



Department for  
Communities and  
Local Government

# Qualitative evaluation of the London homelessness social impact bond

Second interim report



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# Executive Summary

The London Homelessness Social Impact Bond (SIB) is an innovative programme to support entrenched rough sleepers. It was designed to bring new finance and new ways of working to improve the outcomes for a cohort of rough sleepers whose needs were not being met by existing services and who were not being targeted by other interventions. The SIB is a three year programme and delivery began in November 2012. This is the second report from the qualitative evaluation.<sup>1</sup> It is based on interviews with stakeholders and homeless people in receipt of support and a review of available performance data (to end of July 2014). An economic impact evaluation is being undertaken internally by the Department of Communities and Local Government (DCLG). A final report in 2016 will draw analysis from the two strands together.

## Social Impact Bonds

The *Open Public Services White Paper* (HM Government, 2011)<sup>2</sup> laid out a comprehensive policy framework to promote a fundamental shift in public services. Social Impact Bonds (SIBs) were identified as an innovative opportunity to access new forms of external finance for the delivery of services. It also promoted greater use of payment by results (PbR) contracts.

SIBs bring social investment funding to social ventures to expand their services, exploit new opportunities and achieve scale in order to achieve greater social impacts. The first UK SIB was introduced in 2010 and, in late 2014, there are 14 SIBs in the UK with more in development. PbR contracts pay providers for the *outcomes* they deliver rather than *activities* measured by *outputs*. By only paying for evidenced results, commissioners transfer the risk of paying for 'failure'. In a SIB, they structure the link between achieved outcomes, payment of providers and the financial return for investors. Investors provide funding for operating costs, which is paid back to them with a return from the outcome payments received.

## The London Homelessness SIB

The SIB targets a named, fixed cohort of 831 entrenched rough sleepers identified through the CHAIN database<sup>3</sup>, with a personalised, flexible approach delivered by keyworkers that helps them access existing provision and achieve sustained, long-term positive outcomes. This includes reconnection for non-UK nationals to their

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<sup>1</sup> The first was published by DCLG in September 2014 following research and analysis during October 2013 – January 2014. An additional summary report on learning from the evaluation for the design, development and commissioning of SIBs was published by the Cabinet Office in October 2014.

<sup>2</sup> Open Public Services White Paper. 2011. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/255288/OpenPublicServices-WhitePaper.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/255288/OpenPublicServices-WhitePaper.pdf)

<sup>3</sup> CHAIN is the 'Combined Homeless and Information Network'. The database is for organisations who work with rough sleepers in London. The system is used to help workers share information about the people that they work with, across organisations. Over 80 projects contribute. It is hosted by Broadway on behalf of the Greater London Authority.

home country where this is the most appropriate outcome for them (assisted voluntary repatriation, administrative removal or deportation).

Two organisations (St Mungo's Broadway<sup>4</sup> and Thames Reach) are contracted to deliver the SIB intervention to a matched half of the cohort.<sup>5</sup> The cohort is rough sleepers who on 31<sup>st</sup> October 2012 had been:

- Seen sleeping rough and/or stayed in a London rough sleeping hostel in the last three months; and, seen rough sleeping at least six times over the last two years.

Rough sleepers are amongst the most vulnerable people in society. At the time of its creation the latest available CHAIN data for the cohort showed that: 48% had an alcohol support need; 29% a substance misuse support need; and, 44% a mental health support need. 49% were non-UK nationals, of which 53% were from Central and Eastern Europe (26% of total cohort). Sixty-three per cent had last been seen in the Westminster borough.<sup>6</sup> A wide range of provision exists for rough sleepers and homeless people (151 providers operating in London in 2012<sup>7</sup>). The vast majority of this is commissioned by London local authorities (London Boroughs), with the Greater London Authority (GLA) having strategic responsibility for pan-London commissioning and coordination.

The SIB helps the cohort access appropriate services, across personalised recovery pathways, and into sustained outcomes. It targets a cohort not covered by key programmes for the most challenging *long-term* entrenched sleepers or for those new to the streets.

## The SIB structure

The two organisations each target half of the cohort. An equal split was created according to a range of support needs identified in CHAIN and by the borough where each individual was last seen. Given its centrality as a location for rough sleeping (529 of the cohort of 831), the Borough of Westminster is a shared area.

The two providers have developed different structures to finance their SIB contracts, as shown in Figure 1.2 below. St Mungo's Broadway has established a Special Purpose Vehicle (SPV), which holds the risk (a common feature of SIBs). Thames Reach has funded their intervention through social investors' unsecured loans, and in this model the risk is shared (a less common structure). Both providers have also invested their own equity.

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<sup>4</sup> St Mungo's merged with Broadway in April 2014.

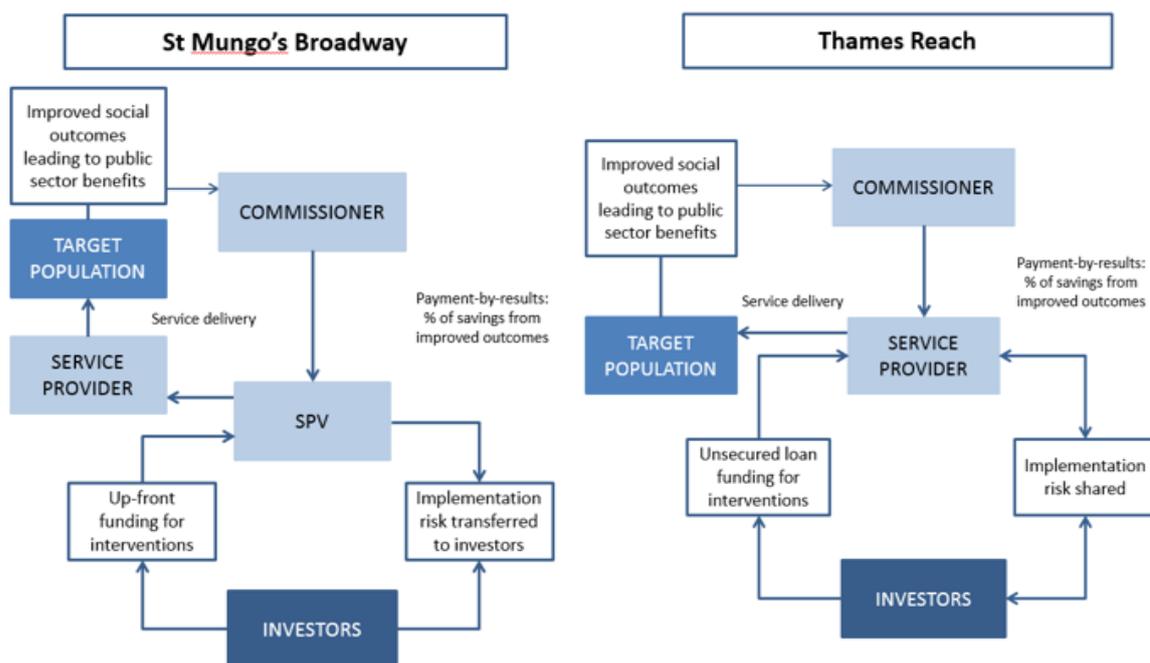
<sup>5</sup> The cohort targeted by the SIB is split between two providers according to a range of support needs identified in CHAIN and according to the Borough where each individual was last seen at the time of definition. Given its centrality as a location for rough sleeping (529 of the cohort of 831), the Borough of Westminster was allocated as a shared target area.

<sup>6</sup> 'Cohort Split' analysis, Social Finance SIB commissioning document, November 2012

<sup>7</sup> London Housing Federation (2012), *Atlas of Services for Homeless People in London*.

[http://www.lhf.org.uk/sites/all/themes/lhf/pdf/atlas\\_2012.pdf](http://www.lhf.org.uk/sites/all/themes/lhf/pdf/atlas_2012.pdf) (latest version available at time of writing).

**Figure 1.1 The two providers' social investment structures<sup>8</sup>**



Source: DCLG and ICF

## Delivery models in the second year of the SIB

The first evaluation report described the 'Navigator' model at the heart of the SIB interventions delivered by each provider<sup>9</sup>. The SIB was commissioned following a detailed design and development stage. A *Feasibility Study* included a wide-ranging consultation and evidence review to identify an effective intervention model. The SIB provides an opportunity to test the model, which was based on features of effective practice rather than a defined intervention that had been proven elsewhere with entrenched rough sleepers. The Navigator is a key worker who coordinates a personalised approach.

In the second year of delivery the two providers' models have diverged. St Mungo's Broadway have retained their original structure of a team of Navigators providing support from the street to final outcomes. Thames Reach reorganised their team at the end of the first year. This was to reflect their financial plan to provide a greater focus on supporting those in stable accommodation having focused more resources in the first year supporting individuals away from the street. There has been a division in the way the cohort is supported so that two navigators are responsible for working with rough sleepers or those in hostels and two are responsible for supporting those in more settled accommodation.

<sup>8</sup> Both providers have invested their own funds and this is at risk before the social investment

<sup>9</sup> Throughout this report the term Navigator is used to describe those delivering the SIB intervention. This is the term used by Thames Reach; St Mungo's Broadway use 'Street and Community Outreach Worker', reflecting the basis of their model in their existing principles of outreach working.

## SIB performance

The report is structured by each of the five outcomes that structure the SIB PbR: reduced rough sleeping; stable accommodation; reconnection; employment; health. This is summarised below.

SIB performance data includes the targets that each provider set in their proposal for delivering the contract. The targets are important because they are fundamental to the financial model for each providers' delivery of the PbR. Nonetheless it should be borne in mind that although they represent the financial targets and the ambition of the two providers in designing their interventions, they are not performance targets set by the Greater London Authority or Department for Communities and Local Government in commissioning the programme.

All of the staff from the two providers who contributed to the research, from senior management to the Navigators themselves, were pleased with the overall performance of their SIB to date. Both providers noted that their targets had been set in the absence of comprehensive data about the cohort on which to base their predictions (as discussed in the first report). They viewed performance of the SIB in the round. All of the investors who contributed to the research were pleased with the performance of the SIB and that returns were being provided in line with their investment plan.

### Outcome 1: Reduced Rough Sleeping

This outcome is a quarterly measure of reduction below a predicted, modelled baseline reduction minus 5%. Although both providers have reduced rough sleeping in the cohort this has not been below the baseline for one of the providers. Both providers expressed disappointment that they had not met their targets for *reductions below the baseline*, but were also clear that they regarded the reductions that they had made as an achievement for the entrenched rough sleepers within the cohort.

One issue raised in the first report and that has been ongoing during year two is a view from the providers that the baseline measure does not recognise that some clients supported away from the street and making progress in accommodation sleep out occasionally. This remains a contended issue. The providers point to the success of the accommodation outcome, which includes an allowance for occasional rough sleeping as a better indicator of progress made.

#### Delivery

Providers have continued with the persistent, flexible approach to engaging the cohort. This is key to building the trusting relationship that is the basis for supporting someone away from the streets and through a long-term recovery pathway. Navigators undertake joint work with other providers including borough outreach teams, and will not take over the key worker role from another agency where this is not in the best interests of the client. The pan-London approach was identified as an important feature of the SIB, being able to follow clients '*who naturally wander about*'. Navigators maintain a high level of awareness of local providers and partners with whom they can work in and across the London Boroughs.

Both providers described the members of the cohort who remain rough sleeping as a particularly challenging group with complex, including severe mental health,

problems and/ or highly entrenched rough sleeping lifestyles. It was highlighted that some of the cohort *'will need more than three years to be supported out of rough sleeping'* (St Mungo's Broadway). For this entrenched cohort *'their community is the street'* and extracting them from that is difficult and needs to be carefully managed. Both providers explained that they will continue to support clients that they do not expect to achieve a paid outcome for, reflecting their ethos as organisations. But they acknowledged that there was a balance to be reached in providing appropriate support whilst focusing resources in the final year on the paid outcomes that could be achieved.

## Outcome 2: Stable Accommodation

This outcome is an individual measure of entry into accommodation with a tenancy (as opposed to a hostel) agreement and then the sustainment of that tenancy at 12 and 18 months.<sup>10</sup> Both providers have exceeded their targets, with strong performance in: entry to accommodation; 12 month sustainment; and, 18 month sustainment.

This outcome accounts for 40% of the available payments. With the rough sleeping (and other) outcomes behind target, the strong performance against this one was key to the financial viability of each SIB. All stakeholders see the strong performance against this outcome as a confirmation of the SIB Navigator model where individualised support is provided by key workers who are incentivised to *'go the extra mile'*.

### Delivery

Providers have continued with the personalised, flexible approach to supporting individual clients into appropriate accommodation and to then sustaining it. The high success rate in sustainment, which was not evident in the first report as not enough time had lapsed for them to be achieved, indicates the success of this relational approach. The long-term nature of the support was identified by both providers as a central feature to the success of the model. It enables support to be tailored and to be tapered as appropriate, so that those who require a higher level of support can receive it. Navigators gave examples of how they are in a unique position to coordinate services, having a holistic overview of the client and the wide network of contacts necessary to deliver their model of support. This was recognised by partners and stakeholders.

Key to supporting a sustained accommodation outcome is placing the client in accommodation that is appropriate to them. One of the advantages of the SIB over traditional delivery models and support pathways consistently identified by providers is the flexibility to *'miss out the hostel step'*. Navigators are able to negotiate access to accommodation by guaranteeing additional support for clients placed there and how, over time, their proven ability to provide this has built trust. There is frequent use of private rented sector (PRS) accommodation.

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<sup>10</sup> Living with friends and family (own bedroom) or in a care home (where this is for life not treatment) are also eligible outcomes. There is an allowance for the individual being recorded on CHAIN as rough sleeping two times in the first 12 months and once in the final six. This was included in the design of the SIB in recognition of the occasional ('recreational') rough sleeping expected amongst the cohort (and discussed above in relation to rough sleeping).

In addition to the challenges inherent in providing support that is effective to this client group, the key challenge identified by Navigators from both providers was securing adequate support from Tenancy Support Teams associated with different accommodation. The benefits system creates another key challenge with clients often requiring support following the application of sanctions which lead to rent arrears. There are also instances where clients are regarded by Navigators as incorrectly assessed for benefit entitlement. Issues with benefits can place tenancies at risk.

## Outcome 3: Reconnection

This outcome is an individual measure of reconnection to the home country for non-UK nationals without a right to reside in the UK; or for those with a right to remain but who volunteer to be reconnected. Non-UK nationals can remain in the UK if they work or if they can claim asylum. The reconnection outcome payments are the second highest available at 25%, after 'stable accommodation' and equal to 'reduced rough sleeping'. Progress against this outcome has improved but is below target. Overall, both providers were disappointed with their early progress but expect performance against this outcome to improve due to recent changes in the benefits regime. Recent welfare reforms mean that individuals from the European Economic Area (EEA) can only claim housing benefit in specific circumstances.

### Delivery

Both providers described progress towards this outcome being a slow start as the needs of the cohort were explored and partnerships and pathways established. Having Navigators (or support staff) who were able to speak in native languages was identified as an important element of provision that helps to engage this group and build trust for the relationship necessary to make progress – towards reconnection or any other appropriate outcome for the client. Partnerships in the UK and other countries are important for this work.

The complexity of clients' cases was a key challenge identified. Clients were described as having '*very complex immigration issues*' which take time and specialist support to address. Although the changes to benefit entitlement were reportedly helping with the message that reconnection was in their best interests, these changes were in themselves a cause of anxiety. Some clients may lose their JSA and thus housing benefit. Some landlords were reported to be reluctant to take these foreign nationals, even when they're currently in receipt of ESA due to concerns over future rent payments. Therefore, for some who are currently being supported to sustain accommodation, changes to benefits create a risk of them returning to the street.

## Outcome 4: Employment

This is an individual measure, with a range of outcomes within the overall 'employment' heading to reflect both full and part-time work as well as training and volunteering. There is a mixed picture, with the pattern from the first year continuing: fewer clients achieving a target level qualification and volunteering and self-employment outcomes; and, higher numbers achieving full-time work outcomes as both 13 and 26 weeks.

Overall, both providers are happy with their performance. The targets are low across each provider, reflecting the recognition in the design of the SIB that these are difficult outcomes to achieve for the cohort. As discussed in the first report, it has proven easier to secure employment outcomes for some clients from Central and Eastern Europe. They were found to (often) be closer to the labour market in terms of recent experience and skills and with less complex barriers. A key issue in achieving the outcomes relating to volunteering reported by both providers was the definition of the metric: clients must be undertaking eight hours volunteering a week and there are a number reported to be currently volunteering but below this level.

## **Delivery**

Moving people into training, volunteering or employment must be supported in a way that is tailored to the individual client. The relationship that Navigators develop with their client through the earlier stages of support, from rough sleeping and away from the streets into accommodation is the core of support and the basis for other outcomes. For those ready to take the step towards training, volunteering or employment the placement must be appropriate to them. As with other areas of delivery, providers described the need for a range of options available so that each client's pathway is tailored to them. Navigators offer practical and emotional support by accompanying clients to interviews, keeping in contact during placements or new positions and support with money management to sustain tenancies and build capacity for independent living.

The complexity of clients' needs and situations is the key challenge to achieving employment, training and volunteering outcomes for the cohort. It can only be achieved over the long-term for most of the cohort. When clients are ready for work, a key challenge is the employment that is available. Low wages act as a disincentive and worries about ability to pay rent pose a risk to vulnerable clients, particularly where they are in PRS accommodation and would be evicted. The search for work itself can be challenging and risk the fragile confidence that many clients have.

## **Outcome 5: Health**

This is a measure of reductions in cohort A&E admissions from the baseline at the start of the SIB contract. There is currently no data available about this outcome due to ongoing discussions with the Health and Social Care Information Centre to address data protection concerns that have arisen since the SIB began (and subsequent to agreement being reached). Because there is no outcome data available, the Project Board agreed to the Greater London Authority paying the providers for the first year outcomes at the level they would have received if they had achieved their targets. When data becomes available, payments for second year health or other outcomes will have any difference between achievement and what has been paid deducted, should achievement be less.

Everyone who contributed to the research for this report expressed frustration about the lack of available data. Providers were confident that these outcomes were being achieved through the support provided, but it was noted that without the data there was no sense of the scale of the achievements and thus to amend delivery if necessary. Nonetheless, for both providers the expectation was always that this outcome would be achieved as an effect of Navigators' holistic support. There is

some debate about the appropriateness of the metric, a measure of the use of health services rather than of individual wellbeing.

## Delivery

Discussions of what works often reflect those set out above in relation to other outcomes: the need to secure appropriate treatment for alcohol and substance misuse; and, support for those with mental health problems. This is expressed by St Mungo's Broadway as '*the recovery journey*' for all clients. In delivering this, Navigators maintained links with a wide range of providers so that their clients were supported to access appropriate interventions.

Beyond the challenges posed by the complexity of some their needs and the time consuming nature of the support they require to move forward, the availability of specialist provision was highlighted as a barrier to improving clients' health. Specialised mental health provision was identified as particularly important but as having limited capacity.

## Conclusions

The SIB Navigator model provides a holistic, tailored approach to supporting the complex individual needs of the members of the cohort. Although clearly defined, the cohort is heterogeneous and a personalised approach is required to achieving outcomes appropriate to the individual. The success of the model is dependent upon skilled staff able to develop and maintain a wide range of partnerships and to work effectively with a wide range of stakeholders. This enables Navigators to support access to appropriate mainstream and specialist provision. The availability of this provision is crucial to the success of the SIB.

The PbR model appears to be incentivising delivery as intended. There is no evidence of perverse incentives. The ethos of the provider organisations means that they are committed to continuing support for those who remain on the streets. How a balance is reached so that resources are focused on achieving a maximum return on paid for outcomes whilst supporting this vulnerable group will be a challenge for both providers.

The SIB is providing valuable learning about appropriate metrics for outcomes for this group. Despite the wide ranging consultation as part of the SIB development and design, reducing rough sleeping, employability and health are all areas with some contention. Reflecting on the SIB will also provide learning about voluntary and community sector and investor appetite for risk in PbR. Changes to the benefits regime and the post-contract issue with data protection that is prohibiting health data from being available are reminders of the impact that changes in programme context can have; these can have financial impacts on organisations (in PbR) and investors in a SIB programme and increase risk to, and thus the cost of, investment.

All stakeholders recognise the need for exit plans to be developed for clients. Exit plans will also be required for the SIB projects themselves.

## Key issues for the final evaluation

The final evaluation report will explore the delivery of, and outcomes achieved by, the three years of the SIB. Key issues to consider will include:

- How is Navigator support delivered by each provider up to the end of the contract period? What are the exit strategies for the cohort?
- What are the characteristics of those rough sleeping in the final year and what are their pathways?
- Are there any divergences in the Navigator approach and outcome achievement? Is there any evidence of perverse incentives?
- Has the focus on sustained accommodation and associated metrics model addressed the cohort's entrenched rough sleeping? Has a sustained moved away from the streets been achieved?
- What can the outcome (monitoring) and CHAIN data reveal about pathways into sustained outcomes: how many entries convert to sustainment and what are the patterns of drop-out?
- Does welfare reform impact upon the SIB clients – does it affect engagement with, support provided or outcomes achieved?
- Does learning from the SIB influence the wider landscape of provision – in terms of both commissioning (outcomes or social investment based) and delivery (personalised, long term approaches)? Can a similar pan-London approach be provided beyond the SIB?
- What are the long term outcomes for clients supported by the SIB, outside of the PbR metrics?
- Does social investment and the involvement of social investors influence the provider organisations or their delivery of the SIB?

# 1 Introduction

The London Homelessness Social Impact Bond (SIB) is an innovative programme to support entrenched rough sleepers. It was designed to bring new finance and new ways of working to improve the outcomes for a cohort of rough sleepers who needs were not being met by existing services and who were not being targeted by other interventions. The SIB is a three year programme and delivery began in November 2012.

In July 2013, ICF (then operating as ICF GHK) was commissioned by the Department for Communities and Local Government (DCLG) to undertake a qualitative process evaluation of the SIB. The evaluation team is working with sector research experts Crunch Consulting and the Centre for Housing Policy (University of York) and social finance expert Dr Nick Henry (ICF Associate, Coventry University). This is the second interim report from the qualitative evaluation. The first was published by DCLG in September 2014 following research and analysis during October 2013 – January 2014.<sup>11</sup> An additional summary report on learning from the evaluation for the design, development and commissioning of SIBs was published by the Cabinet Office in October 2014.<sup>12</sup> An economic impact evaluation is being undertaken internally at DCLG. A final report in 2016 will draw analysis from the two strands together.

## 1.1 Methodology

Each stage of the process evaluation involves qualitative data collection with a wide range of stakeholders, provider staff and members of the cohort of entrenched rough sleepers in receipt of support.

This report explores the:

- Delivery and performance of the SIB in the second year;
- The views of stakeholders;
- Experiences of the cohort; and,
- Learning from two years' delivery.

It builds on the first report but provides summaries of key aspects that were addressed in full in that report.

### 1.1.1 Data collection and analysis

This interim evaluation has involved a review of the most recent outcome data available at the time of writing (year two (2013/2014), quarter 3 (May-July)<sup>13</sup> and

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<sup>11</sup> The first report is available here: <https://www.gov.uk/government/publications/qualitative-evaluation-of-the-london-homelessness-social-impact-bond-first-interim-report>

<sup>12</sup> The summary report is available here: [http://data.gov.uk/sib\\_knowledge\\_box/publications/learning-london-homelessness-sib](http://data.gov.uk/sib_knowledge_box/publications/learning-london-homelessness-sib)

<sup>13</sup> Quarterly SIB reporting begin in November each year to reflect the contract start date, rather than standard financial year reporting (which begins in April).

qualitative research with a range of stakeholder groups. The qualitative data collection activity is presented in Table 1.1.

**Table 1.1 Data collection for this report**

<b>Group</b>	<b>Stakeholders</b>	<b>Number of interviews</b>
Commissioners and Strategic Stakeholders	DCLG, GLA	2
Providers	Senior management, project management, delivery staff.	14
Social Investors	Three investors (both SIBs represented)	3
Provider and partner landscape	Provider organisations and partners in London: UKVI (formerly UKBA); a day centre; a Borough outreach team; two London Borough rough sleeping commissioners.	5
Members of the cohort	Individuals in the cohort being supported by each provider, at different stages of recovery pathways (target 15 with each):	25 <i>(14 re-contacts from the first stage of the research; 11 new contacts for this stage)</i>
<b>Total</b>		<b>49</b>

## 1.2 Background: SIBs

The first report provided a detailed discussion of the development of social impact bonds and their key features, including critiques. This report provides a short summary of their key features.

### 1.2.1 Social Impact Bonds

The *Open Public Services White Paper* (HM Government, 2011)<sup>14</sup> laid out a comprehensive policy framework to promote a fundamental shift in public services. The White Paper identified Social Impact Bonds (SIBs) as an innovative opportunity to access new forms of external finance for the delivery of services. It also promoted greater use of payment by results (PbR) contracts.

<sup>14</sup> Open Public Services White Paper. 2011. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/255288/OpenPublicServices-WhitePaper.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/255288/OpenPublicServices-WhitePaper.pdf)

SIBs are one product within the growing social investment market. Social investment provides funding to social ventures to expand their services, exploit new opportunities and achieve scale in order to achieve greater social impacts. The first UK SIB was introduced in 2010 and, in late 2014, there are 14 SIBs in the UK with more in development.

### 1.2.2 Payment by Results (PbR)

PbR contracts mark a shift towards paying providers for the *outcomes* they deliver in markets that have traditionally purchased *activities* measured by *outputs*. PbR contracts have begun to be widely used (outside of SIBs) and are a cornerstone of the Government's '*Open Public Services*' agenda.<sup>15</sup> They are an important risk transference tool as commissioners only pay for those results that are evidenced, transferring the risk of paying for 'failure'. In a SIB, they structure the link between achieved outcomes, payment of providers and the financial return for investors. Investors provide funding for operating costs, which is paid back to them with a return from the outcome payments received.

## 1.3 The structure of this report

The remainder of this report provides an overview of the London Homelessness SIB and performance to date; followed by a more detailed discussion of the delivery of the SIB with a chapter focusing upon each of the five outcomes featured in the PbR (reduced rough sleeping; stable accommodation; reconnection; employment; health), including the perspectives of clients in receipt of support. The final chapter provides a concluding discussion of: learning from the delivery of the SIB including messages for effective practice; and, key issues for the final year of delivery.

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<sup>15</sup> NCVO. 2013. 'Payment by Results contracts: a legal analysis of terms and process'. Available at: [http://www.ncvo.org.uk/images/documents/practical\\_support/public\\_services/payment\\_by\\_results\\_contracts\\_a\\_legal\\_analysis\\_of\\_terms\\_and\\_process\\_ncvo\\_and\\_bwb\\_30\\_oct\\_2013.pdf](http://www.ncvo.org.uk/images/documents/practical_support/public_services/payment_by_results_contracts_a_legal_analysis_of_terms_and_process_ncvo_and_bwb_30_oct_2013.pdf)

## 2 The London Homelessness SIB

The first report provided a detailed discussion of the SIB's development and structure. This chapter provides a summary of the SIB and identifies any changes in structure and delivery.

### 2.1 The London Homelessness SIB

The SIB targets a named, fixed cohort of 831 entrenched rough sleepers identified through the CHAIN database<sup>16</sup>, with a personalised, flexible approach delivered by keyworkers that helps them access existing provision and achieve sustained, long-term positive outcomes. This includes reconnection for non-UK nationals to their home country where this is the most appropriate outcome for them (assisted voluntary repatriation, administrative removal or deportation).

Two organisations (St Mungo's Broadway<sup>17</sup> and Thames Reach) are contracted to deliver the SIB intervention to a matched half of the cohort (see 2.2). The cohort is rough sleepers who on 31<sup>st</sup> October 2012 had been:

- Seen sleeping rough and/or stayed in a London rough sleeping hostel in the last three months; and,
- Seen rough sleeping at least six times over the last two years.

Rough sleepers are amongst the most vulnerable people in society. At the time of its creation the latest available CHAIN data for the cohort showed that: 48% had an alcohol support need; 29% a substance misuse support need; and, 44% a mental health support need. 49% were non-UK nationals, of which 53% were from Central and Eastern Europe (26% of total cohort). 63% had last been seen in the Westminster borough.<sup>18</sup>

A wide range of provision exists for rough sleepers and homeless people (151 providers operating in London in 2012<sup>19</sup>). The vast majority of this is commissioned by London local authorities (London Boroughs), with the GLA having strategic responsibility for pan-London commissioning and coordination. The SIB was designed to address a gap between two key initiatives:

- **RS205** – a programme that started in May 2009 and initially focused on a cohort of 205 long-term entrenched rough sleepers with more complex needs, and has since been refreshed twice (i.e. additions to the cohort are now included);

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<sup>16</sup> CHAIN is the 'Combined Homeless and Information Network'. The database is for organisations who work with rough sleepers in London. The system is used to help workers share information about the people that they work with, across organisations. Over 80 projects contribute. It is hosted by Broadway on behalf of the GLA

<sup>17</sup> St Mungo's merged with Broadway in April 2014.

<sup>18</sup> 'Cohort Split' analysis, Social Finance SIB commissioning document, November 2012

<sup>19</sup> London Housing Federation (2012), *Atlas of Services for Homeless People in London*.

[http://www.lhf.org.uk/sites/all/themes/lhf/pdf/atlas\\_2012.pdf](http://www.lhf.org.uk/sites/all/themes/lhf/pdf/atlas_2012.pdf) (latest version available at time of writing).

- **No Second Night Out** – launched as a pilot in London in April 2011, and now a national approach, this programme aims to ensure that new rough sleepers do not spend a second night on the streets by providing a 24 hour assessment and reconnection service.

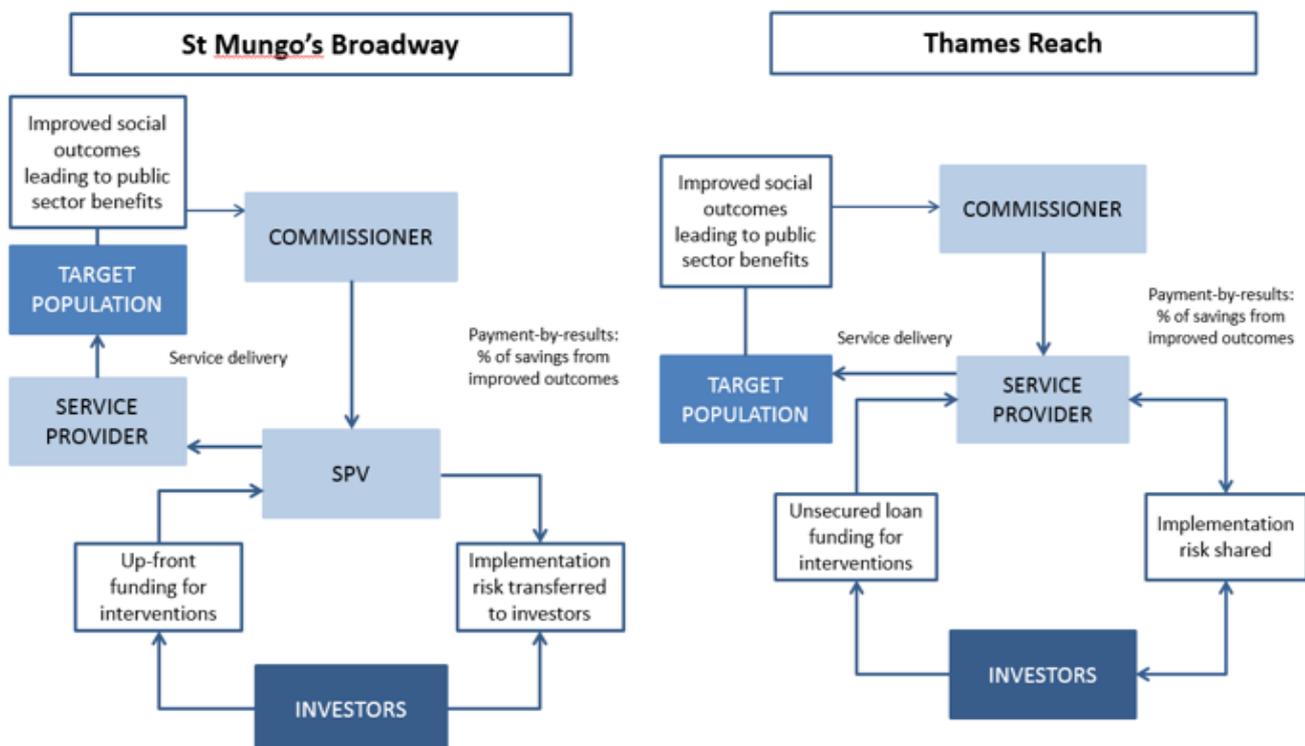
The SIB aims to provide personalised recovery pathways that lead to sustained outcomes by supporting the cohort through available provision. It targets a cohort not covered by key programmes for the most challenging *long-term* entrenched sleepers or for those new to the streets.

## 2.2 The SIB structure

The two organisations each target half of the cohort. An equal split was created according to a range of support needs identified in CHAIN and by the borough where each individual was last seen. Given its centrality as a location for rough sleeping (529 of the cohort of 831), the Borough of Westminster is a shared area.

The two providers have developed different structures to finance their SIB contracts, as shown in Figure 1.2 below. St Mungo’s Broadway has established a Special Purpose Vehicle (SPV), which holds the risk (a common feature of SIBs). Thames Reach has funded their intervention through social investors’ unsecured loans, and in this model the risk is shared (a less common structure). Both providers have also invested their own equity.

**Figure 1.2 The two providers’ social investment structures<sup>20</sup>**



Source: DCLG and ICF

<sup>20</sup> Both providers have invested their own funds and this is at risk before the social investment

The PbR outcomes and evidential requirements are clear and summarised in Table 1.1 below.

**Table 1.1 The PbR structure**

<b>Goal</b>	<b>Metric</b>	<b>Payment Mechanism</b>	<b>Proportion of allocated funding</b>
Reduced rough sleeping.	Reduced number of individuals rough sleeping each quarter.	Payments according to progress beyond a baseline of expected reduction.	25%
Sustained stable accommodation.	Confirmed entry to non-hostel tenancy, and sustained for 12 and 18 months (with allowance for occasional rough sleeping).	Payment on entry to accommodation, and at 12 and 18 month points.	40%
Sustained reconnection.	Confirmed reconnection outside of the UK.	Payment on reconnection and at 6 month point.	25%
Employability and employment.	Sustained full-time employment. Sustained part-time employment. Sustained volunteering. Level 2 qualification achieved.	Payments when employment or volunteering sustained for 13 and 26 weeks. Payment for achievement.	5%
Better managed health.	Reduction in Accident and Emergency episodes.	Payments for reduction in episodes against baseline.	5%

*Source: GLA*

The delivery period for the SIB is 1<sup>st</sup> November 2012 to 31<sup>st</sup> October 2015 (three years). The design includes an additional 12 month payment period so that sustained outcomes can continue to be claimed. It does not apply to rough sleeping or health. It means that:

- If a client has achieved 12 month sustained stable accommodation they are eligible for the 18 month outcome;
- If a client enters accommodation any time up to the last day of the contract they are eligible for the 12 month sustained outcome (but only the 18 month one if they enter before the end of April 2015);
- If a client is reconnected they are eligible for the six month sustained outcome;
- If a client is in employment or volunteering they are eligible for one of the 13 or 26 weeks sustained outcomes.

This is to ensure that the providers are incentivised to support clients into sustainable outcomes up until the end of the contracted delivery period.

## 2.3 Delivery models in the second year of the SIB

The first evaluation report described the 'Navigator' model at the heart of the SIB interventions delivered by each provider<sup>21</sup>. The SIB was commissioned following a detailed design and development stage. A *Feasibility Study* included a wide-ranging consultation and evidence review to identify an effective intervention model. The SIB provides an opportunity to test the model, which was based on features of effective practice rather than a defined intervention that had been proven elsewhere with entrenched rough sleepers.

### • **Key features of a Navigator model**

- The Navigator has a budget to support a personalised approach, act as a single point of contact for the client and the services working with them, and help the cohort through the landscape of existing provision.
- They would be a key worker, supporting the client from an individualised assessment through the network of provision necessary to address their support needs, and sustaining this support over time.
- An outcomes based structure would enable Navigators to take an assertive, holistic and personalised approach rather than the delivery of any one intervention.

In the second year of delivery the two providers' models have diverged. St Mungo's Broadway have retained their original structure with:

- Two managers, initially splitting responsibility for street work and accommodation support but with the two roles merging by the time of the first year so that both oversee a different group of 'Navigators';
- A team of seven Navigators, with full staff retention until August 2014 when one took up a new post within the organisation;
- Navigators retaining their cases and supporting members for the cohort from the street to long-term outcomes; but with,
- An employment and training specialist employed on a short-term contract for six months to lead a focus on these outcomes.

Thames Reach reorganised their team at the end of the first year. This was to reflect their financial plan to provide a greater focus on supporting those in stable accommodation having focused more resources in the first year supporting individuals away from the street. Dedicated Navigator posts work with those still rough sleeping. Some of the navigators have left and been replaced so that for the second year the model has been:

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<sup>21</sup> Throughout this report the term Navigator is used to describe those delivering the SIB intervention. This is the term used by Thames Reach; St Mungo's Broadway use 'Street and Community Outreach Worker', reflecting the basis of their model in their existing principles of outreach working.

- A team of four navigators and three ‘assistant support workers’, overseen by a manager;
- A division in the way the cohort is supported so that two navigators are responsible for working with rough sleepers or those in hostels and two are responsible for supporting those in accommodation;
- Responsibility for the case (most often, although there is flexibility depending on the client) passed from the street navigator to a new key worker for the remainder of the support;
- Assistant support workers (a lower grade than the Navigators) have a lower case load of clients in accommodation than the navigators.

Both of the providers and wider stakeholders highlight a key issue for the final year to be the development of exit strategies for individual clients so that when the contract ends, appropriate support is in place. Although the level of support provided is tailored to the client and aims to build capacity for independent, stable, living, there is a risk for clients who have required up to three years of intensive key worker support once this comes to an end. Another key challenge identified is how to maintain support until the end of the contract for staff on fixed-term contracts. Navigators are employed to work on the SIB and as it nears its end they will begin to look for their next opportunity, within or outside of their host organisations. This may impact upon the providers’ ability to deliver outcomes to the end of the contract. If the providers make a return, then this may be invested in continuing some form of support.

## 2.4 SIB performance

The performance of the SIB against the five outcomes is presented below in Table 1.2. At the time of writing, data to the end of Quarter 3 of Year 2 (to the end of July 2014) was available.<sup>22</sup> The table presents the data for Year 1 and the total for years one and two to date to show comparative and cumulative performance.

SIB performance data includes the targets that each provider set in their proposal for delivering the contract. The targets are important because they are fundamental to the financial model for each providers’ delivery of the PbR. Nonetheless it should be borne in mind that although they represent the financial targets and the ambition of the two providers in designing their interventions, they are not performance targets set by the GLA or DCLG in commissioning the programme.

**Table 1.2 Programme Performance To Date**

	Yr 1 Total	Yr 2 Q1	Yr 2 Q2	Yr 2 Q3	Yr 2 Total to Date	Total Years 1 & 2 to Date

<sup>22</sup> Quarterly SIB reporting begin in November each year to reflect the contract start date, rather than standard financial year reporting (which begins in April). The contract began on 1<sup>st</sup> November 2012.

	Yr 1 Total	Yr 2 Q1	Yr 2 Q2	Yr 2 Q3	Yr 2 Total to Date	Total Years 1 & 2 to Date
<b>Rough sleeping (bedded down street contact)<sup>23</sup></b>						
Target below baseline	121	17	29	41	NA	NA
Baseline <sup>24</sup>	258	132	132	132	NA	NA
Numbers sleeping rough	176	154	136	134	NA	NA
<b>Reduction in rough sleeping below baseline</b>	<b>82</b>	<b>0</b>	<b>0</b>	<b>2<sup>25</sup></b>	<b>NA</b>	<b>NA</b>
<b>Stable Accommodation</b>						
Target for entering stable accommodation	94	39	39	29	107	201
<b>Entering stable accommodation achieved</b>	<b>139</b>	<b>37</b>	<b>37</b>	<b>24</b>	<b>98</b>	<b>252</b>
Target for 12 month sustainment	NA	22	27	33	82	82
<b>12 month sustainment achieved</b>	<b>NA</b>	<b>30</b>	<b>37</b>	<b>52</b>	<b>119</b>	<b>119</b>
Target for 18 month sustainment	NA	NA	0	18	18	18
<b>18 month sustainment achieved</b>	<b>NA</b>	<b>NA</b>	<b>1</b>	<b>32</b>	<b>33</b>	<b>33</b>
<b>Reconnection</b>						
Initial reconnection target	104	13	13	12	38	142
<b>Initial reconnection achieved</b>	<b>45</b>	<b>7</b>	<b>15</b>	<b>10</b>	<b>32</b>	<b>77</b>
6 month sustainment target	48	24	24	11	59	107
<b>6 month sustainment achieved</b>	<b>13</b>	<b>10</b>	<b>18</b>	<b>6</b>	<b>34</b>	<b>47</b>
<b>Employment</b>						
NQF target	10	4	4	4	12	22
<b>NQF achieved</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>5</b>	<b>5</b>
Volunteering/self-employment 13 week target	28	15	16	16	47	75
<b>Volunteering/self-employ 13 weeks achieved</b>	<b>6</b>	<b>4</b>	<b>2</b>	<b>7</b>	<b>13</b>	<b>19</b>
Volunteering/self-employment 26 week target	8	6	7	6	19	27

<sup>23</sup> The Year 1 total for this outcome shows only the data for the final quarter. This is because there is not an annual total for this outcome but a quarterly reduction against the baseline for each quarter.

<sup>24</sup> The baseline is the predicted, modelled, reduction developed during the feasibility and development stage, minus 5%. More detail is provided in the first evaluation report.

<sup>25</sup> Although the presentation of totals appears to show an increase, St Mungo's Broadway have achieved a reduction below the baseline (2) in Year 2 Quarter 3 and this breakdown is provided in section 3 where the rough sleeping metric is discussed.

	Yr 1 Total	Yr 2 Q1	Yr 2 Q2	Yr 2 Q3	Yr 2 Total to Date	Total Years 1 & 2 to Date
<b>Volunteering/self-employ 26 weeks achieved</b>	<b>1</b>	<b>4</b>	<b>4</b>	<b>1</b>	<b>9</b>	<b>10</b>
Part time 13 weeks target	9	4	4	4	12	21
<b>Part time 13 weeks achieved</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>
Part time 26 weeks target	5	4	3	4	11	16
<b>Part time 26 weeks achieved</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Full time 13 weeks target	4	2	2	3	7	11
<b>Full time 13 weeks achieved</b>	<b>8</b>	<b>4</b>	<b>8</b>	<b>1</b>	<b>13</b>	<b>21</b>
Full time 26 weeks target	3	2	2	2	6	9
<b>Full time 26 weeks achieved</b>	<b>4</b>	<b>3</b>	<b>8</b>	<b>1</b>	<b>12</b>	<b>16</b>
<b>Health (annual target)</b>					<b>Year One</b>	<b>Year Two</b>
Target below baseline					705	885
Baseline					TBC	TBC
No A and E episodes					TBC	TBC
<b>Reduction of A &amp; E episodes below baseline</b>					<b>TBC</b>	<b>TBC</b>
	Yr 1 Total	Yr 2 Q1	Yr 2 Q2	Yr 2 Q3	Total Years 1 & 2 to Date	
<b>Payments made as % against target</b>	<b>64</b>	<b>81</b>	<b>98</b>	<b>106</b>	<b>80</b>	

Source: GLA

The table shows:

- **Mixed performance** across the outcomes, continuing the picture from year one but with **payment against target increasing consistently** and reaching 106% in the most recent quarter.
- **Rough sleeping reduced** but short of the ‘below the baseline’ target (for one of the providers).
- High numbers of clients entering **stable accommodation**, slightly below target after over achievement in the first year but above target overall; and now with **sustained stable accommodation achieved** also above target at both 12 and 18 months.
- **Reconnections achieved improving** against target although down overall, with **sustained reconnections below target** (a consequence of lower overall numbers in the first year).
- **Over achievement of full time employment both entries and sustained** but low performance against targets for qualifications and volunteering metrics.

- **No data available about the health outcome** due to ongoing discussions with the Health and Social Care Information Centre to address data protection concerns that have arisen since the SIB began (and subsequent to agreement being reached). Outcome payments have been made to the providers in lieu of data being provided.

Subsequent chapters of the report review performance against each outcome in more detail and explore the perspectives of stakeholders including clients in receipt of support.

### 2.4.1 Providers' views

All of the staff from the two providers who contributed to the research were pleased with the overall performance of their SIB to date.

Senior stakeholders from St Mungo's Broadway described the SIB as '*very successful overall*' and reported how the delivery team were '*enthused*' by the model. Delivery staff were similarly positive about progress to date. They described the benefits of an approach that works across organisational and other boundaries.

*'We've become much more rounded as workers.'* (Navigator)

Thames Reach stakeholders were similarly positive about overall performance. Senior stakeholders were '*proud of what has been achieved*' for a difficult group. Delivery staff were positive about the flexibility they have to support clients in the most appropriate way for them.

*'Collectively, we have made a really big difference'* (Navigator)

Both providers described how they were operating within the parameters they had developed for their financial model and expected to at least break even and more likely to make a small return. In part this was due to slightly lower staff costs than anticipated.

One issue impacting upon overall performance is the number of the cohort who have disappeared since it was drawn. Overall, at quarter 6 (year 2, quarter 2; the most recent analysis available) 162 of the cohort had 'disappeared' – not recorded in CHAIN and not known to any services – (split equally between the two providers cohorts) and 21 had died (13 St Mungo's Broadway, 8 Thames Reach). The 'disappearance' of members of the cohort was taken account of in the rough sleeping metric, although providers expressed surprise at the number in the cohort itself.

Both providers noted that their targets had been set in the absence of comprehensive data about the cohort on which to base their predictions (as discussed in the first report). They viewed performance of the SIB in the round.

*'We forecast on a blank sheet of paper... if you were to do the same exercise again and ask 'would you set them the same again?' the answer would be 'no' because we now have 18 months of data.'* (St Mungo's Broadway)

Both organisations also described how different services that they provided across their organisations work together, out of internal silos, to support the SIB and the achievement of outcomes.

## 2.4.2 Investors' views

All of the investors who contributed to the research were pleased with the performance of the SIB and that returns were being provided in line with their investment plan. None of the investors reported any concerns. One investor in Thames Reach has provided a loan with a fixed rate of return and an additional return based on performance.

*"We're probably currently just above our base case estimations. It was a bit of a slower start rate than we were expecting but when you look at the run rate for the last three quarters, we'll certainly get a slightly higher return than we were expecting."* (Thames Reach investor)

## 2.5 SIB governance

The arrangements for SIB governance are the same as they were at the time of the first report:

- A dedicated monitoring officer at GLA collects and verifies the evidence received for outcomes achieved (quarterly);
- A Project Board (quarterly) brings together stakeholders to review performance and address strategic issues in support of the SIB;
- A Project Group (quarterly, prior to Project Board) brings together the two providers to discuss good practice and challenges. Issues are taken forward from the Group to the Board; and,
- Quarterly monitoring meetings held by GLA with each provider to review their progress.

Stakeholders who contributed to the research saw these governance arrangements as appropriate and working well.

Within the two providers' SIBs, the governance remains the same:

- The SPV is responsible for the St Mungo's Broadway SIB. The Board includes the two institutional investors; and, the street services manager, Director of Operations and Director of Finance (Chair) from St Mungo's Broadway. The SPV now meets quarterly (previously it was every six weeks), reflecting the maturation of the structure.
- For Thames Reach, the SIB contract is overseen by the Board, which has been joined by one of the institutional investors. It is the responsibility of the finance sub-committee. The previous Director of Operations responsible for the SIB has left and overall responsibility now sits with the Director of Finance, who has been involved with the SIB development and management since the outset.

Again, stakeholders including investors who participated in the research saw these arrangements as appropriate and effective. St Mungo's Broadway described how the detailed reporting and forecasting required for the SPV and the critical challenge provided there has led to an increased interest in how wider services delivered are monitored and a focus on outcomes achieved.

*'It has been very useful having investors on the Board. It is a more savvy way of working... [the SPV experience] has really revolutionised my thinking on how we do things'.* (Senior Stakeholder)

## 2.5.1 Learning about SIB investments

Thames Reach described clear benefits for them of having an investor's representative on their Board in terms of bringing a new perspective and becoming an active member of strategic management.

*'It's been a big positive for us. It's worked out really well'.* (Senior Stakeholder)

Thames Reach also described wider benefits to working with the investor in exploring other opportunities such as the Fair Chance Fund (a joint DCLG Cabinet Office initiative to fund SIBs to support homeless young people). An investor who contributed to the research also described this partnership as useful for them; their joint experience with Thames Reach enabled them to assess the Fund opportunity and its viability as an investment together. As with St Mungo's Broadway, the SIB was also seen to have focused their attention on the importance of robust data collection.

Investors in both providers were learning through their involvement in the SIB. All were investing in additional SIBs, informed by their experiences with this one. SIBs remain new but learning from this one had helped develop a more nuanced understanding of risk and how to price this when assessing likely provider performance. One point raised was that whilst this SIB provided specific learning about this potential market – vulnerable and entrenched rough sleeping – there is a lack of baseline understanding in others so that it remains difficult to assess risk in new interventions.

Both providers were seen as highly skilled at working with the target group and with the capacity to manage and deliver complicated risk contracts. The SIB had confirmed that organisations must have capacity in both these aspects. It had also highlighted the need for providers to be able to mobilise rapidly so that delivery could begin immediately. One investor was developing a fund to support 'investment readiness' to support organisations to develop the capacity for SIB development and delivery.

## 2.6 Summary

This chapter has shown that:

- Since the first report, Thames Reach have restructured their team to reduce the number of Navigators and to supplement these roles with Assistant Support Workers, to: provide a greater focus on supporting those in stable accommodation; and, create dedicated Navigator posts working with those still rough sleeping.
- St Mungo's Broadway have maintained their team and delivery model of a single Navigator supporting each client;
- Performance has broadly continued the picture from the first year in terms of over and under achievement of individual outcomes against target; but, payments have increased from 73% of budget in year one to 106% in the most recent quarter. Thus, overall performance is increasing.
- Providers and their investors are pleased with their overall performance. Both providers expect to at least break-even and more likely to make a small return.

- The governance structures for the SIB are seen to be appropriate and working well.
- Providers and their investors are learning from each other and identify benefits for their organisations in learning about SIBs, social investment and performance management.

### 3 Reducing Rough Sleeping

This chapter discusses the performance of the SIB against the ‘Reduced Rough Sleeping’ outcome.

#### 3.1 Outcome data

Table 1.3 presents the outcome data for year one quarter 4 and then each of the quarters that have reported to date in year two.

**Table 1.3 Performance to Date – Reduced Rough Sleeping**

	St Mungo’s Broadway					Thames Reach				
	Year 1(Q4)	Year 2 Q1	Year 2 Q2	Year 2 Q3	Total	Year 1 (Q4)	Year 2 Q1	Year 2 Q2	Year 2 Q3	Total
<b>Target below baseline</b>	58	17	22	29	N/A	63	0	7	12	N/A
<i>Baseline</i>	129	66	66	66	N/A	129	66	66	66	N/A
<b>Number sleeping rough</b>	94	77	66	64	N/A	82	77	70	70	N/A
<i>Reduction in RS achieved below baseline</i>	35	0	0	2	N/A	47	0	0	0	0

Source: GLA

This outcome is a baseline and not a cumulative measure. Although both providers have reduced rough sleeping in the cohort this has not been below the baseline for one of the providers. The baseline is the predicted, modelled, reduction minus 5%.

The data shows similar performance across the two providers in the second year, with St Mungo's Broadway below their targets but with performance improving to be ahead of Thames Reach (although differences are slight).

Both providers expressed disappointment that they had not met their targets for *reductions below the baseline*, but were also clear that they regarded the reductions that they had made as an achievement for the entrenched rough sleepers within the cohort. They also described how their targets for reductions below the baseline had been difficult to set and were a matter of judgement at the time rather than being based in evidence for this group, which was not available.

*‘We’re delighted to have got this far. It’s a very tough target.’* (Thames Reach)

The SIB has also provided valuable learning about how people use the streets and the magnet effects of the street for many of those for whom rough sleeping is entrenched. One issue raised in the first report and that has been ongoing during year two is a view from the providers that the baseline measure does not recognise that some clients supported away from the street and making progress

in accommodation sleep out occasionally. If they do and are seen by an outreach team and recorded as rough sleeping in CHAIN, then this is counted despite their overall progress.

The issue was raised at the Project Group and Project Board and case studies developed as illustrative examples by both providers. Investors also raised concerns about the metric and whether it was appropriate, drawing on the discussions of performance that they had had with the providers as part of their reviews of performance (through governance). As a result, the Board commissioned some additional analysis of CHAIN data. The analysis explored the number of bedded down contacts – the number of times an individual is seen – for the cohort and for comparative cohorts that met the SIB definitional criteria but are from ‘before’ and ‘after’ the cohort was drawn on 31<sup>st</sup> October 2012. The analysis of the number of bedded down contacts (and percentage rough sleeping) for each of the three cohorts is presented in Table 1.4 below.

**Table 1.4 Ratio of Bedded Down Contacts Per Person, By Cohort**

<b>Quarter</b>	<b>SIB Cohort: Ratio of bedded down contacts to people (830 people)</b>	<b>SIB Cohort: % of cohort seen rough sleeping</b>	<b>‘Before’ Cohort: Ratio of bedded down contacts to people (647 people)</b>	<b>‘Before’ Cohort: % of cohort seen rough sleeping</b>	<b>‘After’ Cohort: Ratio of bedded down contacts to people (279 people)</b>	<b>‘After’ Cohort: % of cohort seen rough sleeping</b>
1 (Nov 12–Jan 13)	<b>5.81</b>	40%	<b>6.39</b>	49%	<b>6.24</b>	46%
2 (Feb 13 – April 13)	<b>6.36</b>	28%	<b>6.09</b>	36%	<b>5.06</b>	32%
3 (May 13 – July 13)	<b>5.19</b>	23%	<b>6.82</b>	27%	<b>4.08</b>	29%
4 (Aug 13 – Oct 13)	<b>5.06</b>	21%	<b>6.09</b>	25%	<b>4.37</b>	23%
5 (Nov 13 – Jan 14)	<b>4.82</b>	19%	<b>5.91</b>	27%	<b>4.08</b>	18%
6 (Feb 14 – April 14)	<b>4.94</b>	17%	<b>5.08</b>	24%	<b>4.38</b>	16%
7 (May 14 – July 14)	<b>4.53</b>	16%	<b>6.34</b>	17%	<b>2.94</b>	18%
8 (Aug 14 – Oct 14)	<b>3.07</b>	15%	<b>5.44</b>	15%	<i>Not known* Not known*</i>	

*Source: GLA*

The analysis shows an inconclusive picture. It shows broadly similar proportions of each cohort remain rough sleeping, with the SIB and ‘before’ cohorts lower than the (smaller) ‘after’ cohort at Quarter 7 (the last quarter with data for all three). The SIB cohort has a much lower ratio of people to bedded down contacts than the ‘before’ cohort, but marginally higher than the ‘after’ one. Overall there is little difference between the three groups. If the SIB cohort was rough sleeping less

than expected then the number of bedded down contacts would be lower than both other cohorts (they were being seen out less, rather than the baseline measure of seen out or not). It should be borne in mind that the 'after' cohort is a third of the size of the SIB cohort and this may have some effect.

Therefore, this remains a contended issue and the providers retain their view that this baseline measure does not recognise the progress made by the cohort overall. They point to the success of the accommodation outcome, which includes an allowance for occasional rough sleeping (see chapter 4) as a better indicator of progress made describing the two indicators as '*two sides of the same coin*' (St Mungo's Broadway).

## 3.2 Delivery

### 3.2.1 Features of effective practice

Providers have continued with the persistent, flexible approach to engaging the cohort. This is key to building the trusting relationship that is the basis for supporting someone away from the streets and through a long-term recovery pathway.

*'I try any means. I go out on early shift, late shift, whatever it takes... that's the difference with SIB. It needs a lot of flexibility. You can't work 9 to 5.'* (Navigator, Thames Reach)

There is joint working with borough outreach teams to identify and support those who rough sleep. They and stakeholders from London Boroughs described joint shifts, particularly to target specific individuals, and regular meetings to share information. Both providers and these stakeholders described how the clients key worker may remain a member of the borough outreach team if everyone agrees that that is the most important contact for them, for instance to maintain a long-term relationship that has developed. But in these cases the SIB worker is kept informed and provides additional support as both work together to progress the individual away from the street. The consistency of the contact both in person and nature was identified as key to an effective relationship that identified the issues facing an individual and thus the appropriate ways for them to move forward and away from the street into a hostel and accommodation.

#### **It can take time to be ready to move on from a hostel to accommodation**

Paul<sup>26</sup> is in his early 40s and was part of the first cohort of participants in the evaluation research. At that time (early 2014) he was living in a hostel and receiving medication for his heroin addiction. Eight months later, he was still in hostel accommodation having spent time in and out of hospital. He is being supported by his Navigator with problems relating to his benefits claim, having been assessed as 'fit for work'. He has attended various short courses and is preparing to make the move to a suitable tenancy. To do this he needs to feel confident that he can manage his

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<sup>26</sup> All names used in this report are pseudonyms.

health, addiction and money. Despite the challenges he faced, Paul was determined to overcome them and was confident that with the support of his Navigator he would.

*'I've missed a few opportunities in life but I am not going miss these ones'*

The pan-London approach was identified as an important feature of the SIB, being able to follow clients *'who naturally wander about'*. Navigators maintain a high level of awareness of local providers and partners with whom they can work in and across the London Boroughs. SIB workers highlighted the importance of a shared understanding with outreach teams but also stakeholders and gatekeepers to hostels and other services, such as substance misuse, to develop joint solutions.

*'You need to identify others who will do whatever it takes to help.'* (Navigator, St Mungo's Broadway)

One outcome of the SIB identified by stakeholders was a newly updated 'Outreach Protocol' developed by the Mayor of London's Rough Sleeping Group, in collaboration with London boroughs, voluntary sector organisations, the police and the Home Office. Its purpose is to ensure that different services working in varied settings operate to consistent and excellent standards.

Stakeholders from London Boroughs and other providers similarly highlighted the importance of effective relationships including regular meetings, information sharing and a joint commitment to a successful outcome in the best interests of the client. A manager of a borough outreach team explained that the SIB Navigator had developed and maintained good links across the Borough and that there had been regular meetings since the outset. They described how the key worker for each client is agreed on a case by case basis and that sometimes it is passed from the outreach team to the SIB if it is thought that, despite the long-term relationship developed, the client might benefit from a fresh approach.

*'They have worked with [borough] clients to get them off the streets and to get them indoors and that is great.'*

Having good relationships with hostel providers, commissioners (who act as gatekeepers) and a range of accommodation options available are important for moving people away from the street. Good relationships mean that the SIB Navigators and providers are 'trusted' to support the clients they refer. St Mungo's Broadway gave examples of placing difficult clients in hostel accommodation owned and managed by the charity, when others would not take them.

### **3.2.2 Challenges**

Both providers described the members of the cohort who remain rough sleeping as a particularly challenging group with complex needs and/ or highly entrenched rough sleeping lifestyles. One Navigator at St Mungo's Broadway explained that of the 38 clients allocated to him who were rough sleeping at the start of the SIB only three remained and they have *'chronic mental health problems'*. Navigators and managers from St Mungo's Broadway described how they are working with the high number of clients with mental health problems who remain on the street to build trust to enable them to evidence their needs. This aims to support effective engagement with mental health teams to engage this specialist support and to work towards sectioning the individual where appropriate. Many have accessed

support in the past but it has broken down and they may be resistant to support. An example was provided of a client who had lived on the streets for 13 years. It took 18 months for the SIB team to succeed in having a social worker assigned to him. They liaised with a mental health team for a doctor to meet him on the streets and to assess him. They were able to evidence his problems and he was sectioned with suspected schizophrenia. *'These clients take a long time to support.'*

Thames Reach also described the complexity of need amongst the clients they are supporting. Drug use was a common theme and an example was provided of a client with negative relationships with services due to his history of behaviour with them and his negative, oppositional attitude. The SIB Navigator described the persistent approach required to maintain contact as the client moved from place to place, *'I told him I wasn't going to give up on him'* and how despite successfully receiving funding for him to be placed in rehabilitation he had stolen money from other patients and run away back to the streets. It had subsequently taken a long time to locate him again, support him into hospital to have his ulcerated leg treated and then into rehabilitation again, which he then left and disappeared with the Navigator searching for him again.

Whilst productive partnerships are features of the effective practice highlighted above, conversely a lack of joint working inhibits progress. Although overall relationships are reported to be good, there were instances highlighted by Navigators where borough outreach teams had seen clients as 'SIB clients' and had left them to take responsibility. These were minority instances and had occurred earlier in the second year as relationships were still maturing.

These examples illustrate a key challenge for the final year of SIB delivery. It was highlighted that some of the cohort *'will need more than three years to be supported out of rough sleeping'* (St Mungo's Broadway). For this entrenched cohort *'their community is the street'* and extracting them from that is difficult and needs to be carefully managed. It is these community ties that draw people back to the street even if this is 'recreational' – occasional nights out and not representing a move back to rough sleeping. Navigators keep in close contact with their clients, according to their needs, and seek to engage them in positive activities and networks to prevent this (see chapter 4).

### **Rough sleeping has a social side that people can miss**

Oliver is a Scottish male in his 50s who was participating in the evaluation research for the first time. He had been sleeping rough for around seven years before being engaged by his St Mungo's Broadway Navigator and supported into a hostel and then a one bedroom flat. He described the help we were receiving with managing bills and reducing his alcohol use. He was also looking for work, exploring volunteering opportunities as a first step.

Although he has been in his flat for several months he explained that he continues to sleep rough occasionally as he *'misses the social side of sleeping out'* and feel isolated in his flat. He said that he is *'very, very happy with the flat'* but that he doesn't see many people there and without the support of his Navigator who regularly visits he would not have maintained the tenancy.

Both providers explained that they will continue to support clients that they do not expect to achieve a paid outcome for. But they acknowledged that there was a balance to be reached in providing appropriate support whilst focusing resources in the final year on the paid outcomes that could be achieved. Both described the ethos and history of the organisation, and commitment and values of delivery staff, as central. Whilst the providers do not expect to receive a payment for these clients, and take account of this in reviewing the SIB financial position, they will continue to support them and to work towards achieving outcomes for them.

### 3.3 Summary

This chapter has discussed performance of the SIB against the 'Reduced Rough Sleeping' outcome and has shown that:

- Although rough sleeping is being reduced it is not being reduced below the modelled baseline used in the SIB design. Although they are disappointed, providers consider the progress made to have been good. They have also questioned whether the measure provides a true reflection when those in accommodation may sleep out 'recreationally'. Although the year one analysis of bedded down contacts comparing 'before' and 'after' cohorts with the one defined for the SIB suggest that they are not being seen rough sleeping significantly less, it is a mixed and inconclusive picture. Notwithstanding, providers consider the accommodation outcome to be a truer indicator of progress, with both outcomes 'two sides of the same coin'.
- The persistent, flexible, relational approach to working with the cohort described in the first report is continuing. Navigators work closely with others to share information and establish clear roles and responsibilities. This enables them to build trust with the client and to support them to access a tailored package of, or individually appropriate, interventions.
- Those who remain on the street are described as a challenging group with complex needs and/or highly entrenched rough sleeping lifestyles. Mental health and substance misuse are key issues that are highlighted as the focus of support for the final year.
- Supporting those who remain on the street is a long-term endeavour and both providers will continue to do so even where they do not expect to achieve a paid outcome, reflecting the ethos of the two organisations.

## 4 Stable Accommodation

This chapter discusses the performance of the SIB against the 'Stable Accommodation' outcome.

### 4.1 Outcome data

Table 4.1 presents the outcome data for year one and then each of the quarters that have reported to date in year two.

**Table 4.1 Performance to Date – Stable Accommodation**

	St Mungos					Thames Reach				Combined Total	
	Year 1	Year 2 Q1	Year 2 Q2	Year 2 Q3	Total	Year 1	Year 2 Q1	Year 2 Q2	Year 2 Q3	Total	Total
<b>Target for entering stable accommodation</b>	64	19	19	13	115	30	20	20	16	86	201
<i>Entering stable accommodation achieved</i>	78	22	27	16	143	61	15	10	8	94	237
<b>Target for 12 month sustainment</b>	N/A	9	14	16	39	N/A	13	13	17	43	82
<i>12 month stable accommodation sustainment achieved</i>	N/A	24	18	22	64	N/A	6	19	30	55	119
<b>Target for 18 month sustainment</b>	N/A	N/A	0	8	8	N/A	N/A	N/A	10	10	18
<i>18 month stable accommodation sustainment achieved</i>	N/A	N/A	1	25	26	N/A	N/A	N/A	7	7	33

*Source: GLA*

This outcome is an individual measure of entry into accommodation with a tenancy (as opposed to a hostel) agreement and then the sustainment of that tenancy at 12 and 18 months. Living with friends and family (own bedroom) or in a care home (where this is for life not treatment) are also eligible outcomes. There is an allowance for the individual being recorded on CHAIN as rough sleeping two times in the first 12 months and once in the final six. This was included in the design of the SIB in recognition of the occasional ('recreational') rough sleeping expected amongst the cohort (and discussed above in relation to rough sleeping).

The table shows that both providers have exceeded their targets, continuing the performance of the first year. At that time, the outcomes related to entry to accommodation only. At the time of this report, there are outcomes relating to sustainment and these too have (almost all) been exceeded.

- St Mungo's Broadway have achieved:
  - 124% of their target for entry to accommodation
  - 164% of their target for 12 month sustainment
  - 325% of their target for 18 month sustainment
  
- Thames Reach have achieved:
  - 127% of their target for entry to accommodation
  - 127% of their target for 12 month sustainment
  - 70% of their target for 18 month sustainment

The targets were set by the providers in the development of their bids for the SIB contracts. They are important because they reflect the financial model of each provider. Different targets were set by each for different outcomes. St Mungo's Broadway have achieved 30% more entries into accommodation than Thames Reach; 16% more 12 month sustainment outcomes; and, more than three times as many 18 month sustainments. Nonetheless, both have overachieved which brings a higher return than expected.

Both providers were pleased with their achievement of this outcome, which accounts for 40% of the available payments. With the rough sleeping (and other) outcomes behind target, the strong performance against this one was key to the financial viability of each SIB.

*'The accommodation outcome is keeping us alive'* (St Mungo's Broadway)

Investors were happy with the performance against this outcome and saw it as a demonstration of the expertise of the provider in working with the target group. All stakeholders see the strong performance against this outcome as a confirmation of the SIB Navigator model where individualised support is provided by key workers who are incentivised to *'go the extra mile'*.

*'[Navigators] have been more open, trying different things to sustain it. They've tried different sources including the private rented sector, just whatever it takes. I think PbR takes you further down that route, which is a good thing.'* (Thames Reach)

Providers and investors also saw this outcome as a better demonstration of the progress made by the cohort in moving away from rough sleeping than that measure, with the outcomes *'two sides of the same coin'* (as discussed above). Achieving entry to and sustained accommodation is a key focus for the providers. The pathway from rough sleeping to sustained accommodation or reconnection is the central pathway, reflecting the attribution of outcome payments (25% rough sleeping; 40% accommodation; 25% reconnection) and the incentive they provide.

## 4.2 Delivery

### 4.2.1 Features of effective practice

#### 4.2.1.1 Personalised approach

Providers have continued with the personalised, flexible approach to supporting individual clients into appropriate accommodation and to then sustaining it. The high success rate in sustainment, which was not evident in the first report as not enough time had lapsed for them to be achieved, indicates the success of this relational approach.

The long-term nature of the support was identified by both providers as a central feature to the success of the model. It enables support to be tailored and to be tapered as appropriate, so that those who require a higher level of support can receive it. For St Mungo's Broadway the SIB demonstrates the success of a 'street to home' model provided by a single Navigator. For Thames Reach, the model is to hand the case from the street outreach Navigator to an accommodation support Navigator. This was described as being carefully undertaken and tailored to the client with information shared and joint meetings where appropriate. For clients with less severe needs the transition can be more straightforward and the new Navigator will meet with them independently; '*we try and adjust to the person*'. Clients who participated in the research were happy with any handover from one Navigator to another.

#### **Accommodation is sustained through a range of formal and informal support**

Yvonne is in her 60s and participated in the first round of evaluation research. Then she had recently moved into her own flat from a hostel with the support of her Navigator from Thames Reach. She had spent several periods of time on the streets and in hostels, moving between the two. She has bi-polar disorder and a history of alcohol misuse. She has been supported to access a range of services and is regularly visited by her Navigator. She had a new Navigator since the last research and she was happy with the transition and the ongoing support she receives.

*'I can call on [Navigator] whenever I need to, but he visits me every couple of weeks and calls me regularly to see how I am doing.'*

She has started to do a small amount of volunteering, is learning Spanish (as she lived there for a time) and is taking part in a community opera project. She is also studying some courses at a nearby college. '*It's important to keep busy*'.

Across the providers the predominant theme was the importance of an approach whereby Navigators will do '*whatever it takes*' to support their client in their accommodation. This includes day-to-day activities that maintain contact and that are tailored to the level of need of the client. The relationship with the client was seen to be key in recognising when small problems occur which may escalate and create stresses which lead to the breakdown of a tenancy and a return to the streets. It includes visiting the client in their accommodation regularly and 'dropping in'. In part this is about building a sense of ownership of the

accommodation within the client so that they feel that it is their home: *'fundamentally, everyone wants stable accommodation.'*

*'We make sure they have two, if not four, of everything to promote independent living and to make sure we get a cup of tea when we go round. When I visit I make sure I take a pint of milk and some biscuits as that's really important. I wouldn't go to a friend's house without taking a gift. We want to make sure they feel it's their house... this means so much to the client'* (Navigator, St Mungo's Broadway)

One aspect of this was supporting the client to access positive activities, pursuing interests and developing hobbies. This includes paying for bus passes, encouraging sports (swimming lessons was an example) and other interests (buying gardening tools) that nurture their interests and encourage them to stay in their tenancy. Thames Reach have a peer mentor scheme whereby trained volunteers are matched with clients and can meet them informally and offer friendship and support that builds confidence away from the Navigator. This tailored approach ensures:

*'They feel supported, heard and understand they are being linked in to things. They feel empowered.'* (Navigator, Thames Reach)

Navigators gave examples of how they are in a unique position to coordinate services, having a holistic overview of the client and the wide network of contacts necessary to deliver their model of support. This was recognised by partners and stakeholders. A London Borough rough sleeping services commissioner described a client who was at risk of losing her tenancy due to her behaviour. The Thames Reach Navigator had brought partners together to develop and agree a behaviour contract with her. This was a multiagency approach with the workers supporting each other and the Navigator providing additional resource.

*'It has taken a lot of time, brought a lot of partners together and it has been difficult but the SIB worker has done really well at making that happen'.*

#### **4.2.1.2 Appropriate accommodation**

Key to supporting a sustained accommodation outcome is placing the client in accommodation that is appropriate to them. One of the advantages of the SIB over traditional delivery models and support pathways consistently identified by providers is the flexibility to *'miss out the hostel step'* (and similar to Housing First<sup>27</sup>, outlined in the first report). Navigators are able to negotiate access to accommodation by guaranteeing additional support for clients placed there and how, over time, their proven ability to provide this has built trust. Many clients have had negative experiences in hostels previously or require a level of support that hostel teams cannot adequately provide. The SIB has been able to place clients in a wide range of accommodation according to their needs and preference. Analysis of the stable accommodation accessed by SIB clients to the end of quarter 6 (provided to the Project Board) shows that the three most frequently accessed were:

- Private Rented Sector (PRS) (74);

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<sup>27</sup> <http://www.homeless.org.uk/connect/news/2014/jun/11/evaluation-of-housing-first-in-england>

- Clearing House/Rough Sleeping Initiative<sup>28</sup> (49); and,
- Friends and Family (23).

Providers were clear that despite the incentive to place a client in accommodation in order to receive a payment, they would not place them in accommodation that was not appropriate for them. Despite the potential for this 'perverse incentive' for a short term payment, the structure of the PbR means that an inappropriate tenancy is unlikely to be sustained and thus the much higher sustainment payments not received. There is also, perhaps more importantly, the ethos of the organisations and the delivery staff who are clear that they always work in the best interests of the client. This was also a view held between wider stakeholders.

*'There's been loads of examples where they could've moved someone into a flat or something and they haven't because it hasn't been right for the client'.* (London Borough Stakeholder)

Thames Reach Navigators provided an example of an eight-bedroom house that they had rented from a private landlord, at a fixed price and with a guarantee of support for the tenants placed there. Thames Reach then developed the house as a shared house. They used the house to place clients who were not at the highest levels of need. Rules were enforced through whole-house meetings. This was reported to create an alternative to other accommodation available and a new offer to clients. Navigators would drop in unannounced on a regular basis and a positive, communal, peer-support environment was created. Almost all of the 18 clients who lived there have gone on to sustained tenancies in other (independent) accommodation. Another example given was an arrangement with a large housing and tenancy support provider, with 10 of their properties accessed by Thames Reach. The provider receives a payment when the client enters the property and at 18 months, reflecting the PbR structure of the SIB and explicitly incentivising the provider to provide adequate tenancy support and demonstrating provider innovation.

#### 4.2.2 Challenges

In addition to the challenges inherent in providing support that is effective to this client group (as indicated by the examples above), the key challenge identified by Navigators from both providers was securing adequate support from Tenancy Support Teams associated with different accommodation.

St Mungo's Broadway Navigators gave an example of clearing a client's flat of more than 80 litres of 'sharps' (needles used by intravenous drug users). The client was a chaotic drug user in a two year clearing house supported tenancy but was not receiving the level of additional support that the Navigators deemed necessary. The housing provider was going to evict the client due to the state of his accommodation. The Navigators undertook a 'deep clean', which the provider would not do without an eviction; and, advocated for the client to maintain the tenancy and receive additional support, both of which were achieved. Navigators

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<sup>28</sup> The Clearing House coordinates access to over 3,500 one bed and studio-flats for single homeless people, which include Tenancy Support Team provision, across London. The Rough Sleepers Initiative (RSI) is a multi-agency approach to ensuring supported accommodation is available for those rough sleeping.

from both providers reported that some Tenancy Support Teams saw SIB clients as Navigators' responsibility rather than the Navigators providing additional support. This was described as an ongoing challenge requiring ongoing negotiation (although in most instances it was addressed earlier in the year).

Another challenge related to the benefits system and associated entitlements. Examples were provided by Navigators and clients themselves of sanctions being applied to their receipt of benefits due to a missed appointment at Jobcentre Plus. Reasons for missed appointments given were due to the client being in hospital or treatment, or as a result of their chaotic lifestyle. With clients moving across boroughs some were required to travel large distances to attend appointments. Examples were given of housing benefit being stopped and clients accruing rent arrears without being aware of the sanction (as payments are made directly to the landlord). In these instances Navigators spent time: discovering what had caused the sanction advocating on behalf of the client; providing funding to address debts and provide for living costs; supporting clients to move from Job Seekers Allowance (JSA) to Employment and Support Allowance (ESA), which is the benefit for those who are ill and disabled, where this was more appropriate and there was a basis for the assessment to be challenged.

### **Issues with benefits can place tenancies at risk**

Ian is in his 30s and this was the first time he had participated in the evaluation research. He had been sleeping rough for most of his adult life and had been supported into a one bedroom flat by his Thames Reach Navigator after 16 months in a hostel. He had mental health problems linked to abuse suffered when younger. His Navigator had helped him furnish his flat and had accompanied him to register and then attend his GP. The Tenancy Support Worker for his accommodation had made a mistake with his benefits claim *'and I got a letter threatening eviction as I hadn't been paying one of my bills'*. His Navigator solved the issue and was successful in an application for backdated housing benefit.

*'Without [Navigator] helping me with bills and everything I wouldn't be in the flat and I'd be back on the streets.'*

## **4.3 Summary**

This chapter has discussed performance of the SIB against the Stable Accommodation' outcome and has shown:

- Both providers have exceeded their targets, continuing the performance of the first year. At that time, outcomes related to entry to accommodation only. At the time of this report, there are outcomes relating to sustainment and these too have (almost all) been exceeded. The exception is slight under achievement of Thames Reach's target for 18 month sustainment.
- Both providers and their investors were pleased with their performance, which is off-setting losses in other outcome areas. This outcome accounts for 40% of the overall payment allocation.
- Achieving stable accommodation is at the heart of the SIB intervention model, unless a client should be reconnected. The personalised, flexible model is key

to a relational approach that provides long-term support and builds capacity for independent living. Navigators 'do whatever it takes' to support their client in their accommodation.

- Placing clients in appropriate accommodation is a key feature of effective practice and being able to provide alternatives to the traditional housing routes is an identified advantage of the SIB. This reflects innovation by the SIB.
- The SIB is designed to be an additional resource to those already in place and one challenge identified was the ability of Tenancy Support Teams to provide adequate support to SIB clients.
- The benefits system creates another key challenge with clients often requiring support following the application of sanctions which lead to rent arrears. There are also instances where clients are regarded by Navigators as incorrectly assessed for benefit entitlement.

## 5 Reconnection

This chapter discusses the performance of the SIB against the 'Reconnection' outcome.

### 5.1 Outcome data

Table 5.1 presents the outcome data for year one and then each of the quarters that have reported to date in year two.

**Table 5.1 Performance to Date – Reconnection**

	St Mungo's Broadway					Thames Reach				Combined Total	
	Year 1	Year 2 Q1	Year 2 Q2	Year 2 Q3	Total	Year 1	Year 2 Q1	Year 2 Q2	Year 2 Q3	Total	Total
<b>Initial reconnection target</b>	40	6	6	5	57	64	7	7	7	85	142
<i>Initial reconnection achieved</i>	15	5	9	5	34	30	2	6	5	43	77
<b>6 month sustainment target</b>	18	9	9	5	41	30	15	15	6	66	107
<i>6 month sustainment target achieved</i>	2	10	6	3	21	11	0	12	3	26	47

*Source: GLA*

This outcome is an individual measure of reconnection to the home country for non-UK nationals without a right to reside in the UK; or for those with a right to remain but who volunteer to be reconnected. Non-UK nationals can remain in the UK if they work or if they can claim asylum. The reconnection outcome payments are the second highest available at 25%, after 'stable accommodation' and equal to 'reduced rough sleeping'.

The table shows that whilst Thames Reach achieved more reconnections in the first year, in the second year to date both providers have achieved a similar level. The pattern is repeated for sustained reconnections. Overall, both providers were disappointed with their early progress against this outcome but were confident of greater progress being achieved in the final year. Thames Reach had set these targets particularly high, when compared to St Mungo's Broadway, in part due to their existing experience of providing the London Reconnection Project under contract to the GLA. They identified a key challenge in meeting these targets had been the complexity of the cases within the cohort:

*'They tend to be more underground, often there is high drug usage, they are wanted by the police, there is embarrassment about going home.'*

Both providers expect performance against this outcome to improve due to recent changes in the benefits regime. Recent welfare reforms mean that individuals from the European Economic Area (EEA) can only claim housing benefit in specific circumstances. It builds on an earlier change to entitlement to JSA, which can now only be claimed after three months residence in the UK actively searching for work or working. It is then only available for six months. These changes are expected to increase the outcomes under this measure, as they provide a compelling reason for non-UK nationals who cannot claim asylum to return to their home country. This change was only recently enacted at the time of the evaluation research and was expected to impact upon future outcomes but had had some impact on the most recent quarter (2).

Payment is made on evidence of reconnection – travel documentation, stable accommodation in the home country – with sustained reconnection being evidenced by their being no recorded bedded down street contact (rough sleeping) on CHAIN in the next six months. Due to problems faced by the providers in obtaining sufficient reconnection evidence – proof of accommodation in particular – the evidencing requirements were changed during year one to enable providers to claim both outcomes, and receive payments, when sustained reconnection was evidenced (as outlined in the first evaluation report).

## 5.2 Delivery

### 5.2.1 Features of effective practice

Both providers described progress towards this outcome being a slow start as the needs of the cohort were explored and partnerships and pathways established. Having Navigators (or support staff) who were able to speak in native languages was identified as an important element of provision that helps to engage this group and build trust for the relationship necessary to make progress – towards reconnection or any other appropriate outcome for the client.

*'It helps to get them on board with the idea of reconnection'* (Navigator, Thames Reach)

Partnerships are important for this work, in particular partnership working with the UK Visas and Immigration (UKVI) and Border Force (formerly the UK Border Agency (UKBA)). This had taken time to establish, including for Thames Reach despite their existing contacts. In part this was due to the need to establish new relationships with individuals in UKBA teams covering different geographical areas. A stakeholder from UKBA who contributed to the research explained that they are led by the SIB worker's assessment and that once the client is referred to them as ready to engage and act in the clients' best interests, guided by this assessment. They will also let the SIB Navigator lead the contact with the client to ensure that they're ready to engage with UKBA at the appropriate time. This was their way of working with all referring agencies but considered the approach of the SIB to an entrenched group who had resisted previous support to be effective.

Both providers described the importance of keeping in contact with clients who had been reconnected, to ensure that their needs were being met. St Mungo's

Broadway highlighted '*fantastic cross-country working*' that had been developed in support of this outcome. A Polish Navigator had been to Poland to make links with services there, to establish what was available to support rough sleepers and those with substance misuse and mental health problems. They had made a DVD that included interviews with people who had returned there. This was used to promote a return amongst appropriate members of the cohort, to reassure them of the support available and to demonstrate the change that there has been in recent years, since they left for the UK. This was identified as being very effective in promoting a return and also in facilitating a successful reconnection: '*We are focusing on the quality of the connection*'.

Thames Reach provided examples of contacting doctors in clients' home countries once they'd been reconnected to ensure they received the medication they required. Another example was to pay a fee a client required for an agency to track down her daughter. With reconnection, as with all other outcomes, a personalised approach is key to effective support: '*whatever will help to sustain the reconnection*.' St Mungo's Broadway gave an example of a man from India who had been rough sleeping for 8 years; the SIB team paid for him to have a cow for his return to his village so that he did not return empty-handed.

### 5.2.2 Challenges

The complexity of clients' cases was a key challenge identified. Clients were described as having '*very complex immigration issues*' which take time and specialist support to address. St Mungo's Broadway described working with their own Street Legal team to access specialist assistance. This has enabled a man who had been rough sleeping for 12 years to be reconnected to Iran. They also gave examples of individuals with no recourse to public funds who had been accommodated within St Mungo's Broadway's own housing provision so that they do not contribute to the rough sleeping count.

#### **Some of those in stable accommodation may have to be reconnected**

Abel is a Hungarian man in his 50s who participated in the first wave of evaluation research. He had come to the UK to work but had lost his job and ended up rough sleeping. At the time of the first research he had recently moved into a flat, after three months on the street, where he was still living when he took part in the research for this report. He has been looking for work and has been offered several jobs but all on low pay. When applying for higher paid jobs he has been told that his English isn't strong enough. Jobcentre Plus had placed him on an English course to address this which he had completed but was hoping to attend a further course. He knew that his tenancy was coming to end in 2015 and that without a job he would not be able to continue with it as he would not receive housing benefit. He was determined to find work that would provide a sufficient income.

*'I don't want to have to return to Hungary, because of the political situation there.'*

Having staff who can speak home languages was identified as an element to building relationships, although even with this in place Navigators reported a sense of mistrust amongst members of the cohort that they were being targeted for reconnection so that the provider can receive their payment. This is a challenge both in terms of a barrier to overcome but also for the Navigators themselves in terms of their integrity as workers committed to doing the best for their clients.

*'Now I've got a lot of reconnections and our clients gossip. They ask me 'but you are going to get paid for that, you want me to go back, if you get rid of me you are going to get a payment'.... To me that feels like a problem... It's putting the relationship on edge. They trust me and I don't want to lose that.'* (Navigator, St Mungo's Broadway)

Although the changes to benefit entitlement were reportedly helping with the message that reconnection was in their best interests, these changes were in themselves a cause of anxiety. Some clients currently housed were likely to lose their JSA and thus housing benefit. Others cannot be accommodated whilst they're being supported and their needs assessed as landlords are reluctant to take them, even when they're in receipt of ESA due to concerns over future rent payments. Therefore, for some who are currently being supported to sustain accommodation, changes to benefits create a risk of them returning to the street.

*'A lot of the last six months of the project will be taken up with trying to sort out benefit claims'* (St Mungo's Broadway)

## 5.3 Summary

This chapter has discussed performance of the SIB against the 'Reconnection' outcome and has shown:

- Both providers are behind their targets. Although Thames Reach achieved more reconnections in the first year, in the second year to date both providers have achieved a similar level.
- Both providers are disappointed with their early progress but are confident of improvements continuing. One aspect that is expected to contribute to this is the recent change to JSA and housing benefit entitlement for non-UK nationals. But changes to benefit entitlement also put some clients at risk of returning to the streets.
- Key to successful reconnection is building trusting relationships with the cohort and effective partnerships with other agencies in the UK and abroad. This supports both initial and sustained reconnection. Flexibility and a tailored approach is again central to success.
- The complexity of clients' cases is a key challenge, in terms of both support needs and legal situations.
- Another key challenge is persuading clients that reconnection is their best option with some mistrust and anxiety reported amongst non-UK members of the cohort who hope to find work rather than return to their home country.

# 6 Employment

This chapter discusses the performance of the SIB against the 'Employment' outcome.

## 6.1 Outcome data

Table 6.1 presents the outcome data for year one and then each of the quarters that have reported to date in year two.

Table 6.1

	St Mungo's Broadway					Thames Reach				Combined Total	
	Year 1	Year 2 Q1	Year 2 Q2	Year 2 Q3	Total	Year 1	Year 2 Q1	Year 2 Q2	Year 2 Q3	Total	Total
<b>NQF target</b>	2	2	2	2	8	8	2	2	2	14	22
<i>NQF achieved</i>	0	1	0	2	3	0	0	1	1	2	5
<b>Volunteering / self-employed 13 weeks target</b>	13	10	11	11	45	15	5	5	5	30	75
<i>Volunteering/ self-employed 13 weeks achieved</i>	5	4	1	5	15	1	0	1	2	4	19
<b>Volunteering / self-employed 26 weeks target</b>	0	2	3	3	8	8	4	4	3	19	27
<i>Volunteering/ self-employed 26 weeks achieved</i>	1	4	3	0	8	0	0	1	1	2	10
<b>Part time work 13 weeks target</b>	3	2	2	2	9	6	2	2	2	12	21
<i>Part time 13 weeks achieved</i>	0	0	0	1	1	0	0	0	0	0	1
<b>Part time work 26 weeks target</b>	1	2	1	2	6	4	2	2	2	10	16
<i>Part time work 26 weeks achieved</i>	0	0	0	0	0	0	0	0	0	0	0

	St Mungo's Broadway					Thames Reach				Combined Total	
	Year 1	Year 2 Q1	Year 2 Q2	Year 2 Q3	Total	Year 1	Year 2 Q1	Year 2 Q2	Year 2 Q3	Total	Total
<i>weeks achieved</i>											
<b>Full time work 13 weeks target</b>	3	1	1	1	6	1	1	1	2	5	11
<i>Full time work 13 weeks achieved</i>	5	4	5	1	15	3	0	3	0	6	21
<b>Full time work 26 weeks target</b>	2	1	1	1	5	1	1	1	1	4	9
<i>Full time work 26 weeks achieved</i>	4	3	3	1	11	0	0	5	0	5	16

Source: GLA

This is an individual measure, with a range of outcomes within the overall 'employment' heading to reflect both full and part-time work as well as training and volunteering. There is a mixed picture, with the pattern from the first year continuing:

- Fewer clients achieving a target level qualification, with both providers around the same outcomes;
- Fewer clients achieving volunteering/self-employed outcomes than target levels at both 13 and 26 weeks, but stronger performance by St Mungo's Broadway;
- Only one person achieving the part-time work outcome at 13 weeks; and,
- Higher numbers achieving full-time work outcomes at 13 and 26 weeks than target levels, with stronger performance by St Mungo's Broadway.

Overall, both providers are happy with their performance across these outcomes. The targets are low across each provider, reflecting the recognition in the design of the SIB that these are difficult outcomes to achieve for the cohort. As discussed in the first report, it has proven easier to secure employment outcomes for some clients from Central and Eastern Europe. These were clients who came to the UK to work, lost their jobs and became homeless and whilst long-term rough sleepers they did not have the same barriers to work as their UK counterparts who tend to have become homeless due to substance misuse and mental health problems (albeit often related to losing employment). These European clients were found to (often) be closer to the labour market in terms of recent experience and skills and with less complex barriers (tri-morbidity of co-occurring psychiatric, substance misuse and mental illness). With these and some of the UK nationals in the client group, construction skills were identified as key to their ability to return to work. Providers had found that part-time work was not an attractive option for those able to work, due to the lower income associated with it and balancing low wages with

benefits and high housing costs. St Mungo's Broadway explained that they would not include this metric in future contracting:

*'People either work full-time, or they don't work.'*

A key issue in achieving the outcomes relating to volunteering reported by both providers was the definition of the metric: clients must be undertaking eight hours volunteering a week and there are a number reported to be currently volunteering but below this level.

*'Even though it's a huge shift and a success for a lot of individuals, it doesn't count. They are not paid outcomes but they are clearly outcomes for the individuals'* (Thames Reach).

Navigators hope to move these clients towards the eight hour threshold but this must be appropriate to the client.

Both providers also highlighted the high level of qualification that NVQ Level 2 represents for the cohort. Most of the clients ready to move towards work, who were not at the stage outlined above in terms of lower barriers to employment, were reported to require much lower levels of basic training such as literacy and numeracy. This is necessary support for these clients but does not bring any outcome payment.

The lower targets and lower proportion of payment attributed to this outcome (5%) meant that whilst a focus of support, the lower levels of performance were not a concern for providers nor their investors; any short fall will be set against higher performance against other metrics. Providers expected outcomes to increase as sustained accommodation increased. They are committed to achieving all of the outcomes that they can. This outcome is dependent upon clients achieving stability, through sustained accommodation. The design of the SIB PbR reflects that this outcome is likely to be appropriate for small numbers of the cohort and is intended to ensure there is no perverse incentive to support clients into work when this is not appropriate for them.

## 6.2 Delivery

### 6.2.1 Features of effective practice

Moving people into training, volunteering or employment must be supported in a way that is tailored to the individual client. The relationship that Navigators develop with their client through the earlier stages of support, from rough sleeping and away from the streets into accommodation is the core of support and the basis for other outcomes. Clients' aspirations and their skills are assessed and, reflecting the model of the SIB, they are supported according to their abilities and needs.

For those ready to take the step towards training, volunteering or employment the placement must be appropriate to them. As with other areas of delivery, providers described the need for a range of options available so that each client's pathway is tailored to them. Both providers have their own in-house provision (St Mungo's Broadway 'Recovery College'; Thames Reach 'Employment Academy') and work in partnership with others. Providers described a wide range of organisations delivering employability support, which they were harnessing. Both providers also have volunteering opportunities that are accessed by SIB clients.

*'We are tapping into things that we can easily access'*. (Navigator, Thames Reach).

St Mungo's Broadway have developed a partnership with Crisis Skylight, a specialist centre providing social engagement and employability support for homeless and vulnerable people. Thames Reach have developed a partnership with McKinsey and Co., the global management consultancy. McKinsey provided a five day course for 40 'work ready' clients that included a residential weekend, CV and IT workshops, team building exercises and workplace visits. They have provided opportunities for volunteering with them and with organisations in their supply chain. They have also provided 'buddies' to support clients in their move to work.

### **Once clients are stable some are ready to progress**

Tiago is 42 and at the time of the first report he was starting to look for work. He described how *'I'm very glad for the help, I was in trouble, I was in a very difficult situation but now I feel OK.'* This time he met with the research team he was working for four hours a day as a cleaner. He was hoping to find a job with more hours or to supplement it with a second one. Having completed a Level 1 English qualification he was hoping to undertake Level 2. He was still in contact with his Navigator, but explained that he no longer needed the same level of support as before. Although he had construction experience and qualifications, he found work in that sector to be short term and insecure and this is why he had taken the cleaning job. He was confident of finding more work and eventually would like to study for the final year of an Economics degree he had completed two years of prior to leaving his home country. *'I want to make a good life for myself here in the UK'*

St Mungo's Broadway employed a dedicated 'Employment and Training' worker for six months, which *'acted as a catalyst'* for this outcome by providing a dedicated focus on partnerships, opportunities and identifying and supporting clients' needs. As the work progressed, the worker began to take on more of a typical Navigator role, given the holistic nature of the support model and the post was thus not continued as an additional Navigator role was not required.

To support volunteering, training and employment Navigators provide for the costs of qualifications, equipment, clothing, travel and other items, as outlined in the first report. They offered practical and emotional support by accompanying clients to interviews, keeping in contact during placements or new positions and support with money management to sustain tenancies and build capacity for independent living. They will also provide for rent once benefits stop to fill the gap between then and the first pay-check being received.

### **Volunteering is part of a rounded package of support that prepares people for work**

Peter is British and in his early 40s. At the time of the first wave of research he had recently moved into accommodation. This had been his focus but he was planning to think about the future once he felt secure there. When he met the research team for this second wave of research, he had been

successful in his application for a full time post as an Assistant Support Worker for an organisation supporting homeless and vulnerable people. He still meets with his St Mungo's Broadway Navigator once a week and had had a range of emotional and practical support, including with travel costs and with rent until he received his first pay check. He described his Navigator as *'the only person who still provides support'* in contrast to other agencies who he has been in contact with.

As well as receiving support with his alcohol addiction and developing the skills for independent living, Peter had undertaken voluntary work at St Mungo's Broadway and this had led him to develop the skills and experience to apply for support work.

### 6.2.2 Challenges

The complexity of clients' needs and situations is the key challenge to achieving employment, training and volunteering outcomes for this group.

*'It's so long term. We have a lot of clients with confidence issues, poor literacy and a real sense of shame about it, they don't want to admit their problems.'* (Navigator, St Mungo's Broadway)

As described above, a number of clients are reported to be volunteering but at less than the eight hours that receives an outcome payment. Employability support needs to be provided in a way that is accessible and flexible; and, appropriate for the individual client and their distance from the labour market. Whilst St Mungo's Broadway have an effective partnership with Crisis Skylight (above), this was not always geographically accessible and was also intimidating for some:

*'It's a bit posh for some of my clients... they felt they didn't fit in there.'* (Navigator, St Mungo's Broadway)

When clients are ready for work, a key challenge is the employment that is available.

*'In reality most clients can only hope to get low paid jobs and managing rent and outgoing on this is challenging.'* (Navigator, Thames Reach)

Low wages act as a disincentive and worries about ability to pay rent pose a risk to vulnerable clients, particularly where they are in PRS accommodation and would be evicted. The search for work itself can be challenging and risk the fragile confidence that many clients have.

*'A lot are fearful of [work]. They want to do it but are afraid of being able to keep up.'* (Navigator, Thames Reach)

A number of clients were reported to have been offered zero hours contracts, which are too insecure. This was described as a particular issue for Central and Eastern European clients who were potentially close to the labour market but had drink (and sometimes substance misuse) problems linked to their time on the street.

*'They need a proper job with a proper contract. When they can't they get frustrated and start drinking and that's the main issue with [this group]. They start drinking and then they are back to square one.'* (Navigator, St Mungo's Broadway)

Although clients are often ready to begin to engage in some meaningful activity as they became more stable in their accommodation, employment and related activities are not yet appropriate for them.

*'[it's more] important to find something that the client likes doing. So many of them have lost any interest in doing anything or invest any time in a hobby. Their time has been taken up with finding money for drugs or alcohol so finding something that they want to do is important.'* (Navigator, St Mungo's Broadway)

## 6.3 Summary

This chapter has discussed performance of the SIB against the 'Employment' outcome and has shown:

- There's a mixed picture across this outcome with few clients achieving a target level qualification, volunteering or part-time work but higher numbers achieved full-time work outcomes including at 13 and 26 weeks.
- Overall, providers are happy with their performance. Targets were low for this outcome in recognition of the difficulty of achieving these outcomes for this cohort. As with the first year, some Central and Eastern European clients were reported to be closer to the labour market than their UK counterparts.
- A key issue identified in relation to the volunteering outcome was that a number of clients were reported to be volunteering but below the eight hours required to register as an outcome. The qualification outcome was seen as being set at too high a threshold for this client group. The part-time work outcome was seen as largely superfluous as these jobs were unlikely to pay sufficiently for independent living and those who wanted to work wanted to do so full-time.
- Appropriate volunteering, training and employment opportunities are key to success and wide range of options are maintained by the providers so that they can be tailored to individual need. To support clients into and within the opportunities they engage with, a variety of practical and emotional support is provided by their Navigators.
- As in other areas, the complexity of clients' needs and situations is a key challenge to achieving these outcomes. Clients are supported at an individually appropriate pace. When they are ready for work, low wages and low job security provide a disincentive.

# 7 Health

This chapter discusses the performance of the SIB against the 'Health' outcome. This outcome differs from the others because at the time of reporting there is no data available about performance (see chapter 2).

## 7.1 Outcome data

This is a measure of reductions in cohort A&E admissions from the baseline at the start of the SIB contract. Because there is no outcome data available, the Project Board agreed to GLA paying the providers for the first year outcomes at the level they would have received if they had achieved their targets. When data becomes available, payments for second year health or other outcomes will have any difference between achievement and what has been paid deducted, should achievement be less.

Everyone who contributed to the research for this report expressed frustration about the lack of available data. As outlined at 2.4 above, subsequent to agreement being reached prior to the SIB being commissioned that the Health and Social Care Information Centre would provide this data, a data protection concern has emerged. DCLG and GLA described the intransience of the situation and how it is being dealt with at senior levels of DCLG and the Information Centre, with legal teams on both sides working to secure agreement. At issue is a new interpretation of a data protection concern that was not present at the time of the agreement between DCLG and the Centre that the data would be made available.

Neither providers nor investors were overly concerned about the final level of payment received, with this outcome attracting 5% of the overall amount available. They were happy to have been paid in lieu of final outcomes being known as this had eased any concerns about cash flow and the payment of investment returns. They were confident that these outcomes were being achieved through the support provided, but it was noted that without the data there was no sense of the scale of the achievements and thus to amend delivery if necessary.

*'It's very difficult to moderate your approach if you have no data that gives evidence of how well or badly you are doing.'* (St Mungo's Broadway)

Nonetheless, for both providers the expectation was always that this outcome would be achieved as an effect of the holistic support being provided to address clients' needs, including those with chronic or acute mental and physical health problems. Stabilising clients was expected to have led to reduced A&E admissions, but without data to confirm this neither the providers nor their investors can be certain.

The appropriateness of the metric was also discussed by some of those who participated in the research. It is intended to reflect better management of health and less chaotic use of health services. Illustrating a potential tension in balancing metrics for PbR with outcomes that reflect the impact of support for individuals, one senior stakeholder explained that:

*'Health is massively important and we need a better measure for this. For example, some kind of baseline assessment that was followed-up later. A and E is not a good indicator of the health of individuals. It might be a good measure of cost saving but not of health status.'*

The question was also raised as to whether the lack of data provided a disincentive to target this outcome.

## 7.2 Delivery

### 7.2.1 Features of effective practice

As health is expected to improve through the holistic support provided to clients, discussions of what works often reflect those set out above in relation to other outcomes: the need to secure appropriate treatment for alcohol and substance misuse; and, support for those with mental health problems. This is expressed by St Mungo's Broadway as *'the recovery journey'* for all clients.

In delivering this, Navigators maintained links with a wide range of providers so that their clients were supported to access appropriate interventions. This included supporting clients to access the Dr Hickey GP surgery in Westminster, which only treats homeless people, and working in partnership with StreetMed (street based health services, previously available pan-London).

*'When they are a mess on the streets they are far more likely to end up in A and E so definitely we have supported that outcome by getting clients into more stable situations.'* (Navigator, St Mungo's Broadway)

When clients are in accommodation, they are supported to access a local GP. Where clients are admitted to rehabilitation services, Navigators support them through their admission and whilst they are resident there. They contribute to case conferences and intervene with the client to prevent support breaking down,

*'To generally be another resource, to provide consistency and re-affirm the message.'* (Navigator, Thames Reach)

### 7.2.2 Challenges

Beyond the challenges posed by the complexity of some their needs and the time consuming nature of the support they require to move forward, the availability of specialist provision was highlighted as a barrier to improving clients' health. In particular, although effective partnerships were reported with mental health services and the ability of Navigators to include them in a package of holistic provision for clients identified as a key feature of support:

*'Mental health services are very stretched and their funding is inadequate so experience is varied.'* (St Mungo's Broadway)

#### **Some of those supported with health problems have improved wellbeing but may not contribute to reduced A&E admissions**

Karen is woman in her late 40s who is genetically male and male in appearance. She identifies herself as a woman but is not transgender. She was interviewed for the first wave of research and at that time had recently been diagnosed with a personality disorder. She was well known to local

services and had been on and off the streets for many years. A wheelchair user, she was being supported to achieve stability in her accommodation.

At the time of this second wave of research, Karen was in receipt of a range of mental and physical health services. Karen would like to be dependent upon a full time carer. Karen has high level and demanding needs, linked to her acute mental health problems. Her Navigator visits each week and provides constant and ongoing support (as well as some challenge although this wasn't discussed by Karen). Maintaining Karen in her accommodation requires ongoing contact and negotiation with services.

## 7.3 Summary

This chapter has discussed performance of the SIB against the 'Health' outcome and has shown:

- There is no data available about performance due to a concern at the Health and Social Care Information Centre about data protection that has emerged subsequent to the agreement that it would be provided. This means that neither providers nor their investors know how they are performing.
- With the agreement of the Project Board, the GLA have paid each provider the maximum amount they could have claimed for this outcome in year one. Any difference between this and actual performance will be deducted from future payments once the data is available.
- Supporting health is part of the overall package of support provided by Navigators to address clients' needs and stabilise their situations. Addressing substance misuse, physical and mental health is central to this and thus whilst specialist interventions are made to achieve this, reductions in A&E admissions are seen by both providers as an effect of their support rather than the focus of it.
- As in other areas, the complexity of clients' needs requires a range of partnership working. There is a concern that some specialist services, and mental health teams in particular, do not have sufficient capacity to provide the support required.
- Although providers expect clients' health and wellbeing to improve through the SIB intervention, there is a view that an alternative measure to A&E admissions could demonstrate this more effectively.

## 8 Conclusions

This report has provided a detailed review of the second year of delivery of the London Homelessness SIB. This final chapter considers the key findings and outlines key issues for the final year of delivery and for the final evaluation stage.

### 8.1 Key findings

- SIBs are still in their infancy and involvement in this one is providing valuable learning for both the providers and their investors.
- The Navigator model continues to be seen as a successful approach to supporting entrenched rough sleepers.
- St Mungo's Broadway have maintained their single Navigator model and staff team; Thames Reach have amended theirs to split responsibilities between street, reconnection and accommodation (and related outcomes) focused teams. The transition from one Navigator to another is carefully handled and clients who contributed to the research were happy with how it was experienced.
- Performance has broadly continued the picture from the first year in terms of over and under achievement of individual outcomes against target; but, payments have increased from 73% of budget in year one to 106% in the most recent quarter. Thus, overall performance is increasing.
- Although rough sleeping is being reduced it is not being reduced below the modelled baseline used in the SIB design. Although they are disappointed, providers consider the progress made to have been good. They consider the accommodation outcome to be a truer indicator of progress, with both outcomes 'two sides of the same coin'.
- Those who remain on the street are described as a challenging group with complex needs and/or highly entrenched rough sleeping lifestyles. Mental health and substance misuse are key issues that are highlighted as the focus of support for the final year.
- Both providers have exceeded their targets for entry to stable accommodation, continuing the performance of the first year. At that time, outcomes related to entry to accommodation only. At the time of this report, there are outcomes relating to sustainment and these too have (almost all) been exceeded. The exception is slight under achievement of Thames Reach's target for 18 month sustainment. Sustaining accommodation requires a range of practical and emotional support, including linking clients to networks and activities that provide an alternative to their street communities.
- Placing clients in appropriate accommodation is a key feature of effective practice and being able to provide alternatives to the traditional housing routes is an identified advantage of the SIB.

- The number of reconnections against target is improving. Both providers are disappointed with their early progress but are confident of improvements continuing. One aspect that is expected to contribute to this is the recent change to JSA and housing benefit entitlement for non-UK nationals. Nonetheless, changes to benefit entitlement present a risk for those currently in accommodation of returning to the streets.
- There's a mixed picture across the employment outcome with few clients achieving a target level qualification, volunteering or part-time work but higher numbers achieved full-time work outcomes including at 13 and 26 weeks. Targets are low in recognition of the difficulty in achieving these outcomes for this group. As with the first year, some Central and Eastern European clients were reported to be closer to the labour market than their UK counterparts. A number of clients were reported to be engaged in volunteering but below the number of hours required to be recorded as an outcome.
- The benefits system creates a key challenge with clients often requiring support following the application of sanctions which lead to rent arrears. There are also instances where clients are regarded by Navigators as incorrectly assessed for benefit entitlement.
- There is no data available about performance due to a concern at the Health and Social Care Information Centre about data protection that has emerged subsequent to the agreement that it would be provided. This means that neither providers nor their investors know how they are performing. Payments have been made in lieu of data being available, which has eased any provider and investor concerns.
- Both of the providers and wider stakeholders highlight a key issue for the final year to be the development of exit strategies for individual clients so that when the contract ends, appropriate support is in place. There is a potential risk for clients who have required more intensive support for up to three years, once this comes to an end.

## 8.2 Conclusions

The SIB Navigator model provides a holistic, tailored approach to supporting the complex individual needs of the members of the cohort. Although clearly defined, the cohort is heterogeneous and a personalised approach is required to achieving outcomes appropriate to the individual. Thames Reach have reorganised their support model to provide a split between a focus on those who remain rough sleeping, reconnection and supporting stable accommodation and related outcomes. They maintain the long-term relational contact central to delivery by carefully handling clients' transition from one Navigator to another. Ensuring this remains effective will be key to continued success.

The success of the model is dependent upon skilled staff able to develop and maintain a wide range of partnerships and to work effectively with a wide range of stakeholders. This enables Navigators to support access to appropriate mainstream and specialist provision. The availability of this provision is crucial to the success of the SIB. Some clients in stable accommodation require a higher level of ongoing contact than others and the Navigators will be required to continue to provide tailored and responsive support to prevent breakdowns in

tenancy but also recreational rough sleeping. Achieving a balance between ongoing support and empowerment for independent living will be a key challenge for the final year of delivery.

The PbR model appears to be incentivising delivery as intended. The key focus of the providers' models is to support members of the cohort away from the street and into sustained accommodation or reconnection. Employment and moves towards employment are the focus once stability is achieved and as an alternative to reconnection, where appropriate. Payments for sustained stable accommodation at 12 months are (approximately) ten times, and at 18 months five times, those for entry. There is no evidence of providers placing clients in inappropriate accommodation for 'quick wins'. Although progress against the rough sleeping outcome is lower than expected, the providers continue to support those who remain on the streets and to secure appropriate support. There is no evidence of perverse incentives. Those who remain on the streets have complex needs and will continue to require a high level of support. The ethos of the provider organisations means that they are committed to continuing support for support this group. How a balance is reached so that resources are focused on achieving a maximum return on paid for outcomes whilst supporting this vulnerable group will be a challenge for both providers.

The benefits regime and welfare reform provide both a facilitator and challenge for the achievement of outcomes. Whilst providing an incentive for non-UK nationals to return home and thus support reconnection outcomes, the complexity of cases and supporting clients to access the appropriate benefits can be expected to increase demands on the Navigators in the final year.

The lack of health data presents a challenge for all stakeholders. Providers and investors cannot be sure of performance and financial return. If data is not available before the end of the contract it will pose a quandary to the Project Board and GLA and DCLG as commissioners. They may be required to pay the full outcome amount or attempt to reach an agreement with the providers, but that would not be in the latter's interests.

The SIB is providing valuable learning about appropriate metrics for outcomes for this group. Despite the wide ranging consultation as part of the SIB development and design, reducing rough sleeping, employability and health are all areas with some contention. Reflecting on the SIB will also provide learning about voluntary and community sector and investor appetite for risk in PbR. Changes to the benefits regime and the post-contract issue with data protection that is prohibiting health data from being available are reminders of the impact that changes in programme context can have; these can have financial impacts on organisations (in PbR) and investors in a SIB programme and increase risk to, and thus the cost of, investment.

All stakeholders recognise the need for exit plans to be developed for clients. Exit plans will also be required for the SIB projects themselves. Navigators are employed to work on the SIB and as it nears its end they will begin to look for their next opportunity, within or outside of their host organisations. This may impact upon the providers' ability to deliver outcomes to the end of the contract. Given the underspend on the project budget to date (81% of potential spending to date if all targeted outcomes had been met), DCLG and GLA could consider extending the contract to provide a longer transition period than the current provision for

outcomes to be claimed for 12 months after the end of delivery. This would enable more outcomes to be achieved for the cohort.

### 8.3 Key issues for the final evaluation

The final evaluation report will explore the delivery of, and outcomes achieved by, the three years of the SIB. Key issues to consider will include:

- How is Navigator support delivered by each provider up to the end of the contract period? What are the exit strategies for the cohort?
- What are the characteristics of those rough sleeping in the final year and what are their pathways?
- Are there any divergences in the Navigator approach and outcome achievement? Is there any evidence of perverse incentives?
- Has the focus on sustained accommodation and associated metrics model addressed the cohort's entrenched rough sleeping? Has a sustained moved away from the streets been achieved?
- What can the outcome (monitoring) and CHAIN data reveal about pathways into sustained outcomes: how many entries convert to sustainment and what are the patterns of drop-out?
- Does welfare reform impact upon the SIB clients – does it affect engagement with, support provided or outcomes achieved?
- Does learning from the SIB influence the wider landscape of provision – in terms of both commissioning (outcomes or social investment based) and delivery (personalised, long term approaches)? Can a similar pan-London approach be provided beyond the SIB?
- What are the long term outcomes for clients supported by the SIB, outside of the PbR metrics?
- Does social investment and the involvement of social investors influence the provider organisations or their delivery of the SIB.

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