such as communication and literacy, are straightforward: readers can infer from their own experience how hard it would be to live without these capabilities.

Some soft skills are fundamental to basic employability—be it feeling motivated to turn up on time or presenting oneself professionally. If people’s self-esteem and social skills shrink to the point where normal social interaction is very difficult, it is also much harder for them to access education and training.⁴⁹

Some of the broader concepts—self-esteem and positive attitudes—risk sounding woolly and over-weighted, carrying an explanatory value too large to be plausible.

Donors would be right to be cautious. Low self-esteem is not the cause of every social problem.⁹⁸ However, there is evidence from academic studies in America to support the argument that soft skills in general can influence people’s success in life across several important domains.

For example:

- People with low self-esteem are more likely to be mentally ill; people with high self-esteem are less likely to be mentally ill.⁹⁹
- People’s employability and success is as dependent on traits like ‘persistence’ and ‘reliability’ as on intelligence and qualifications. They not only play an important role in determining whether people take up education and training opportunities, but also lead to on average higher wages—even taking extra qualifications into account.¹⁰⁰
- Research by the Learning and Skills Council regularly finds employers emphasising the need for employees to have ‘generic’ skills—such as communication and motivation—as well as vocational skills.¹⁰¹ The skills that employers look for are also what people need to take control of their own lives, and lead a fulfilling existence.

“I would want to sniff solvents, but would think no, I want to go to football training.”

Tarpe a female Street League player

Other research has shown that the three key factors that influence changes in people’s behaviour are their:¹⁰²

- **attitudes**—people’s beliefs about what will happen if they act in a particular way. For example, ‘*If I go on this course, I will be able to get a job*’;
- **social norms**—what they think other people do, or what they think that people think they should be doing. For example, ‘*My friends are all working, I should really get a job*’; and
- **self-efficacy**—how confident they are that they are able to do something and how much they believe in themselves. For example, ‘*I’m sure I would be able to complete that course if I put some effort in.*’

Of these, self-efficacy has the greatest impact. But homeless people—particularly those sleeping on the street or in hostels—often lack all three: they lack any evidence that they will succeed, given their past failures; they do not see people around them moving on with their lives; and their confidence in their ability to do anything is at a low ebb.

It seems plausible that improving these could have important effects and, indeed, the same research supports this. It showed that changing someone’s attitudes, perceived social norms and self-efficacy produced a noticeable difference in someone’s intentions and behaviour around 60% of the time.¹⁰²

Many charities have told us that the reason some people are challenging to support is that they do not think they are worth helping—NPC has heard several stories of former rough sleepers in hostels turning down help, saying things like ‘*Don’t worry about me, I’m a mess.*’

A number of organisations argue that helping people to realise that they are capable of achieving something—of performing in a show, say, or completing a course—enables them to see that they are worth helping, and they are capable of changing.

In day centres, in particular, there has been a shift towards running activities to try to change people’s attitudes and increase their confidence, as a first step to helping them move on with their lives.

Where in the past organisations often only offered people the chance to watch TV and have a cup of tea while waiting for the council to find them a house, leading organisations have begun to provide a much wider range of services ranging from IT to yoga classes.

The culture change within the sector is also about trying to affect the ‘social norms’—trying to make it unacceptable to sit depressed in a hostel room or drink all day.

These activities are often aimed not just at rough sleepers and those in hostels, but also at those who have moved into their own homes. This recognises the fact that getting a home does not, of itself, get rid of all other problems. Furthermore, boredom and isolation are key causes of tenancy breakdown, so such activities help to prevent repeat homelessness.

Almost all the day centres NPC visited during its research were providing some forms of 'meaningful activity', often through partnerships with organisations specialising in a field (eg, sport or drama). However, this is only a small part of the day centres' work, and it is usually 'informal and unstructured'.⁴⁹ This probably reflects both the legacy of a sector that has sometimes neglected change and a lack of available funding.

Why social networks are important

A homeless person, almost by definition, lacks a decent social network. If they were on good terms with friends and family, they might be able to stay with them and get support to get back on track. But they have often exhausted the hospitality and patience of their acquaintances on the journey to homelessness. It is also common for homeless people to have had poor relationships with their families and partners previously—relationship and family breakdown is often a factor in them becoming homeless in the first place.

These previous experiences can also affect their ability to form new friendships with other people. Research found that bad relationships in the past and the subsequent fear of rejection is one of the three main reasons that homeless people were concerned about making new friends—the other two were a lack of money for going out and prejudices of people who had not experienced homelessness.³

The result is that many homeless people are lonely, with less than a third saying that they spend their time with non-homeless people, and over a third reporting that they spend their days alone.¹⁶

This is not to say that homeless people are completely friendless and have broken all contact with their families. They may continue to see individual members—particularly female relatives such as aunts, sisters, and grandmothers.³

And there is the social network of homelessness itself: friends on the street, in day centres and hostels. This can be positive—a form of community forged in adversity, through a shared experience of homelessness. But it can also encourage destructive behaviour and sometimes acts as a barrier to a person moving on.⁷

A consensus exists within the homelessness sector that positive relationships play a tremendously important role in helping people to step out of homelessness, and to avoid falling back into it. Research has backed up the instinctive notion that friends are good for you—if other factors are equal, people with good social supports tend to have better physical and mental health than those without.⁴⁹

Yet there is relatively little activity directed at promoting friendships. The main way is through soft skills programmes. There is a particular gap in relation to activity integrating homeless and non-homeless people. The main interaction tends to be through volunteer programmes where members of the public are, arguably, not really meeting homeless people on equal terms. Box 22 gives an example of a rare activity where homeless and non-homeless people have got together on a level playing field.

Funding and evidence: the chicken and the egg

The 'informal and fairly unstructured nature'⁴⁹ of meaningful activities is probably the result of two interlocking issues: a lack of evidence about what works; and a lack of sustainable funding for such activities.

For many of the classes and activities described below, anecdotal and survey evidence demonstrate that participants enjoy them, often backed up by the bald fact that people with fairly chaotic lives turn up week in and week out to take part (see Box 23). There is also a clear value in their diversionary impact. If people are engaged in productive activities they cannot simultaneously be doing damaging things like taking drugs or drinking.

But (with notable exceptions, described below) charities tend not to actively and robustly measure whether what they are doing has a sustained effect on confidence and attitudes.

Further, there is often only anecdotal or short-term evidence that people go on to use other services as a result. A typical situation is that a charity will know that after coming to their arts and crafts class, a certain percentage started

“My situation makes it difficult to make friends. I tend to back off before people get too close. I don't want people to know about my situation.”

Shola, a homeless woman⁹

Box 22: Durham University v Tyneside Cyrenians

In December 2008, homeless clients of the Newcastle-based charity Tyneside Cyrenians travelled to Durham University Union to debate the motion that 'This House Would Ban Alcohol in the UK'. A packed house heard three ex-drug and alcohol addicts debate in teams alongside Durham students.

The event was the culmination of eight weekly meetings between the students and the Cyrenians, where the students shared their debating hints and tips.

The charity had come up with the idea, and approached the university. Participants reported that it was a success, with those taking part learning a lot from each other and having fun along the way.

a course with an external provider. But they will not know if the people completed the course, or if they got housing, or a job.

This is troubling, given that increased engagement in other services (and better ultimate outcomes) is a key part of the argument in favour of soft skills work.

The reasons charities find it hard to measure results in this area will be familiar to any organisations working with vulnerable groups. For instance:

- Tracking over time is hard when people's lives are chaotic and excessive demands on them may put them off.
- It is difficult to agree a success benchmark. For some people, merely getting someone to turn up to a class once a week, with relatively clean clothes on, is a real achievement. Other people may be capable of going onto professional employment quite quickly.
- Capturing 'soft' outcomes is not straightforward.
- Identifying the impact of your work in particular (as opposed to the effects of other support or random factors) is complicated.

NPC has sympathy with some of these points, but with effort and funding these difficulties are not insurmountable. For instance, providing imaginative incentives to former clients to encourage them to stay in touch, liaising with other charities and trying to create 'control groups' of people doing different levels of activities would make both tracking and attribution easier.

In some areas, progress is already under way. One increasingly common measurement tool to capture 'soft' impacts is the 'Outcomes Star', which helps people to assess their progress on a wide variety of factors. A similar tool, particularly popular among charities in Scotland, is the Rickter Scale. However, at the moment charities tend to use these tools to track

individuals' progress rather than to understand a service's impact. NPC would like to see more charities try to aggregate their data.

A key barrier cited by charities is funding. Charities often have to cobble together pieces of funding from many different sources to run even small-scale activities. Soft skills activities, it is argued, are in a vicious circle where there is no cash to evaluate programmes properly and demonstrate that they work well, resulting in an inadequate evidence base to attract proper funding for programmes.

'Meaningful activities' for homeless people are not a priority for most government agencies. Supporting People focuses purely on housing-related support, and the Department of Work and Pensions and Jobcentre Plus tend to focus on unemployed people who are relatively easy to get back into work, rather than more entrenched groups. The Learning and Skills Council tends to fund activities for people achieving relatively high levels of qualification (level 2—equivalent to five GCSEs)¹⁰—which is beyond the immediate reach of many people living in hostels.

Hopefully, this situation will change as soft skills work becomes more embedded in the sector. There are some more supportive funding streams in prospect: the Department for Communities and Local Government in England is putting £160m over six years into improving the facilities and changing the culture of homeless charities, which may enable them to offer more activities such as classes to their clients. Yet, they will still need revenue funding to sustain them.

But there remains a need for a robust evaluation over time. This is an area where private funding could make a real difference—not just to support and develop activities, but to provide resources to allow charities to develop an evidence base.

What are charities doing?

Almost all of the work done by homeless services in itself has some effect on people's soft skills and social networks. Day centres and hostels give people a chance to meet other people and interact with professional workers. This is a solid foundation, but more needs to be done. Charities help by:

- running courses on **life skills** and **personal development** so that people can confidentially look after their own tenancy;
- helping them to develop **basic skills** such as literacy and IT;
- running intensive projects to improve people's **social skills**, for people who are particularly needy and vulnerable;

Box 23: The benefits of arts and music activities¹⁰

Dave became homeless when his marriage fell apart, and lived on the streets for three years. Prior to that he was a qualified engineer and owned property.

He has been attending a learning and skills centre for homeless people every day for the last two and a half years. During this time he has learnt to play the guitar and keyboard, and has exhibited art work at the centre.

He finds art both therapeutic and motivating and thinks that creative activities can act as a form of therapy for people with complex needs who have had difficult lives. He thinks it is important that learning and skills activities are developed specifically for homeless people, in a safe environment that enables them to establish a routine which would otherwise be difficult to achieve whilst homeless.

- for other people, running activities such as **art, music and sport** groups can be a great way to develop friendships and self-esteem;
- helping them to rebuild links with **friends and family**; and
- in some cases, offering different kinds of **'talking cures'** like counselling and therapy.

One problem charities have to overcome is the fact that the reason they provide activities—to help people tackle problems such as low self-esteem and poor communication skills—are themselves barriers to people taking part in activities in the first place. Some homeless people lead chaotic lives, making it hard to navigate existing services.

Therefore charities have to work hard to engage people by making activities easy to join, attractive and, sometimes, by painstaking cajoling and persuading. Crisis operates Skylight, a special activity centre, which is designed to be as welcoming and approachable as possible (see Box 24).

They also often have to subsidise the activities heavily, although some charge nominal fees, to make sure that people place some value on the activities. Others subsidise travel:

*'The major block in getting people to workshops and events is travel—it takes such a significant proportion of people's income—it would be the equivalent of someone earning £70,000 going to a macramé class in Prague.'*¹⁴⁹

Life skills and personal development courses

Many charities argue that the inability to budget and pay bills can lead to tenancy breakdowns. Therefore charities help people to develop the 'life skills' needed to look after themselves and maintain their tenancies. However, despite the widespread nature of such courses, it is not clear how big an issue a lack of 'life skills' is outside groups like young people and those who have been long-stay residents in institutions.¹⁰³ Arguably, this is one aspect of soft skills where available funding is greater than the evidence base would warrant—both in terms of need and effectiveness.

Services for young people are perhaps the biggest exception to this statement. People are not born knowing how to live in a flat, and if young people do not gain these skills from their parents, they will need to learn them from somewhere else. **St Basils**, a specialist youth agency in Birmingham, has created a Life Skills Programme for the young people it houses. This is an accredited course in which young people build a portfolio of evidence to illustrate

their development in core life skill areas. The course is flexible, and young people focus on areas that scored lowest in their initial self-assessment. The achievements of those who complete the course are recognised through a 'cap and gown' ceremony. It has an impressive 93% completion rate; in the past few years, 300 young people have completed the course. But St Basils struggles to find funding to offer it to larger numbers.

There are courses aimed more generally at helping people to develop their confidence and independence which may have wider effects than life skills courses. For example, **Exeter Meaningful Occupation Project** runs an 'Assertiveness and Self-Development' course, including sessions on things such as 'self-esteem' and 'health, wealth and happiness'.

Impact

Although this work has a sensible rationale for particular client groups, there is little understanding of its long-term impact—it is frustrating that more is not known about the wider effects of such work.

In general, there is a clear need for life skills courses to establish a stronger evidence base—in particular to show whether clients who have been through them do, on average, sustain tenancies better than those who have not.

Personal development courses are also a logical idea. It is unlikely that they will have a significant impact alone. However, they are most often offered alongside other more targeted courses, and are likely to affect what people gain from other services. Some element of 'personal development' is often built into the other activities described in this chapter.

Now I can pick up a book or a newspaper and read it. It has also helped me to fill out forms like Housing Benefit forms which makes me less reliant on other people.

Harry, who attended a literacy course at a day centre.¹⁰

Box 24: Crisis Skylight

Crisis runs some of the most ambitious activity centres for homeless people in the country. It has two Skylight centres, the first was set up in London in 2002, and in 2007 it opened a similar centre in Newcastle.

They might best be thought of as a development of the day centre concept, reshaping it to provide something that looks more like a very open and approachable further education college.

The centres are spaces dedicated to providing a significant range of classes, including yoga, bicycle repair workshops and woodwork sessions. Specialist charities run events from its large rooms—**Streetwise Opera** runs weekly singing sessions, and **Cardboard Citizens** gives people the opportunity to learn about theatre skills. It also has a 'Learning Zone' which runs accredited courses in subjects such as IT and English for Speakers of Other Languages.

100 people attend classes each day. In 2006/2007, 250 people completed accredited qualifications and 160 people progressed into either further education, training, volunteering or paid employment.

I've not spoken to [my parents] since last year and I'm not likely to for a long time.

Lianne, a homeless person³

Basic skills courses

Life skills may be important for particular groups, but people also need support with other basic skills. Given that a lack of qualifications is a common issue, it is no surprise that illiteracy, poor English language generally and innumeracy are comparatively high among the homeless population, and that they do not have much experience of commonly expected skills such as IT capabilities. For example, 19% of single homeless people receiving support have difficulties reading and writing English, compared with 2–3% of the general population.¹⁰⁴

These skills are important to helping people increase their confidence and, potentially, their ability to access more formal training and education opportunities.

Many charities run courses, often offering accredited qualifications, to help people develop their basic skills, such as literacy, IT and English for Speakers of Other Languages (ESOL). Almost every day centre that NPC visited ran such courses—from the tiny centres to those of the big charities like **The Passage** and **The Connection at St Martin's**.

Impact

There is inconsistent knowledge about the long-term impact of such courses and most of what is known is not specifically in relation to their effects on homeless populations.

The returns from English language skills and literacy programmes are likely to be very high—both to taking part in society, accessing services and finding work.

The impact of basic computer skills is more moot. They are clearly a confidence builder, a

Box 25: Support for parents and families

The lack of 'soft skills' discussed in this chapter is a particular problem for parents. Being a parent can be lonely and stressful at the best of times, let alone when living in temporary accommodation. Drop in centres for homeless families are far rarer than normal day centres, but do exist. **Barnardo's** runs some centres for homeless families, and the **Cardinal Hume Centre** in Victoria runs a family centre with a crèche and play area.

The **Rock Trust** in Edinburgh runs a 13-week programme for young parents (usually mothers) in temporary accommodation based in its youth centre. A small group of young parents attend weekly sessions to learn about everything from baby first-aid to how to play with their children. For young people who often had damaging childhoods themselves, this practical and emotional support is much needed to help them develop healthy relationships with their children.

An important outcome of all of these projects is the development of supportive friendships between the parents. One young girl gave birth shortly after the Rock Trust course ended. She did not have many visitors in the maternity ward, until all her new friends from the Rock Trust turned up to see her.

gateway to services and to further qualifications. However, in themselves, they probably make only a modest contribution to employment prospects.

Developing social skills

One way of helping people to develop positive relationships is to provide them with opportunities to mix with other people. Many of the activities discussed in this section do this—but people who are very lonely and lacking in social skills need more intensive support.

NPC was impressed by the model developed by the **Rock Trust** to help extremely vulnerable young people. It has a project to help a group of individuals who are so damaged that they either purposely sabotage relationships to save themselves getting hurt, or are so needy that they drive friends away.

The Rock Trust's project has three elements, all of which have a strong therapeutic dimension:

- group sessions, to meet other young people with similar problems;
- mentoring, from a more mature volunteer; and
- one-to-one sessions with Rock Trust workers, to help them think about why previous relationships have gone wrong and how they can avoid such mistakes in the future.

The Rock Trust's project is aimed at the most vulnerable and isolated young homeless people, so works intensively with small groups. Many other charities offer lighter-touch services, such as mentoring and befriending (for instance, **Move On's** mentoring programme for people leaving care, which is discussed in this report's Prevention section).

The Rock Trust also runs the **Scottish Social Networks Forum** on behalf of the Scottish Government, encouraging other organisations to help homeless people to develop their social networks. It also works with young parents (see Box 25).

Impact

Rock Trust's evaluation of its project is the only data that NPC has found on the impact of this kind of project.

It found that of the 22 young people involved in the project, 100% successfully sustained their tenancies, and 64% went on to some form of employment, education or training.

Though the sample is small, the results are consistent with the argument that building individuals' resilience via social networks improves hard outcomes.

Social activities

As noted, activities need to be fun and engaging to attract people who are wary of taking part in group activities.

Street League was set up with that in mind. It was founded by a doctor working in a north London hospital who wanted to give the homeless people he was working with some enjoyable and productive activity to do in the day.

Street League now runs over 40 football coaching sessions serving 400 people each week in London and Glasgow. It is not just for homeless people—other groups include refugees and young offenders. The charity takes the football seriously, with qualified coaches and regular match days and cup competitions. But the coaches also have an important role in mentoring and encouraging the players. It sees the football sessions as the ‘hook’ to its more formal training programme. Players have opportunities as diverse as a one-day ‘goal setting’ course where they can think about their ambitions, and training to become a qualified community football coach.

Street League aims to address several of the soft skills deficits listed at the start of this chapter, such as confidence, social networks and time-keeping. It also rewards regular attendance with credits that can be exchanged for football kit, including Street League ‘hoodies’. The theory is that this encourages people to commit and turn up on time.

Based on a similar model, there are several charities committed to giving homeless people opportunities to engage in artistic and creative activities. They argue that there are benefits to empowering people to express themselves artistically.

The two major players in this field are **Streetwise Opera** and **Cardboard Citizens**.

Streetwise Opera runs weekly singing workshops in day centres across the country. These give homeless people the chance to have fun, meet people and sing together. Over 300 people participate in these each year. It also puts on professional productions involving homeless people.

Cardboard Citizens runs workshops in everything from theatre to circus skills at Crisis Skylight. It also goes out into hostels, performing short plays about issues that affect homeless people—drugs, mental health, unemployment—and encouraging the people in the hostel to get involved in the story and direct the character’s decisions. The actors, who are all homeless or formerly homeless themselves,

then sit down with the attendees and help them think about where to go to get help, and encourage them to come to Cardboard Citizens’ workshops. They perform to around 1,200 people in hostels each year.

Some day centres and hostels run their own activities too. For example, **Exeter Meaningful Occupation Project**, a small part of a community organisation in the city, runs a significant variety of classes—such as basic music production and arts and crafts—thanks to a number of committed volunteers. Over 80 people per week attended the classes. Paid project workers help them to think about their next steps, such as courses at the local college or trying to find a job.

Impact

Street League tries to measure its ‘soft’ outcomes by interviewing a sample of players each year. For example, of the 71 players interviewed in 2007, 75% said involvement in Street League improved their communication and teamwork skills, and 83% said it helped them to make friends.

It also has some data on the impact on harder outcomes like employment; 65% of former players contacted by Street League have moved into education, employment or training.

Streetwise Opera has designed a special measurement tool, called the evaluation tree, to capture both the qualitative and quantitative impact that it has. In an evaluation of its last in-depth project, it found that of the 28 regular participants:

- 92% increased their confidence;
- 89% increased their self-esteem;
- all of them enjoyed the project;
- 96% strengthened their social networks; and
- 82% learnt new skills.



Photograph supplied by Tyneside Cyrenians

83% of Street League’s players said it helped them to make friends.



Photograph supplied by Rock Trust

Rebuilding relationships with friends and families

As well as making new friends, people need support to rebuild previous relationships with family and friends if they want to. A survey of **St Mungo's** residents found that 18% claimed not to have had any contact with their family for over six months, and 35% refrained from answering that question—perhaps suggesting that the real number is higher.⁶⁵ An assumption backed up by data from **Thames Reach** that suggests just under a third of its clients have little or no contact with friends or family.

Some homeless individuals will not want to get in touch with their old friends and family: the relationships may have been abusive, or in some other way damaged beyond repair. Other relationships can be important. For example, even single homeless people have children. Thames Reach estimates that 36% of the residents in its main hostel for former rough sleepers have children, though very

few are in touch with them. Helping them to develop positive relationships with their children can be a significant springboard for further developments.

Some of the activities already discussed in this section help to rebuild these connections. For example, 40% of homeless singers in a Streetwise Opera production say that they got back in touch with long-lost family and friends.

But charities also address the issue directly, through support workers at hostels and day centres. **St Mungo's** joined up with the relationship charity **Relate** to develop its capacity to help people rebuild and strengthen their relationships. Relate staff trained St Mungo's workers to become more confident and skilled in supporting people to address relationship issues.

Impact

St Mungo's project is in its third year and is going well so far (see Box 26).

The charity reports that the impact of rebuilding these loving relationships can be transformative. It gives people more support, and more reasons to look after themselves and take advantage of opportunities to get out of their situation.

NPC thinks that such activities—if done in a thoughtful and considerate way—have the potential to make a significant difference to the lives of many homeless people, and is encouraged that charities are beginning to focus on helping people rebuild their relationships.

Box 26: Angela's story⁶⁵

'I became homeless last year and my relationship with my family broke down. Since then I hadn't been able to see my two youngest children at all. Now, after starting to attend the counselling sessions, I've been able to meet my two youngest children twice, because of my improved relationship with their father.

The counselling [from St Mungo's and Relate] has really shown me that in order to build relationships with other people I need to look after myself. It's opened up possibilities for me and I have things to aim for. In the future I would like to become a counsellor myself, working with vulnerable people with drug and alcohol problems.'

Talking cures

Most trained staff working with rough sleepers and those in hostels spend time talking to people about their problems, ambitions and plans. This is likely to have some impact on people's development and recovery from problems such as addiction, and therefore their soft skills and ability to form relationships.

As pointed out in the chapter on Health, access to more formal talking therapies is very limited.

What can a donor fund?

The issue of soft skills and social networks presents a challenge for donors. On the one hand there is clear evidence of a problem (lack of skills and networks) and of a funding gap (to varying degrees, formal government funding streams neglect this area).

On the other hand, the evidence base for soft skills work is weaker than it should be. We know that individuals enjoy the courses, but the links to improvements in hard outcomes are not well established.

NPC's view is that the underlying theory is plausible and that this is an area where philanthropy can make a tangible difference. For a donor, who is also convinced, the two following options exist.

Funding programmes to develop people's soft skills and social networks

NPC has looked at a number of charities running schemes that improve people's soft skills and social networks. Often little statutory funding is available, and instead they rely on money from foundations or private individuals. A donor can help organisations to continue this work and extend it to reach more people.

Due to the lack of standard and collated results across these different activities, it can be difficult for a donor to choose an effective scheme. Often the best way to choose an organisation to support is by looking at the quality and design of its services (see Box 27).

Funding evaluation

When funding work in this area, a donor is advised to ensure that it is integrated into a proper monitoring and evaluation framework. This will not only improve the design and the development of that service, but could also establish a convincing evidence base and help share good practice across the sector. This in turn could attract in more government funding, as programmes demonstrate their impact on areas such as employment, tenancy sustainment and other government targets.

A more committed donor may want to fund a charity to commission a more in-depth evaluation.

Box 27: Choosing a project to support

A donor should think about the following issues when looking at projects that work to increase people's soft skills and social networks.

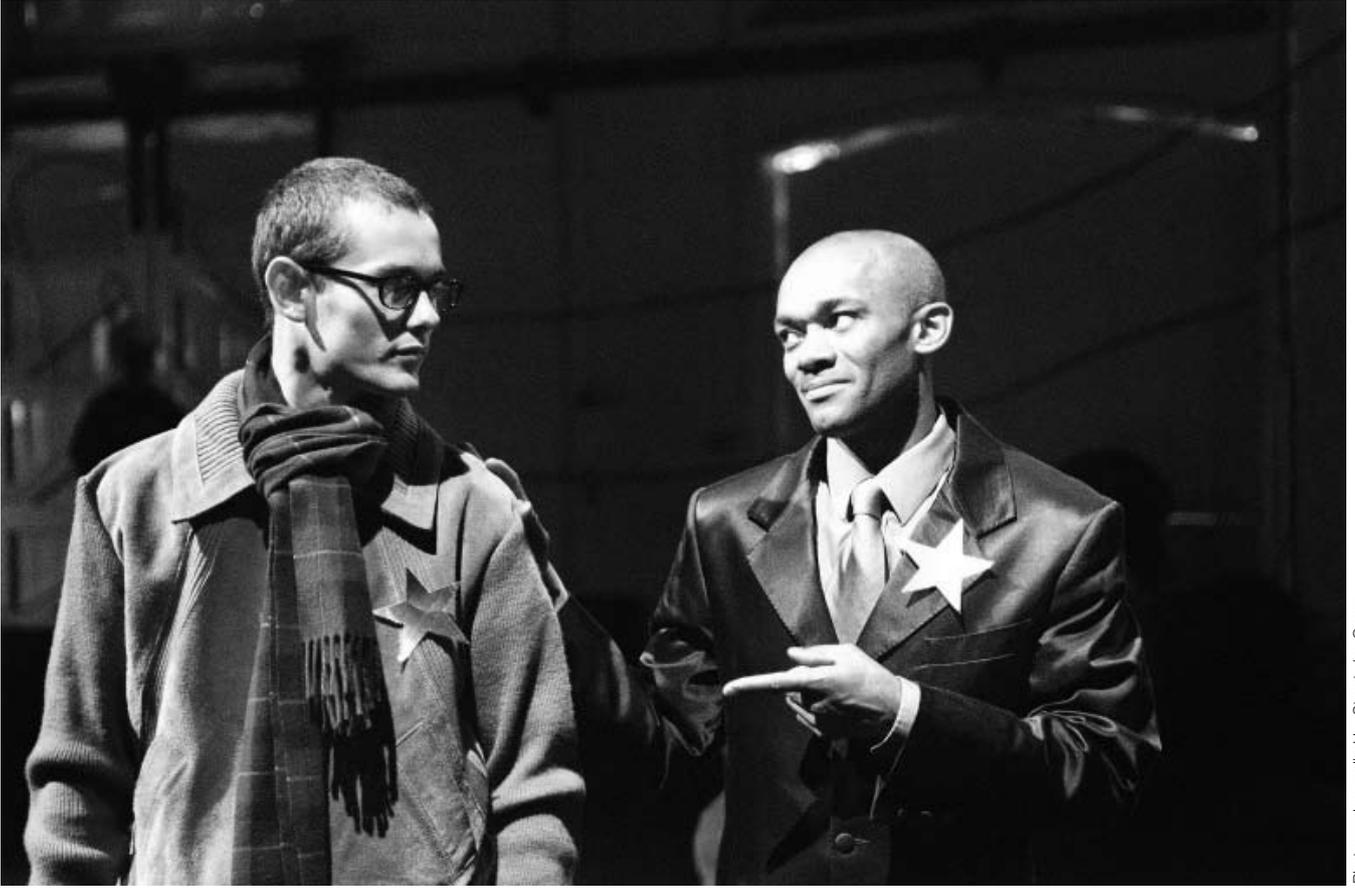
- Courses to build confidence will rarely in themselves transform people's lives. Increased confidence and skills need to be harnessed via concrete links to other services. Donors looking at schemes should scrutinise carefully the exit from programmes. What follow-up happens to participants? What is the pathway for a client, from doing a course or gaining a certificate to improving his or her health, housing or employment situation?
- Is it targeting the right kind of people? It is not clear that light touch approaches are suitable for everyone. Some people will need more intensive therapeutic approaches, such as counselling. There is a surprising dearth of this kind of provision in the homeless services that NPC saw.

Other questions to consider include:

- Does the underlying theory of the activity sound reasonable—would the activity attract and engage the target group? Could it achieve the outcomes it is aiming for?
- How is the activity structured—is it a course or a one-off class? If the former, is it rolling access, or would people have to wait months before starting? If the latter, what could it achieve?
- Is it linked to other services? Do workers ensure that users are getting help with their other problems?



Photograph supplied by Thames Reach



Photograph supplied by Streetwise Opera

Employment

Three quarters of homeless people say that they want to start a job straight away, rising to almost 100% who want to work at some time in the future. Yet less than 5% of people living in hostels are currently in paid employment, and many have been out of the labour market for long periods.

Employment is an important route out of homelessness. It provides people with income, self-confidence, friends and direction in their lives. It can have a wider impact on society, as people move from being consumers of benefits into being payers of tax.

However, numerous barriers stand in the way. These include personal problems, such as lack of qualifications, self-confidence and support, as well as structural challenges, such as the 'poverty trap' and employer attitudes.

Despite the benefits of getting people into jobs, government has largely overlooked the specific needs of the most excluded homeless people. Rough sleepers and people in hostels are too small a group to be well catered for by government's main 'New Deal' programme. Charities report that their needs are often overlooked by statutory funding, which is arguably focused on meeting overall targets rather than helping the most vulnerable.

Getting hostel dwellers into employment can be hard and expensive. Charities are often leading the way in developing better approaches to get people into work, from providing them with training and facilitating work experience, to offering support once in employment. Programmes for more entrenched groups are still in their initial stages, yet have promising early results. They rely on donors for initial support—both to establish what works and to scale up effective approaches.

What is the situation?

Surprisingly, the issue of employment has traditionally been overlooked by much of the homelessness sector. Homeless people were divided into two groups: people of working age who were not considered to need any help outside of mainstream provision; and those whose needs were so great that they were thought incapable of ever holding down a job.

This position has increasingly been reassessed, partly due to growing levels of unemployment among hostel dwellers; and also thanks to wider recognition of the role of employment in fighting disadvantage. Benefits of part-time or full-time work include:

- **Financial gains:** Work can lead to financial independence. Renting a home may become a viable option.
- **Self-esteem:** Employment provides a way to improve self-esteem and motivation, to tackle mental health problems, to make friends and to feel part of the wider community.¹⁰⁵
- **Skills:** The things that sustain employment—such as organisational and communication skills—are often the same faculties needed to manage a tenancy. By bolstering their skills, work can directly improve people's chances of maintaining their own home.
- **Reduced need for benefits and other services:** As people start earning, they reduce their burden on the benefit system, by claiming less Income Support and Housing Benefit (though this may be partly offset by higher in-work benefits like Working Tax Credit). They will start to pay tax. They may also change the kind of public services they use, often with associated savings (eg, from hospitals to GPs).

But surveys suggest that only around 5% of people in hostels are employed, down massively from the 1980s when 83% were in work.¹⁴ This is partly because in the 1980s, hostels were often used by low income manual workers in short-term jobs as places to live.⁴⁶ Now, they are more exclusively focused on groups with serious problems.

Families in statutorily funded temporary accommodation are also unlikely to be in work. A survey of such households in three east London boroughs showed that 71% of households contain no one in work, while only 16% of all adults surveyed were in work.¹⁰⁶

Low employment levels are not primarily caused by a lack of demand for work among homeless people. In a survey of 300 homeless people (including rough sleepers, people in hostels and those in temporary accommodation), 77% said that they wanted to work at the time of the research, and 97% in the future.⁵ People quoted a number of reasons for wanting to work, including increased confidence and self-esteem. The most prevalent benefit, reported by nine out of ten, was that getting a job would improve their housing situation.

Services addressing homelessness have traditionally focused on finding housing, with little emphasis on employment, education or training. This must change.

Homelessness Task Force (Scotland)⁶

When you try to move on, you've got a high rent to pay. Low wages and a high rent... it's not worth working.

John, a homeless person¹⁰⁷

If I could get some casual work then that would be OK but I have to say that up until the last couple of weeks that wasn't a possibility... It sounds silly but I didn't have enough socks or tights.

Jane, who lives in a hostel⁹

A similar picture was found in Glasgow, where just over two thirds of homeless people aspired to employment.

However, 'demand' may be a problem among older homeless people. When broken down into age groups, the Glasgow research showed that just 40% of people aged over 50 wanted to work, compared to 83% of under-25s.¹⁰⁷

Barriers to employment

The reasons why higher proportions of homeless people are not employed are considered in detail below. They include:

- **personal barriers**, such as lack of skills, motivation, and perceived inability to cope with work;
- **structural barriers**, like the benefit system and an inhospitable labour market; and
- **service problems**, meaning the difficulties mainstream services have in working with homeless people.

Most people will face several obstacles. In the survey in Glasgow mentioned above, 84% identified two or more barriers, with 68% identifying three or more.¹⁰⁷

Personal barriers

Personal barriers can broadly be divided into: poor soft skills; health problems; lack of academic and employment experience; and practical issues. They are both a product of and a contributor to homelessness.

Poor soft skills

The previous section of the report described how homeless people often lack core soft skills and social networks that most people take for granted.

Poor social skills and low self-confidence will both affect a person's ability to find a job and to keep it. So will other skills, such as a lack of time-keeping and basic numeracy and literacy.

A general fear of change and altering the status quo often stops homeless people from pursuing opportunities. They may worry about altering their situation and ending up in a worse one.

Health problems

As discussed in the section on Health, many people living on the street and in hostels have severe health problems. Mental ill health, poor physical health and addiction can act as significant barriers to people being able to look for and sustain jobs. When **Thames Reach** surveyed its users about the barriers to employment, 51% identified health as a barrier—far more than those who were worried that they would not be better off financially (17%).

Lack of support and encouragement

Poor social skills are compounded by a lack of encouragement and support from friends, family and even charity workers.

This last group bears particular scrutiny. Several experts have commented to NPC that some parts of the sector feel that work is not right for homeless people, because they are too vulnerable and private employers are too unsympathetic, and that individuals should only start thinking about employment when they are in secure accommodation. A lack of positive role models compounds this belief. Two thirds of people in hostels say that no one had ever spoken to them about employment or about what they would need to enter work.¹⁰⁸

This view is increasingly challenged by leading charities—in NPC's view, rightly so. Growing waiting times to get permanent housing leave people waiting for years in hostels and temporary accommodation, often with nothing to do. While there is no single 'right order' of doing things, it seems to make sense that once people are stabilised, it is worthwhile to develop their employability and training, and try to encourage their movement into work.

Charities talk about having to seize whatever opportunity presents itself—for instance, if someone expresses an interest in a hobby or a career, charities need to encourage it, find them ways to develop their interest and get them to think about how they could take it more seriously.

Yet, unfortunately, due to the legacy of negative attitudes and low priority given to work, employment support for adults is often limited, recent, small-scale and unproven.

Limited academic and employment history

Even if homeless people are willing and able to look for employment, they will often be held back by a lack of education and work experience. Homeless people are much more likely to have limited qualifications and experience than the mainstream population. Getting a job is harder, and the types of jobs available are often temporary and very low wage.

Youth homelessness charities such as **Centrepoint** and **St Basils** estimate that around 40% of young homeless people have no qualifications, compared with 5% of the general population. Their clients may also be sceptical about the idea of education, with bad memories of their previous experiences in the classroom.

Older homeless people are more likely to have had some experience of employment. In Glasgow 72% of those aged 50 or older had some experience of work.¹⁰⁷ In a smaller survey

carried out by St Mungo's of hostel residents in London, four in five people had previously had steady jobs for over a year.¹⁴ However, this work experience was often a long time ago. In the same St Mungo's survey, for one in ten people the most recent employment was over five years ago.¹⁴ A study of Thames Reach's clients showed that the average client had not worked for nine years. For homeless families in temporary accommodation, the average time since employment was nearly five years.¹⁰⁶

Practical problems

Poverty is a big problem: not having clothes to wear, transport, a bank account or childcare are key obstacles. In a survey of 100 homeless people, two thirds said that they did not have enough money for appropriate work clothes or work related equipment.¹⁴

Those in temporary accommodation may be moved to a different area, away from any training or job they had begun. Others living in hostels or overcrowded accommodation experience interrupted sleep or poor concentration due to a poor diet.

Homeless people will have only limited access to the internet to look for jobs, and may feel uncomfortable approaching recruitment agencies.

Treatments for addicts, such as methadone programmes for people withdrawing from heroin, often require people to attend clinics at strict times, which are hard to square with working hours.

Structural barriers

Personal barriers interact with broader structural issues.

Benefits system

The benefits system is consistently identified as one of the main perceived barriers faced by homeless people. It limits opportunities both to get trained and also to move into employment.

When people do more than 16 hours of education or training each week their Job Seeker's Allowance and Housing Benefit are withdrawn. For single homeless people doing 20 hours work at National Minimum Wage pay levels, the effective marginal tax rate can be as high as 90%.¹⁰⁹

For those living in expensive accommodation, such as hostels or temporary shelter, the impact of reduced Housing Benefit can be considerable. In London, where rent is high, this is a particular problem.

*'Being unemployed in my hostel, you pay £20 per week service charge; if you are employed and living in my hostel, you have to pay £150 a week.'*¹⁵

Box 28: Government programmes supporting homeless people into employment

Government employment support is provided mainly through local branches of **JobCentre Plus** (part of the Department for Work and Pensions). These provide general advice for people looking for work, and targeted support for certain groups of people, such as lone parents getting into work. While it has no specific initiative for homeless people, it delivers three programmes of particular relevance to homeless people, who often qualify due to their other needs.

- **Pathways to work** offers extra support and financial assistance to help people on Incapacity Benefit get back into work; an estimated 70% of homeless people are on Incapacity Benefit.¹¹⁰
- **New Deal** provides extra support for long-term benefit claimants, including training and work placements. For some people, their benefits are dependant on taking part in the programme. As of 2004, the programme has to record the housing situation of participants.
- **Progress2work** matches people recovering from drug misuse with a caseworker, who can help them find work and deal with debt or housing issues.

Other sources of funding exist for employment programmes at a local level, including local authorities, and money from the European Union. In Scotland the New Futures Fund, (set up to help people who are a long way from work) has funded a number of employment projects for homeless people.

Government funding for training is largely directed through the Learning and Skills Council, which is responsible for training and further education.

Problems with administering Housing Benefit may mean that when people get into work and their benefits have to be recalculated, payment is delayed. This leaves people out of pocket and unable to pay for work related costs, such as travel.

A report on the employment barriers facing young homeless people found that young people saw little point in working unless they were £40 a week better off after they had paid their rent.¹¹¹ Four out of five staff in hostels said that they had seen a client turn down a job because it would make them only marginally better off financially.⁵

Inhospitable job market

The job market is often not welcoming for homeless people. The survey evidence is mixed but suggests that prejudice against homeless people does still exist among recruitment agencies, employers and co-workers. Two in three people said that agencies and employers were not willing to give them a chance while they were homeless.¹⁴

One of the key insights gained from employment programmes like the New Deal is that a fundamental barrier to employment for excluded groups is a lack of support for maintaining and sustaining it. Activities to ensure retention are as important as those finding people work, yet often support drops off for homeless people as soon as they get work.

“The Jobcentre puts pressure on you to go for any kind of work, whether its beneficial for you or not, just to get you off their books.”

Gavin, a homeless job seeker⁶

Charities have advised NPC that the initial transition back in to employment is the most challenging time. Individuals will need help in navigating work—when things go wrong, or if they hit a block, or simply if they get bored and frustrated. Conversely employers also need help. In the absence of continuing support, there is nowhere they can go in the event a homeless person does not turn up, or begins to behave problematically at work.

Lack of ongoing help is reflected in the fact that employment is often short. A survey by **Off the Streets and into Work** of homeless people who had moved into employment found that for most people, the period of employment was relatively brief. For 64% it was six months or less.⁵

Part of this is due to the nature of the work that is available for homeless people. With limited qualifications, their jobs are often low-level, short-term and seasonal. This is a particular problem in rural areas, such as Dorset and Cornwall.⁴⁷ They remain at the margin of economic security, always at the risk of falling off the edge.

Problems with mainstream services

Employment is more important to the homelessness sector than homelessness is to the employment sector.

Reducing unemployment among homeless people is not a specific government target. The Department for Work and Pensions has a number of target groups to get into work, including lone parents and under-25s. As well as the general job support delivered through Jobcentre Plus, special programmes are targeted at these groups. Homeless people can be part of these groups, but within them they are often the hardest to reach. (See Box 28 for an overview of the government's employment programmes for homeless people.)

Charities report that homeless individuals are often overlooked by employment advisers trying to get the easiest clients into jobs. In a survey,

four out of ten homeless people attending Jobcentre Plus did not find the service helpful to their needs. They found that the jobs offered were inappropriate, and that their individual needs and the circumstances arising from their homelessness were not acknowledged.⁵

The main government scheme to prepare people for jobs is the New Deal, for which homeless people are immediately eligible. However, it does not take homeless people's specific needs into account. Around six out of ten people who had been on the New Deal thought that they had not benefited—the main reasons were that they found the training courses unsuitable, the rules applied seemed to be unfair, and the opportunities for sustained employment at the end were low.⁵

Almost 40% of people in hostels said that accessing employment services was too difficult, and just over 10% said that it was easy.¹⁰⁸

This may change as local authorities are able to set their own targets—there are indications that some are choosing to focus quite heavily on raising employment levels.

What are charities doing?

Given that government agencies find it difficult to work with hard to reach homeless people, charities have taken the initiative to develop projects helping their clients into work. But activities are often small scale and of variable quality.

One of the main reasons for this is the lack of funding. Relatively modest levels of mainstream funding are available for services such as activities to improve basic skills, intensive training and support into employment. The main sources are government bodies and related bodies, such as the European Social Fund or the New Future Fund Initiative in Scotland.

When charities do get funding, targets and requirements restrict projects' ability to provide a full service to all people, including the most needy. Many of the activities described below have been supported by trusts, foundations and donations rather than statutory funding.

The lack of funding and history of employment schemes for homeless people has meant that there is a dearth of evidence on the best way of getting people into employment. Homeless figures are not captured by Jobcentre Plus, while charities rarely capture adequate longitudinal data on people going through their employment programmes.

Donors should be worried about the lack of evidence about what works when trying to get homeless people into work. Some of the schemes described below are very expensive—several thousands of pounds per

Box 29: When is success not success?

Success in employment programmes should not be measured by the number of people getting into jobs alone. Other important aspects include:

How long the job is sustained and its quality— A programme might get someone into a job, but if this is then only maintained for two months, or it is so low-paid and seasonal that it keeps people in poverty, it is not a meaningful success. People can fall out of employment into a worse position than when they started.

The distance that people have travelled towards employability—For entrenched homeless people who start out a long way from employment, success can involve moving closer to their final goal. Otherwise there is a risk of charities cherry picking, with only the most capable and the least needy helped into work.

participant—and it is frustrating that more is not known about what works and what does not. There are however some subtleties involved in measuring a programme's impact (see Box 29).

Employment projects by their very nature tend to look expensive. For instance, official estimates suggest that it costs the New Deal programme between £5,000 and £8,000 per job 'created'. Homelessness charities are often dealing with groups more entrenched than the average New Deal client so it is unsurprising perhaps that NPC has seen schemes with an £11,000 per job created price tag. However, it should be borne in mind that projects only have to achieve a few successes in order to be cost-effective, given the high costs associated with unemployment and the large benefits of employment.

A minimum wage job pays £11,500 a year. Not thinking about any of the other pluses (such as savings to public services), a person holding it down for 6 months would have realised value worth half of an expensive employment intervention. After a year he or she would be in 'credit' on this one measure of value alone.

This is for a job-focused scheme. NPC has concerns that some projects, as well as not having hard evidence, are not based on a sufficiently strong underlying theory. For example, many projects give users accredited qualifications such as NVQs in the belief that they will increase their employability. But research about the economic value of qualifications has shown that such NVQs are not valued very highly by employers and do not have an impact on wages.¹¹² This is not the whole story: NVQs linked with work experience are valued, and having an NVQ does make it more likely that someone will be in work. But it does not support schemes that just provide such qualifications.

Further evidence comes from a recent report on youth unemployment, which found that:

*'While it was common for young men to end a period of unemployment after a training programme, few gained skills that helped them to move into secure sectors of the labour market.'*¹¹³

On the other hand, there is evidence from elsewhere that helping people straight into employment is effective.¹¹⁴ And training courses work best if they involve employers and some real work experience from the start.¹¹⁵

NPC recognises that different people need different support. For some, employment is not an immediate option due to their other problems. Some people will never be able to become full-time paid employees.

Box 30: St Mungo's—Pathways to Employment

St Mungo's—London's largest homeless charity—is developing a new service aimed at getting 10% of its clients into employment.

Instead of employment being seen as an optional add-on, it will be at the heart of services provided to people in hostels.

New hostel residents are routinely assessed to identify any problems, such as mental illness. St Mungo's residents will also be given an 'occupational health check' to look at their employment ambitions and experience. Residents will then receive coaching and training to help them to overcome the barriers discussed in this section.

St Mungo's is using its own funds and donations to pilot and evaluate the project across five hostels reaching 360 residents. The charity's aim is to prove that, with the right support, hostel residents can move into employment, and use this information to influence government funding for such services.

But other people are capable of getting into employment, and providing services that prolong unemployment without increasing their chances of getting a job is a bad idea.

Given people's differing needs, charities offer a huge range of services. Common 'light-touch' activities include:

- helping people to become job-ready, through encouragement, support and some basic training;
- helping people with practical problems; and
- finding people jobs and work experience.

Other charities provide more intensive services, such as:

- providing vocational training;
- offering volunteering opportunities;
- taking on users as employees; and
- running social enterprises.

A final role of charities is to work with other agencies to improve the services available for homeless people looking for work, by working both with other charities and mainstream agencies.

Most charities use a mix of approaches. Box 30 gives an example of how one charity—St Mungo's—is trying to provide holistic employment support for people in its hostels.

Getting people job-ready

Without addressing issues such as addiction, mental health, social skills, and housing, people may not be ready to tackle training or employment. Previous chapters have shown what charities can achieve in these areas.

“The workers have given me the confidence and courage to believe in myself and have turned my life around.”

Jack, a participant in Edinburgh Cyrenians' People with Potential Programme

Box 31: Helping young people into work

What do young men like? Football and driving. Innovative charities such as Street League and Depaul Trust recognise this, and use them as bait to get people onto personal development courses.

Street League approaches people in Jobcentres asking them if they want to go on a five-week football and personal development course. Young men's ears prick up at the thought of five weeks playing football and agree to start the course. Street League peppers the course with classroom sessions on topics such as positive thinking, CV writing and budgeting. The course appears to be successful at motivating people to move on with their lives. Jobcentres note that they are successful in finding jobs for around 60% of people referred to the course, compared to 42% of those referred elsewhere.

Depaul Trust runs a similar seven-week course for young homeless people, built around the Driving Theory test. While revising for the test, staff can assess the basic needs of the young people. Four free driving lessons are available to the top trainees as an incentive for good performance. In 2006, 52% of participants went onto further education, training, employment or volunteering.

Charities can also help to encourage the idea of training and employment in the first place, getting people to think seriously about it, and what this can mean. Sometimes, it needs a hook to get people involved (see Box 31).

Other programmes are more focused on employment. For example, **Edinburgh Cyrenians** runs two-week courses for young homeless people. This includes motivational sessions, and helps people to think about what they want to achieve. **Street League** run one-day 'route planning' sessions for its players, with a similar aim.

Other charities also have general workers who are employed to help encourage work and tell people about opportunities, including referral to Jobcentre Plus.

Impact

For some people, such encouragement, practical support and sign-posting to jobs is sufficient to move them into long-term employment. For others, it is just the start of the journey.

There is little hard evidence of the impact of this light-touch support, though it appears to work for those who do not have severe problems.¹¹⁵ Street League found that around three quarters of people who attended two of its one-day courses subsequently moved into employment or external training, though it should be noted that most of Street League's clients are younger than those using other services described in this chapter. A Scottish evaluation of four employment schemes, including Edinburgh Cyrenians, stressed the importance of ensuring that people are engaged and motivated.²

Dealing with practical issues

Others charities provide material resources, the absence of which can hold people back.

As discussed above, confusion about the impact of work on benefits is a barrier to many people. **St Mungo's** has a benefits calculator which can show people that they are better off in work.

Other examples of practical support commonly offered by charities include:

- providing smart clothes for homeless people to wear to interview. Many charities do this, including the specialist agency **Dress for Success** that focuses its work on disadvantaged women;
- helping people to set up bank accounts, eg, **The Passage**, a day centre in London; and
- offering people an address where employers can contact them. St Mungo's runs a scheme called voicemail4all, which gives homeless people a free phone number they can give to employers and which allows them to pick up messages.

Impact

All of these schemes help ease the way for homeless people to get into work. They address practical problems that have been identified by both homeless people and employers. Logically, overcoming these barriers will help smooth the process, and move more people into employment.

However, their relative success is difficult to calculate and attribution is particularly challenging. How do you disaggregate the importance of different factors, such as a phone number and a new suit? Would the individual have managed to get a job without any help? In a survey of homeless people who got jobs, only 27% got them through services they attended, compared with 30% through word of mouth and 15% through speculative applications.⁵

Success depends on the underlying skills of each client. A well-written CV is not going to hide a complete lack of skills, nor is wearing a suit. This is not to denigrate these programmes—for homeless people with existing skills, they play an important role in quickly moving people into employment. However, for those without the existing capabilities to compete in the job market, they are not enough. Instead, they need to be part of a wider programme that tackles other problems.

Help finding jobs and work experience

As well as providing general encouragement and support, a number of charities (both hostels and day centres) run light-touch employment programmes. This can involve helping fill out a CV—a common activity—to more formal employment brokerage activities.

Business Action on Homelessness, part of the charity Business in the Community, arranges two-week work placements for 600 people a year, through partnerships with national and local organisations (see Box 32).

Brent Homeless User Group runs a small employment and training service which acts like a recruitment agency for its users. Staff run training to support service users to write CVs, boost confidence and prepare for interviews. They also use their links with Jobcentres, carry out online job searches and build relationships with local employers in order to find the right job for the right person.

The **Upper Room** in London runs an employment scheme for people from the Eastern European countries. 'UR4Jobs' provides advice and guidance about living and working in the UK alongside volunteering and training opportunities, including free on-site English for Speakers of Other Languages classes and bi-lingual training in computing, health and safety and food hygiene. The charity has developed links with a range of partners including Jobcentre Plus and the Big Issue to help an anticipated 400 beneficiaries this year.

Brighton Housing Trust, which has hostels and a day centre, also employs two people to act as job brokers for its clients. It has built up connections with local employers and is able to match applicants.

Impact

Again, such work can be effective for some groups. For example, in 2007, Brent Homeless User Group got 19 people into employment through this light-touch approach.

Charities point out, however, that if someone is not ready for work and you push him into it, you risk setting him up for failure. Business Action on Homelessness finds this even with its two week placements: only 74% of those who start last the two weeks. (But of those who complete the placement, an impressive 57% gain employment.)

NPC thinks that charities need to make sure that they are able to identify those who stand to benefit greatly from short-term light-touch interventions and deal with them appropriately, rather than assuming that they require longer-term support. If not, they risk causing their career prospects further damage by unnecessarily lengthening their unemployment.

Vocational training

To combat the low levels of qualifications among the homeless population, several charities have developed specific and relatively intensive training programmes.

Box 32: Business Action on Homelessness (BAOH)

BAOH runs the Ready for Work programme, helping homeless people into work. This includes:

Ready to Go Training: this lasts for two days. The first day focuses on soft skills and preparation for work, eg, motivational skills, hopes and aspirations. The second day is hosted at a business and focuses on CV preparation and interview skills.



Work placement: this is for a minimum of two weeks, and is unpaid. It is carried out in a number of businesses such as Marks & Spencer and Barclays. Homeless clients will receive support throughout their placement from an assigned 'buddy'. Towards the end of the placement clients will get feedback, update their CVs and secure a written reference.



Action Day: to discuss and plan next steps and each client is paired with a Job Coach who will work with them for the next six months to support their job seeking efforts.

Tyneside Cyrenians has a training centre that gives people the chance to try out skills such as joinery, plastering, brick-laying and woodwork.

People are referred to the training centre by other parts of the charity or the local drug team, and take part in taster courses initially. So far 109 people have taken part.

If they like the taster course, they can sign up to an in-depth 12-week course, for two days each week. This normally involves one day in the centre learning skills, and one day in a classroom environment learning about interviews, writing CVs and personal development. At the end each graduate receives a certificate of attendance and has the chance to take the test for the Construction Skills Certification Scheme (that you need to pass to work on a construction site). Some are able to get NVQs in literacy and numeracy skills.

Each cycle of 12-weeks has capacity for 20 trainees. They are then provided with assistance looking for a job, and receive support when in employment. This is fundamental: charities must help people when they are feeling good about themselves, and not let them slip back into inactivity.

A similar project is run by **Shekinah Mission** in Portsmouth. It too delivers short courses in bricklaying, plastering, carpentry and painting and decorating. Once they have completed a course, participants are offered opportunities to volunteer (mainly within Shekinah projects), or take part in private sector work placements, which are provided in partnership with **Business Action on Homeless** (see above). In 2006, the charity established a social business undertaking a variety of work including maintenance work. This provides construction-related employment for 12 clients per year who need longer-term support and training.

“I honestly thought I would be unemployable for the rest of my life because of my drug problem and criminal history. This job has taught me so much, and I even have the qualifications to prove it.”

Steve, a participant in Tyneside Cyrenians' self-build project

Having been homeless myself, I really wanted to give something back... Thames Reach provided the bridge between unemployment and full employment.

Hamid, a Thames Reach trainee

Impact

Equipping people with vocational training provides a range of benefits that both help people get a job and contribute to other areas of their lives, such as self-confidence and mental health.

Feedback from participants in Tyneside Cyrenians' Brighter Futures Training Centre has been strong, highlighting benefits such as:

- **timekeeping skills:** *'It's good practice for getting up in the morning. I'm here on time, all the time. It will help me be in time for a job.'*
- **personal skills:** *'It makes you approach people differently; not so aggressive. I'm more able to approach them, than how I used to approach.'* *'Never thought anyone could tell me about myself...it's good to know things about yourself. I've taken it on board. It helps us in a wider way—not just work, but life.'*
- and even help with **accommodation:** *'I moved out of the hostel. The workers here tried to get me sorted out in a homeless place. Some places don't care what you do—here they do.'*

In terms of getting people into employment and further education the results are modest, partly because the programmes are young. After a recent Tyneside Cyrenians training course involving 20 participants, five have gone onto employment and three are enrolled in colleges on full-time courses.

As Shekinah's programme has been in place since 2002, results are more established. It has an 85%–90% retention rate and about a third of participants progress to employment—significant results for a client group that most people struggle to get into employment.

In a recent survey of homeless people, 86% thought that further training would help them move into long-term employment but there is a danger that people can end up repeating courses again and again. Successful schemes put an emphasis on what happens next, whether it is further education, work-experience or moving straight into employment.

Volunteering

Several charities are looking at ways of increasing people's confidence and boosting their CVs by offering them volunteering opportunities within their organisations. It can help build their skills without endangering their benefits.

In Newcastle, people can volunteer to run the **Tyneside Cyrenians'** day centre on Fridays and Sundays, addressing the lack of out-of-hours provision, and giving people opportunities to volunteer and get skills. Each volunteer gets the same training as a member of staff, such as first aid and dealing with emergency situations, and help accessing training outside the centre.

Edinburgh Cyrenians involves 47 volunteers who have experienced homelessness in running its Good Food Programs. Many of them have additional issues including mental health problems, low self esteem and poor social skills. The work includes: driving the FareShare van to distribute unwanted food from businesses to hostels and day centres; teaching cooking classes; stacking food; and administration. Each volunteer works with staff on a personal development plan, to help him or her achieve the work and life related goals he or she identified at the outset, and gets one-to-one support, mentoring and social activities.

Thames Reach encourages its clients to volunteer as a step on the path in their self-development and re-engagement with society. It is aimed at those who are furthest away from this goal—for example, people who have only recently come off of the streets. Participants receive an eight-week training course in basic skills such as communication and office etiquette, run by a Thames Reach worker who is a qualified teacher. They then take up a two-month volunteering placement across Thames Reach services. There is a strong element of peer-mentoring from previous graduates, and Thames Reach reports that people respond positively to having good role models as well as some encouragement from staff.

Since it started in June 2006, 75 people have completed the eight-week training course.

Impact

Volunteering is an important step for people who have never worked, or have been out of work for a long time. It helps ease people back into working with other people, time management, and working practices. It is a way to help people feel useful, productive and interact with other people. It also has significant benefits for other users by proving that you can be homeless and take part in such activities.

This can help improve people's skills and quality of life. In Edinburgh Cyrenians' programme, 75% of the supported volunteers with mental health issues reported sustainable progress in their recovery from poor mental health. Of the volunteers with severe addiction issues, 45% have presented evidence of sustainable long-term recovery.

The projects mentioned have also had some harder outcomes:

- 18 out of the original 20 volunteers that took part in running Tyneside Cyrenians' day centre are now in employment (four years on);
- 10% of Edinburgh Cyrenians' supported volunteers have moved into work; and
- 12 of Thames Reach's 75 supported volunteers have moved into paid employment.

Employing service users

A number of charities offer employment to their clients. This has benefits for both employee and charity.

- The individual benefits from a period of supported employment with managers who understand their needs and situation. They can improve their skills and prove themselves in a real job, making them more employable externally.
- The charity benefits from an employee who can empathise with users and their problems.

It may also have an important peer effect: other users see one of their own with a real job, which motivates them to follow their ambitions.

One approach is to employ users to help with decorating and maintaining its properties. Through training, they can develop skills and qualifications that can be used to help them to find jobs externally. The Midlands-based charity **P3** does this, as do organisations such as **Thames Reach**.

Tyneside Cyrenians also has an outreach team targeted at rough sleepers, made up entirely of ex-service users. They are able to establish contact with rough sleepers, get to know them, build up trust and connect them to services, such as the charity's day centre, housing provision or local mental health and drug abuse services. Part of its work involves training professionals and services about the needs of this particular client group.

Thames Reach actively seeks to employ people with experience of homelessness. The aim is not just to improve the lives of the trainees. Thames Reach also recognises that people with experience of homelessness bring valuable skills, perspectives and, importantly, credibility to their roles, and can act as role models to beneficiaries.

By 2009, Thames Reach aims to have 15% of its staff with experience of homelessness (up from 6% when the target was set). Four of the seven new trainees who joined the staff in 2007 had experience of homelessness.

A slightly different model has been created by **Emmaus** (see Box 33), which gives homeless people accommodation linked in with employment through a network of 15 autonomous 'communities' across the country. Each community aims to become self-financing through its own business activity. Residents work full-time in the community business, typically collecting donated furniture and other household items to refurbish and resell to the public in the community's shops. Emmaus



Photograph supplied by Tyneside Cyrenians

communities provide a safe environment, with no alcohol or drugs allowed, and there is no limit on length of stay, so residents may stay for as long as they need.

Impact

Charities have only recently actively sought to employ their users, and it has required a significant culture change in staff in the sector. One important effect reported by charities is that if staff see homeless people working well alongside them, it encourages them to challenge their own prejudices and work harder to help their clients to realise their ambitions.

Internal employment has its critics. They believe that it keeps homeless people stuck in the 'homeless world', and stops them from being reintegrated into the mainstream workforce. It may lead to problems when workers have to engage with people they knew on the street. Critics also point to examples where homeless people are given token jobs, which are no use to them or their employers.

The validity of these criticisms depends on the design of employment schemes. NPC's view is that, where they are properly planned, the benefits of 'internal' employment can be significant. It can ease people back into employment in a supported environment. It can also help people build up references and a job history.

At the moment, most of the internal employment schemes that NPC has looked at are still in their initial stages. It is clear from meeting the people doing the jobs that employees are benefiting and that they are delivering high quality services. However, it is difficult to make further comparisons and detail the wider benefits. In particular, few people have yet progressed on to external opportunities. Over time, we expect to see an evidence base develop in this area.

“It is working wonders for my confidence. I'm also keeping busy which is important when you are trying to get off drugs.”

Brendan, a participant in Thames Reach's decorating training programme

Box 33: Spotlight on Emmaus

Following the breakdown of his marriage, Dennis was left to look after his two small daughters. He was drinking everyday and struggled to cope. In 1991 a support worker agreed to look after them for a couple of months, but Dennis lost touch with them for twenty years.

After they went he drank more and was unable to keep up payments on his flat. He slept in night hostels, and old cars. In total he spent about three years on the streets and tried to commit suicide a couple of times.

He found out about Emmaus when he went to one of their shops. He was attracted to the idea of living in a community where people supported each other, and that he would have to work to live there. As he said: *'I thought that if I had the focus of work I wouldn't think about drinking so much'*.

Dennis is now reunited with his daughters, after his sister Jean saw an article about Dennis in the local paper. *'My life has changed since I found them again. There has never been a day in all the years since they went when I didn't think about them. It's nice to be a Dad again.'*

He is now planning to go to college and do a counselling course so that he can use his experiences to help other people.

Running social enterprises

As well as employing people directly, a number of charities have also set up 'social enterprises' — income generating businesses with a social purpose—that provide employment to homeless people. These have two main aims:

- to act as a form of supported employment and a stepping stone to external jobs; and
- to generate some unrestricted income.

Thames Reach runs a programme called **Street Shine**, providing shoe-shining to corporate clients. Street Shine itself is a company limited by share in which Thames Reach is the major share-holder (the other shareholders are the founder, Nick Grant, and the philanthropist David Gold). It recruits people with experience of homelessness from across the sector and trains them to go into firms such as Ernst and Young and McKinsey selling shoe-shine services.

A number of charities are running other schemes. For example:

- **Sir Oswald Stoll Foundation**, the charity for homeless ex-servicemen runs a hamburger stall outside Chelsea Football Club's ground;
- **Crisis** runs a café in east London, staffed by formerly homeless people;
- **Edinburgh Cyrenians** runs a number of enterprises, including: composting, farm and woodwork; and
- **Connection at St Martins** runs the Connection Crew, a group of homeless people who help out with manual work (such as erecting stages) at big events across the capital.

Other social enterprises also tackle homeless focused problems. **Groundswell** trains homeless people in how to survey staff and users, and sells its services to other charities who want to improve their services.

Impact

The impact of social enterprises can be measured against two main criteria:

- providing employment to disadvantaged people; and
- providing a source of income.

Providing employment in a social enterprise has many of the same problems and benefits as internal employment. However, as the area of work is often well-removed from homelessness, the model may provide greater opportunities to learn skills that can be transferred to a wider market. Again, most social enterprises are too recent to provide a track record of moving people on.

Despite charities' ambitions, very few of these social enterprises make a net profit, and most rely on grant funding. The relatively high-profile Street Shine manages to generate around 50% of its income commercially (around £70,000 each year), but this is at the top end in terms of the 'self-sustainability' of current approaches.

Even if they are not generating a profit, most social enterprises are covering some of their own costs, and often the grant-funding element covers the intensive support that employees still need.

Improving the system

As well as running individual projects, charities are working to improve the system as a whole. This can be roughly divided into three priorities:

- developing and sharing good practice;
- research; and
- lobbying and campaigning.

Developing good practice

As well as running employment and training programmes, a number of charities are running programmes that aim to overcome the benefits trap.

One of the activities of **Off the Streets and into Work (OSW)** is to direct funding to new pilot projects and schemes, in effect acting as a specialist grant maker. In 2005-2008, it received £2.6m in funding from the European Social Fund to help homeless people in London get into work. This was used to fund eight different pilot projects, including **Thames Reach's** project to employ services users mentioned above.

OSW is also managing the Transitional Spaces Project, a scheme that provides support and financial incentives for homeless people moving into work and then into the private rental sector. In London, this is being delivered in partnership with **Broadway, Business Action on Homelessness** and **Toynbee Hall**. In Newcastle, **Tyneside Cyrenians** is taking the lead.

Sharing best practice and support

As well as developing these new schemes, charities are helping to share their lessons with each other, and with the statutory services.

OSW has just received funding from the Big Lottery Fund to set up an Ethical Enterprise and Employment network across England. This will bring together homeless organisations involved in employment projects, allowing them to share good practice and resources. It will also provide business consultancy, research and training. This follows on from the work they already do, providing training and toolkits on employment and volunteering issues.

In Scotland, the Scottish Homelessness and Employability Network (SHEN) was set up in 2003 by the Scottish Government. As the title suggests, it was set up to share good practice on employment issues and also help influence policy. It is hosted by the **Scottish Council for Single Homeless** and advised by a steering group including representatives from the **Rock Trust, Edinburgh Cyrenians** and **Aberdeen Foyer**.

Other charities are working with their local JobCentre Plus to make sure that they know more about homelessness. Some charities, such as the **Passage** and **Aberdeen Foyer**, host employment advisers. This can help change practice and build up expertise in the sector.

Research and lobbying

OSW plays a major role in this area, carrying out and funding research in a number of issues affecting employment, such as health, the role of housing providers, and the costs and benefits of employment. It uses this information and its experiences from its projects to lobby and inform government.

This involves a range of activities, from responding to government papers, to outlining ten key areas of policy that government should address to improve employment opportunities for homeless people. It has also devised a model for 'The Right Deal for homelessness', adapting elements of the government's New Deal programme to make it more appropriate for homeless people.

The **Foyer Federation** has taken the lead in campaigning against the Housing Benefit rule that withdraws support if anyone over the age of 18 spends more than 16 hours in education. Its research claims that the government loses over £100m a year due to reduced earnings.



Photograph supplied by Edinburgh Cyrenians

Impact

Structural factors, such as government policy, Housing Benefit and skills capacity shape the employment opportunities facing homeless people. Improving this system has the potential to have considerable impact. The difficulty comes in trying to differentiate the individual impact each charity has.

In certain situations, it is possible to discern strong correlations between a charity's work and changes to the system. For example the Government recently announced that it was reviewing the 16-hour rule for Housing Benefit, following the Foyer Federation's work. However, generally it is difficult to tell. Much of the work developing good practice is still in its early stages.

What can a donor fund?

A donor interested in employment and training has a wide variety of areas to choose from. Despite the government's policy emphasis on training and getting people back into employment, best practice has yet to trickle down into the homelessness sector. Often the funding that is available is piecemeal and insufficient. To address this, a donor might want to use other resources at his or her disposal, such as business expertise, work placements or mentoring as well as simply providing funding.

Supporting training and employment programmes

Private philanthropy can be used to develop training and employment programmes. Not only will this provide direct services for homeless people, it will also help establish good practice and, potentially, create opportunities to demonstrate its cost effectiveness to government commissioners.

A donor interested in employment and training has a wide variety of areas to choose from.

This may incorporate a number of different factors, talked about in the previous section, such as teaching vocational skills, providing employment and building relationships with employers. The best programmes ensure that there is a range of support available to help people at different stages.

There is a wide variety of charities up and down the country wanting to expand and develop their employment and training programmes.

Supporting social enterprises

Social enterprises are another area a donor can support. If successful, they could become partly or wholly self-sustaining in the long term, at the same time as helping people to get work experience. There is significant overlap between the organisations running social enterprises and those with other employment programmes.

Helping a social enterprise might not necessarily mean a donation but a social investment. However, philanthropists will want to look closely at the business model of any candidate organisations and be realistic about likely returns.

Supporting lobbying

There is a role for a donor helping charities to get government more involved, and overcome some of the structural barriers that remain, such as the benefits trap. The leading organisation here is Off the Streets and into Work, but many of the frontline organisations do some lobbying on this issue.



Photograph supplied by Tyneside Cyrenians

Final word

A surprising number of people are homeless across the UK. They are not just sleeping rough on the street, but also in overcrowded housing, hostels and other temporary accommodation. While the vast majority of people will have a roof over their head, they will lack many of the benefits associated with having a 'home'.

At its basic level, this includes the happiness, security and self-esteem that comes from living in a place where someone can feel safe and comfortable. And building on this, it is also about being part of the local community and a wider network of friends and family. The instability of not having a home makes it much harder to get a job, take part in education and access health care.

While many people quickly move out of homelessness, others become stuck—at great costs to themselves and to wider society. Often those worse affected have been overlooked and failed by other services—whether mental health, substance abuse or the criminal justice system. For

these people, homelessness is the final very visible symptom of fundamental exclusion and deprivation.

Charities play a key role in helping newly homeless people move quickly on, but also working with those entrenched in homelessness and with multiple and severe needs. Many of the charities mentioned in this report are doing creative and cutting edge work, exploring effective ways of moving people out of homelessness and keeping them there.

To sustain these efforts, and to ensure that they are successful, charities need private philanthropy. While government provides core basic funding, charities benefit hugely from the flexibility, the security and the courage that donors can provide. Donors can have a considerable impact on the sector by looking at the priorities highlighted in the report, and using their money to fund effective organisations. A stronger, better funded charitable sector will have a greater impact on the lives of homeless people.



Photograph supplied by Move on

Appendices

Appendix 1: How many people are homeless?

Accurately estimating numbers of people who are homeless is extremely difficult—both because of the breadth of the problem and the available data. Below are our best estimates of the number of people in various groups. It should be noted that our estimates for ‘other homeless’ are the number of households, not people, as we did not have the available data to estimate the number of people living, for example, in concealed households in overcrowded conditions. What can be said is that the number of people is certainly bigger than the number of households. All estimates are for England.

Group	Estimates	
Rough sleepers	About 500 people a night in England, based on street counts. ²⁸	Non-statutory
People in hostels or other supported accommodation	58,500 people in England, based on a survey of hostel places, and assuming one bedspace equals one person. ³⁰	Mainly non-statutory
People in council-arranged temporary accommodation	87,120 households in England were in council-arranged temporary accommodation at the end of 2006/2007. ²² NPC estimates this to be about 210,000 people . Of the 87,120 households, 65,210 households were with children. We assume that the average household with children has 2.88 members, and that the other 21,910 households are individuals. This is conservative given that some of these households will be couples, but we do not have the data to estimate this.	Statutory—accepted as homeless, but not yet provided with a permanent home.
Overlap between people in council-arranged temporary accommodation and people in hostels or other supported accommodation	We know that there is an overlap between the second and third categories, and we estimate approximately using the fact that 9% of households in council-arranged accommodation are living in hostels. We assume that of these 7640 households, only the 3610 households without children would overlap. We assume that these households are individuals and round this to an estimate of 3500 people .	Statutory
TOTAL ROUGH SLEEPING OR IN TEMPORARY ACCOMMODATION	Adding the above categories together (and subtracting for the overlap) gives a total of 265,500. At least 260,000 people are rough sleeping or in temporary accommodation.	

Group	Estimates	
<p>Other homeless households—eg, overcrowding</p>	<p>Not all homeless people are accounted for in the above categories. We do not have an overall estimate here, but we do know which categories of households are most likely to be homeless. There are an estimated 560,000 overcrowded households in England.²²</p> <p>Another approach is to look at the number of ‘concealed’ households, which are most likely to be homeless because of the accommodation being overcrowded or the head of household being dissatisfied with the living arrangements. Being aged 25 or over and living with someone other than relatives are assumed to put adults living in concealed household at serious risk of homelessness. We estimate between 240,000 and 305,000 adults living in concealed households are most likely homeless based on this reasoning. This approach and estimate is following that of Crisis, but without applying the filter for single homelessness.¹⁹ It is based on 2001 census data.</p>	<p>Both</p>

Appendix 2: Estimating the size of the homelessness sector

NPC estimates that the homelessness sector in the UK has a turnover of at least £1bn per annum. This excludes housing advice providers, so the total is likely to be much higher.

This estimate was extrapolated from two data sources. The charity Resource Information Service undertook some research⁵³ in 2007 about charities providing services to single homeless people in London, funded by the London Housing Foundation. This (unpublished) research estimated that those services had a turnover of around £240m annually.

Resource Information Service also recently published some research with Homeless Link about hostels and day centres in England.⁵⁰ This found that on average, just over a quarter of services are in London (eg, 27% of bed spaces in direct access hostels are in the capital).

If we assume that the number of services and income are roughly correlated, we can extrapolate to an estimate of the annual income of charities delivering services to single homeless people in the UK: £960m (£240m x 4).

The income of similar charities in Scotland, Wales and Northern Ireland, and other charities working on homelessness (eg, second-tier and issue-specific charities) is likely to be at least £40m.

Therefore the total income of homelessness charities in the UK is at least £1 billion.

Appendix 3: Distribution of services

The following graphs compare data on the volume of day centres and direct access hostels by English region with, first, the population and, second, the poverty level in that region (measured as households with incomes below 60% median, after housing costs). Where the bar is above the line it shows that relative to the variable in question (ie, population or poverty) that region has more services than would be expected given its population or poverty. Where the bar is below the line it shows that the region has fewer services than would be expected.

However, these data should be interpreted very cautiously. There are lots of other variables that might explain differences in the prevalence of services. They may reflect distribution of homeless people or house prices or many other factors.

Figure 13: Proportion of day centres in each region compared to its proportion of England's population

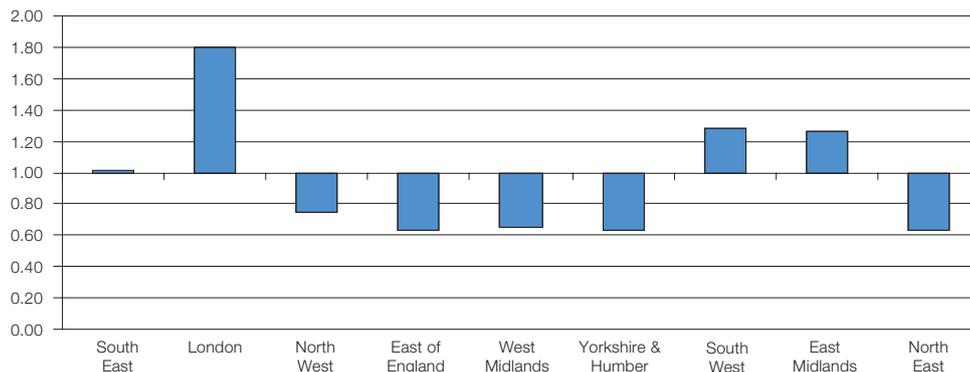


Figure 14: Proportion of direct access hostel beds in each region compared to its proportion of England's population

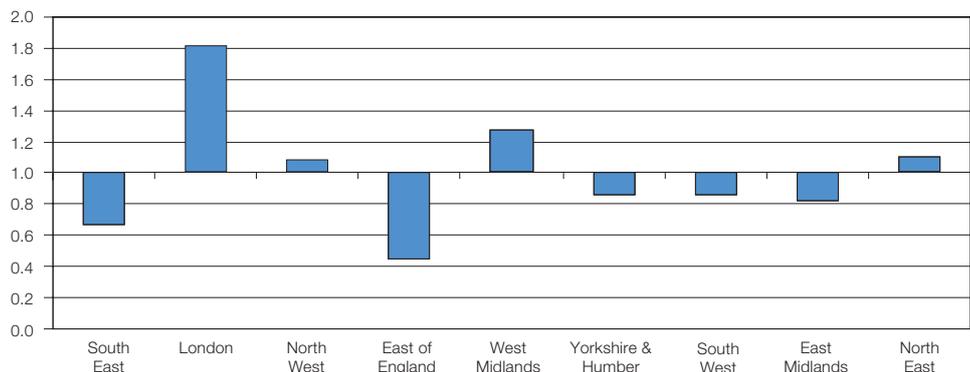


Figure 15: Proportion of day centres in each region compared to the share of its population that live in poverty

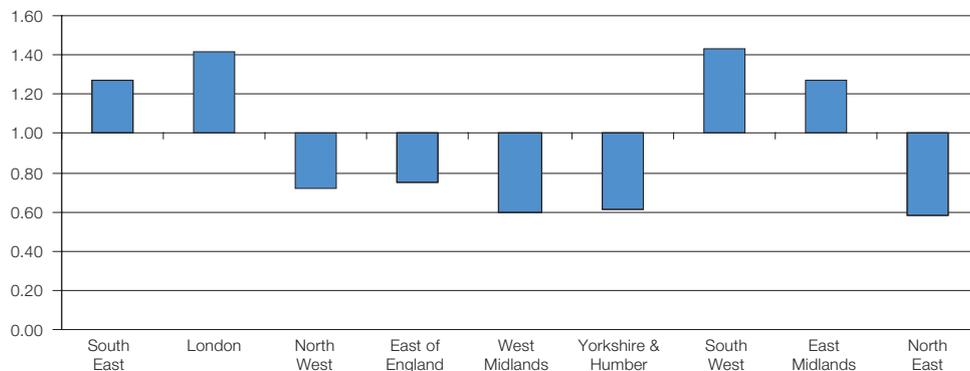
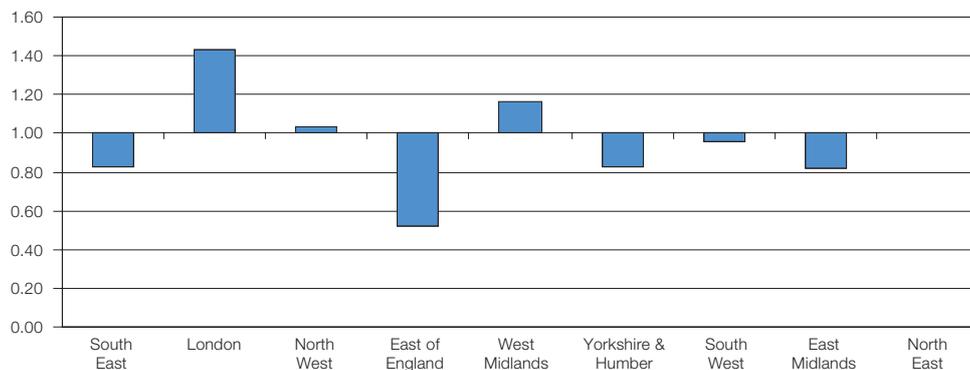


Figure 16: Proportion of direct access hostels in each region compared to the share of its population that live in poverty



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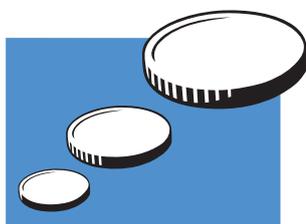
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