

#### GREATER CHANGE

### 19/20 IMPACT REPORT

**AUGUST 2020** 

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#### We are grateful to have been supported by

































#### **OUR STORY**

A few years ago I did a multi-day hike that exposed me to the realities of rough sleeping and what it was like not having the comforts of home: heat, dry clothes, and a kitchen for cooking a warm meal. I imagined having none of this, never being able to go home, being at the total mercy of the elements.

So I started giving food and money to people who were homeless. I often stopped to chat and it became very clear that weather was very rarely the biggest concern for homeless people. People often talk of the complete lack of safety - being attacked for no reason. Someone said to me it is the lack of eye contact. "Can you imagine the impact on your self worth when no one will even look at you?"

This reality made my desire to help stronger. But I felt I couldn't: I was giving a few coins, some food, a smile. I saw the same people every week. None of these short term focussed gestures were going to change someone's long term future. I was determined to build a solution so this generosity didn't go to waste, so thousands of people could leave homelessness behind for good.

While volunteering, I found that many people who were working with charities were on the brink of moving forward. They had worked closely with their support workers to better manage problems that had made them homeless or were keeping them homeless. Often though, there was still a financial barrier to moving forward.

So there was this massive problem, a huge amount of untapped generosity and a desire to help people. At the same time, a huge number of homeless people, not able to move forward, held back by a lack of funding. I created Greater Change to act as a solution to this. To bridge that gap between donors and those who needed help and enable everyone to channel their generosity and efforts effectively.

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**FOUNDER** 

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#### **EXECUTIVE SUMMARY**

Greater Change is a non-profit organisation providing flexible, personalised funding to homeless individuals and a tech-based alternative giving platform to donors. We believe that our system is uniquely effective at helping people out of homelessness and encourages people to engage with homelessness in an empathetic way, enabling donors to develop a more nuanced understanding of the issues associated with homelessness.

The purpose of this report is to provide a detailed look at how Greater Change has performed in delivering support to clients and to allow us to reflect honestly on our work.

Our secondary research for this year's report has incorporated newer data sets that have been made available since our research last year and we have been able to piece together some robust estimates of the value of our work.

However, as many costs of homelessness are not fully understood, for example, the costs associated with homelessness relating to a person's physical and mental health, these estimates are likely to be highly conservative in nature.

In addition, detailed statistics such as the proportion of people helped out of homelessness remain difficult to come by in the sector, so benchmarking remains a difficult task.

In 2019/2020, we found that we were able to maintain a similar success rate in terms of helping clients take steps out of homelessness as last year, despite the disruption that COVID-19 has caused in the lives of many.

#### **EXECUTIVE SUMMARY**

We have seen **21** clients successfully able to move into permanent housing and sustain it, a success rate of over **67%**. In addition, 23 clients were able to improve their employability, with **11** of them securing full-time employment.

This has led to an estimated **cost-savings of over £520,000 per annum** for local and central government, as well as a tremendously positive impact on the mental and physical health, social wellbeing, and engagement of our clients.

In 2019/2020, a larger proportion of our clients were rough sleeping or living in more unstable conditions compared to the national averages; 42% of all clients were either rough sleeping or sofa surfing at the time they engaged with us.

Of all the people we have helped this year, **over 59% were from BAME backgrounds.** By contrast, 32% of all statutorily homeless households are BAME and just 14% of all households in the UK are BAME.

Lastly, **35% of all our clients identified as female**, which is largely in line with a national average of 38% of all homeless applicants identifying as female.

Our equalities information is something we keep a close eye on and we are proud to be working with partner organisations that are actively fighting discrimination in all its forms.



#### WHAT WE DO

Greater Change supports people who, with funding, can make long-term positive changes in their lives. We provide support to anyone who is homeless or at immediate risk of becoming homeless. All of our clients are referred to us by our partner charities and all of our donations go directly to each client's specific goals.

Greater Change's process was shaped heavily by our partners at Aspire Oxford and by the study undertaken by the Joseph Rowntree Foundation in 2010, where St Mungo's and the City of London provided personalised funding to rough sleepers in the City. [1]

We partner with charities that offer high quality support to people. When funding is unavailable for someone, but required to help them move forward, we aim to be that missing piece.



## WHY OUR WORK MATTERS

Our work matters because there are over 236,610 homeless people in the United Kingdom, a rate of 1 in every 200 people. [2] There were an estimated 726 deaths of homeless people in England and Wales registered in 2018, a year-to-year increase of 22%. [3]

Studies estimate that the overall cost of homelessness is between £24,000-£30,000 per person per year; anything up to circa £1bn annually. [4]

"Greater Change isn't like any other charity; it's what you need, when you need it." - Mary, former client and current Greater Change employee



2. Shelter, A picture of Homelessness in 2019. (Shelter 2019)
https://england.shelter.org.uk/\_\_data/assets/pdf\_file/0009/1883817/This\_is\_England\_A\_picture\_of\_homelessness\_in\_2019.pdf
3. Office of National Statistics, Deaths of Homeless People. (ONS, 2018)
https://www.ops.gov.uk/gooplepopulationandsommunity/birthsdoaths.andmarriages/doaths/bulletins/doathsofhomelessness

https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/deaths/bulletins/deathsofhomelesspeopleinenglandandwales/2018

4. FEANTSA, The cost of Homelessness in Europe. (FEANTSA, 2013) https://www.feantsaresearch.org/download/feantsa-studies\_03\_web8038170339305812402.pdf

#### **USER JOURNEY: RENT DEPOSIT**



Natalie, like many of our clients, will have been rough sleeping for a while and will have a variety of complex needs.

People like Natalie are often made homeless by domestic violence, financial troubles or mental health issues.

The first step for Natalie is the care and persistence of a great outreach team and a welcoming shelter.

We are incredibly proud to be able to work with partner charities who do incredible work and reach out to those in need.





Even as Natalie starts to find a little more stability in her life, she's still unable to save up any significant sums of money to help her take her next steps out of homelessness.

#### **USER JOURNEY: RENT DEPOSIT**



This prevents her from moving onto more permanent housing options like a private rental and moving forward with her life, even though she would be able to sustain her monthly rent with her income.

With the support of Greater Change and our supporters, we are able to provide people like Natalie with a rent deposit and first months' rent.

This allows her to finally get her own home and her own space and be able to start moving on with life.



## GREATER CHANGE'S IMPACT FRAMEWORK

We developed our own tool based on Outcome Star's Homeless Star and with the help of Aspire Oxford, London Strategic Consulting, ThoughtWorks and The Social Innovation Partnership (TSIP).

Industry standards and wider academic literature support Greater Change's methodology, specifically the focus on measuring financial stability as it relates to self-management [5], accounting for experiences of the individual and their social context [6], assessing comprehensive measurements of homelessness outside of 'rooflessness' [7] [8], and highlighting the importance of advice coupled with practical and emotional support in order to get out of homelessness.

Our Impact Measurement Tool (IMT) consists of eight categories in total, six of which are required to be assessed: 'Tenancy', 'Motivation and Taking Responsibility', 'Self-care and Living Skills', 'Income and Employment', 'Social Networks and Relationships', and 'Mental Health'. The remaining two categories, 'Alcohol and Drug Misuse' and 'Offending', are optional as they may not apply to all respondents.

Our IMT uses a five-point scale to determine the client's standing in each of our categories, both before Greater Change's intervention and then once the campaign is complete. A score of one indicates 'most severe' and a five marks a 'least severe' standing in each category. The IMT is filled out by the client with their support worker present when possible. If that is not possible, the support worker uses the IMT to assess the client's situation using case files and recent updates from the clients themselves.

We aim to develop an accurate picture of where and how Greater Change's work impacts our clients' lives by using and consistently improving upon our Impact Measurement Tool. The thoroughness of our design, combined with the client's first-hand experience with us, and each support worker's professional experience in the field allows us to construct an accurate understanding of how our services make a difference in each of our clients lives.

<sup>5.</sup> Alma Economics. (2019). Homelessness: Causes of Homelessness and Rough Sleeping

<sup>6.</sup> Williams, M., and Cheal, B. (2001). "Is There Any Such Thing as Homelessness? Measurement, Explanation and Process in 'Homelessness' Research."

<sup>7.</sup> Busch-Geertsema, V., Culhane, D., and Fitzpatrick, S. (2010). Defining and Measuring Homelessness. Homelessness Research in Europe.

<sup>8.</sup> Neuburger, J. (2003). Settling Down: Preventing Family Homelessness through Tenancy Sustainment. Shelter UK.

## IMPACT MEASUREMENT TOOL



**Stable Housing (5):** Client is in fully stable housing; comfortably able to pay for housing with financial support; facing no arrears

Nearly stable (4): Client is just about able to cover housing with financial support; paying off arrears slowly; living in stable but not ideal housing for family or social situation; living in stable social housing

Stable but insecure (3): Client is in stable housing but has built up significant rent arrears; threat of eviction starting to be considered; will be asked to leave social housing or shelter in the near future

**Sofa surfing (2):** Client is sofa-surfing; likely to lose housing in near future, legal action threatened; living with abusive family/partner; in severe debt



Rough sleeping (1): Client has been rough sleeping for a long time; Sleeping in cars; leaving prison with few housing options

#### **USER JOURNEY: FURNISHING**



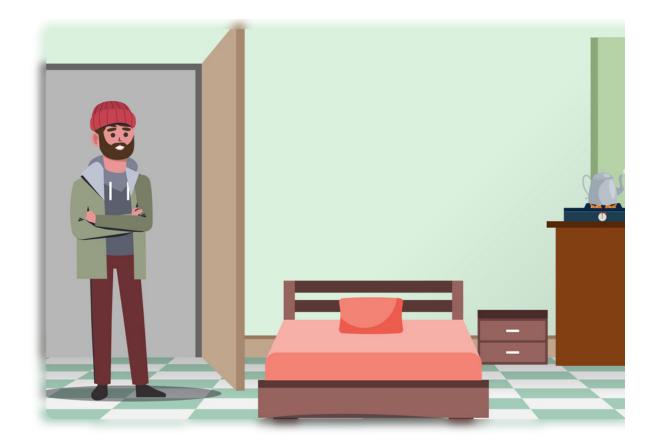
Many of our clients, like Tariq, are young, ambitious and hard working. Tariq has been able to receive some assistance from the council into social housing and is eager to get his life back on track.

However, the accommodation available to Tariq has come unfurnished and lacks basic white goods and essential furnishing.

This can have profoundly detrimental effects on his wellbeing, making him unable settle into his home and make his housing option untenable.



#### **USER JOURNEY: FURNISHING**



With Greater Change's support, Tariq is able to turn his bare room into a home. This support allows him to properly settle into his community and get some rest in his own bed.

Without the provision of some basic furnishing, clients like Tariq often remain in extremely unstable and vulnerable positions. They are never able to properly settle into the community and so are less likely to sustain their housing and develop a sense of home.

This Impact Report seeks to develop insight into best practices around moving people out of homelessness, as well as determine the efficacy of our individualised approach to helping our clients achieve their goals. The research in this report aims to understand the efficacy of Greater Change's work in terms of:

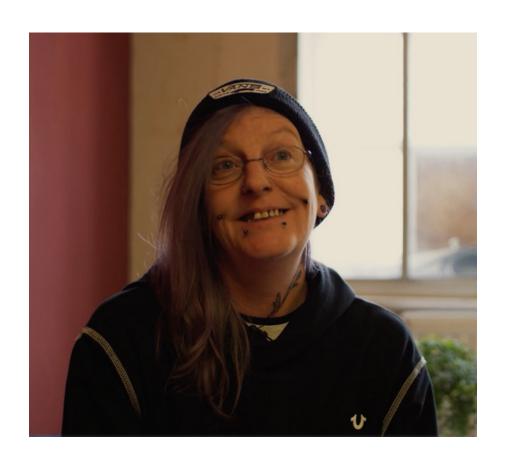
How well clients are moved out of homelessness.

How much of that work is sustained over time.

The cost effectiveness of achieving these results in terms of cost-avoidance to the government offset against GC's operating costs.

# RESEARCH

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The research in this section focuses on the cost of running Greater Change and the cost of homelessness to local governments. While this research is centered around cost avoidance to local governments, it is important to note that there are challenges associated with finding accurate cost estimates as they relate to homelessness. Cost estimates are often difficult to come by as little data is available on the services used by the homeless population, especially for health costs, and homelessness status is often not recorded, making it difficult to locate relevant data.

Studies estimate the overall cost of homelessness to be between £24,000-£30,000 per person per year; an annual cost of around £1bn. [9] This staggering figure is likely to be an understatement as it does not include health costs. Furthermore, the longer or more frequently someone is homeless, the more they experience a continual deterioration of their physical and mental health. Preventing and rapidly responding to homelessness will always cost less than allowing homelessness to become sustained and repeated. [10]

#### COST OF RUNNING GREATER CHANGE

The cost of running Greater Change consists of the donations spent on clients, operational costs, and capital expenditure.

**Donations spent directly on clients:** The average size of the funding targets needed to move our clients out of homelessness is £731.47 per person. The most common fundraising targets for our clients are rent deposits and first month's rent; these allow our clients to move into stable accommodation. The total amount raised for clients over 19/20 was £225,532.

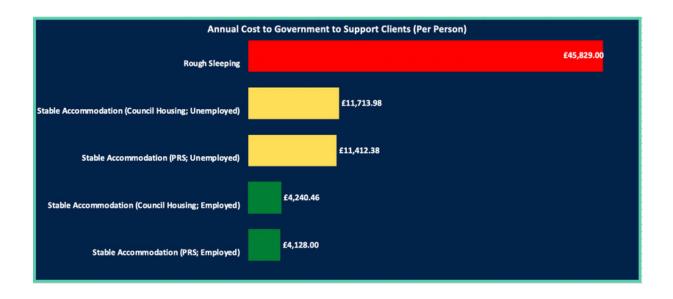
**Operational costs:** It cost a total of £112,362 in FY19/20 to run Greater Change. We have recently undertaken a number of additional software, marketing, accounting, and other expenditures in order to set us up for the next phase of growth. We currently estimate that it will cost between £25,000 - £30,000 to bring the system to a new location in the UK; this figure includes the capital expenditure necessary to do so.

**Capital Expenditure:** Greater Change has spent just over £43,000 on the development of our software and hardware platform, including our website, mobile app and contactless donation terminals. Most of the clients in this study were funded before many of these investments in technology came into effect. The amount that had been spent on capital that directly affected the clients in this study was £44,311.

Total potential cost savings unlocked £520,124

Total cost of running Greater Change £156,673

#### **COST OF HOMELESSNESS TO LOCAL GOVERNMENTS**



We examine the cost of homelessness to local governments from three perspectives: the Department of Work and Pensions, from the Department of Health, and from accommodation-based services.

**Department of Work and Pensions:** Base Universal Credit claims start an average of about £6,678 per annum and can then go up to £11,713 when including housing allowances. These may be conservative figures as about 21 local authorities may be overpaying by £71/week (i.e.£3,962 per year) to those in exempt accommodation. [11][12][13] It also further excludes administrative costs of the system.

**Department of Health:** There is little data on the number of homeless people using national health services. Costs are likely to be high due to mental health problems, substance misuse and alcohol dependency. Case study evidence suggests that moving from a state of homelessness with piecemeal support to stable accommodation with more comprehensive and coordinated support can reduce drug treatment and mental health support costs by an average of £21,150. [11]

**Accommodation-based support:** The average cost of housing services provided to those experiencing homelessness is £24,679 per person per annum for those who are statutorily homeless or who are in temporary accommodation. [14]

 $https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/7596/2200485.pdf$ 

12. GOV.UK, What you'll get. (UK Government, 2020) https://www.gov.uk/universal-credit/what-youll-get

13. MHCLG, Local Housing Allowance. (MHCLG, 2018)

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/678063/2018\_LHA\_TABLES. Detailed calculations can be found in the Appendix of this report.

14. This number is put together by looking at MHCLG data on housing costs and on homelessness population data, details of this calculation can be found in the Appendix of this report.

<sup>11.</sup> MHCLG, Evidence review of the cost of homelessness (MHCLG, 2012)

#### **GREATER CHANGE EQUALITIES DATA**

We strongly believe in the need to be open and transparent about the impact of our work from an equalities perspective. We take each annual review as a chance for us to reflect on how Greater Change as an organisation interacts with communities that can often have systemically discriminatory institutions.

**Initial Housing Situation:** Many of the people we help have been far more entrenched in homelessness as they have been long-term rough sleeping or repeatedly in and out of shelters.

This has been the natural result of our practice of providing funding to those stuck behind barriers on their out of homelessness. People who would not have been able to make it out of homelessness without our help, tend to have been amongst those who have fallen furthest through the cracks and ended up rough sleeping with few options available to them.



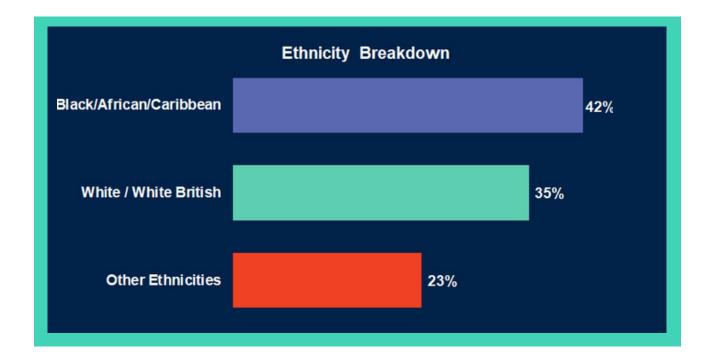
#### **GREATER CHANGE EQUALITIES DATA**

**Ethnicities:** Homelessness does not affect all races equally and it is incredibly important for us to recognise that. In 2017/2018, 32% of all households who are considered statutorily homeless were BAME, even though BAME households only make up 14% of the UK's total population. [15][16]

Furthermore, since 2009/2010, BAME households have seen a 64% increase in homelessness, compared to an overall increase in homelessness of 41%. [17]

Greater Change has a strictly non-discriminatory policy and it is essential for us to work with organisations that have as clear and strong a view on racial equality as we do. We are proud to be able to say that this has been reflected in our work so far, with over 59% of our help being directed at people from the BAME communities.

We will continue to remain conscious of systematic racism and work vigilantly against racism in all forms in our society.



<sup>15.</sup> GOV.UK, Statutory Homelessness (Gov.uk, 2018) https://www.ethnicity-facts-figures.service.gov.uk/housing/homelessness/statutory-homelessness/latest

<sup>16.</sup> GOV.UK, Population of England and Wales (Gov.uk, 2018) https://www.ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/national-and-regional-populations/population-of-england-and-wales/latest

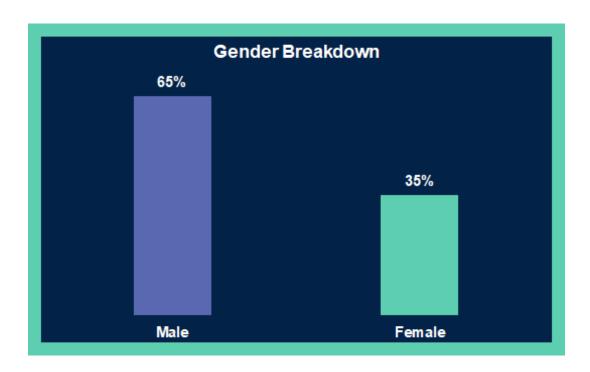
<sup>17.</sup> Shelter, Shut Out (Shelter, 2017)

#### **GREATER CHANGE EQUALITIES DATA**

**Gender:** Although a large majority of rough sleepers and homeless applicants in the UK are male [18][19], and the ONS recorded 62% of all homeless applicants in 2017/2018 as being male, it is really important to note that it is highly likely that women constitute a higher proportion of the "hidden" homeless population; people who are not being statutorily recognised as homeless and/or may escape the usual sources of homeless population data capture. [20]

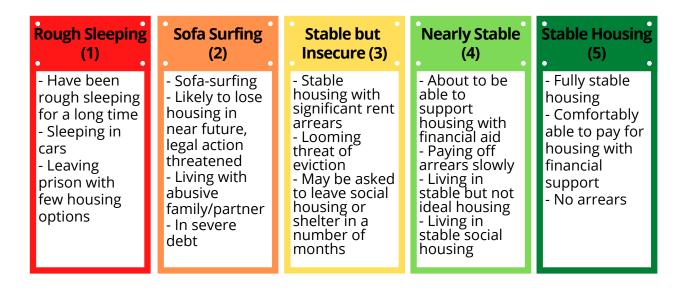
We have found that the proportion of male:female clients we have helped lines up close to the proportion of male:female homeless population in England. However, we are keenly aware that this is not a standard that we should be complacent about and will constantly check up on this proportion.

We will also investigate and ensure that this proportion is not the result of any discriminatory practices either from within Greater Change or from any of our partner charities.



## IMPACT

#### IMPACT ON HOUSING SITUATION



The Tenancy metric assesses the impact of Greater Change on the client's housing situation. A score of one indicates clients that are rough sleeping, the most severe tenancy position, and five includes clients who are in stable housing.



#### IMPACT ON HOUSING SITUATION

Overall, the support from Greater Change demonstrated observable change in most clients' housing situation. Of the people who accessed support from Greater Change last year, 21 showed positive journey progression, i.e. positive change by at least one point. On average, clients who improved their housing situation did so by two points.



21 clients have shown an improvement in their housing situation.

Based on their specific cases before and after working with Greater Change, there has been an estimated £19,946 saved for each client helped per year and over £410,000 saved from the savings on housing support provisions alone.

In addition, there are associated healthcare cost savings of £21,150 per person per year and over £440,000 in total.

#### IMPACT ON INCOME AND EMPLOYMENT

#### Little Income **Part-Time Work** No Income Seeking Stable **(1) (2) Employment (3) (4)** Employment (5 - Have been - Fully stable - About to be - Sofa-surfing - Stable housing with able to - Likely to lose rough sleeping housing significant rent support housing in - Comfortably for a long time arrears housing with near future, - Sleeping in able to pay for - Looming financial aid legal action cars housing with - Paying off arrears slowly threat of threatened financial Leaving eviction - Living with - May be asked to leave social - Living in stable but not prison with support abusive few housing - No arrears ideal housing housing or family/partner options shelter in a - Living in - In severe stable social number of debt months housing

The Income and Employment metric measures the impact of our support on the client's financial situation. The majority of our clients were rated as 1 or 2 at the start of working with Greater Change.



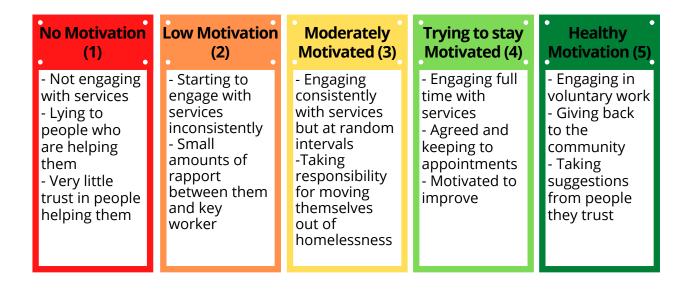
#### IMPACT ON INCOME AND EMPLOYMENT

We helped 23 clients grow more financially independent and build forms of financial resilience that will support them from falling into homelessness again. We are able to support clients with maintaining part-time or long term employment. Three clients who showed no variation in their income and employment situation were in part-time work or starting to attend job interviews when we started working with them.



Of the 23 clients who have gained financial resilience, 11 clients have made it into employment and this has led to an average saving of over £7,284 per person and a net saving of £80,124

#### IMPACT ON MOTIVATION AND ENGAGEMENT



The Motivation and Engagement metric evaluates the client's willingness to access support and ownership of their actions. Under this outcome measure, comparison figures for costings were not available.



So far, we provided a sense of **increased motivation and engagement for 23 clients.** Among the five clients who showed no difference in their motivation and engagement, two had a healthy level of motivation, i.e. rating of five, over the course of work with Greater Change.

#### IMPACT ON SELF-CARE AND LIVING SKILLS

#### No Motivation **Low Motivation Trying to stay** Moderately Healthy Motivated (3) **Motivated (4) Motivation (5) (1) (2)** - Engaging in - Not engaging - Engaging full - Starting to - Engaging consistently time with voluntary work with services engage with services with services - Lying to services - Giving back inconsistently but at random people who - Agreed and to the - Small intervals are helping community keeping to amounts of -Taking them appointments - Taking responsibility rapport - Motivated to - Very little suggestions between them for moving trust in people improve from people themselves and key helping them they trust workers out of homelessness

The work of Greater Change is beneficial for clients aiming to improve and sustain their self-care and living skills. Just over half of the clients who did not show a change on this metric after working with us were rated as a 4 or 5 on the scale at the start. Consequently, we successfully supported 24 clients with developing or sustaining a stable daily routine.



Unexpected circumstances, such as recall to prison and loss of accommodation, led to three clients regressing on the self-care and living metric.

#### IMPACT ON SOCIAL NETWORKS AND RELATIONSHIPS

#### No Network (1) - Having a

hard time trusting people - Holding on to unhealthy relationships - No positive interaction with family or personal support network

#### Slowly opening up (2)

- Still finds it difficult to trust people - Initial contact with support worker and personal support network - Still haunted by unhealthy relationships

#### Attempting to Form (3)

- Starting to inconsistently see a regular key support worker - Still at risk of disengaging - Starting to detach and disengage from unhealthy relationships

#### Starting to Build (4)

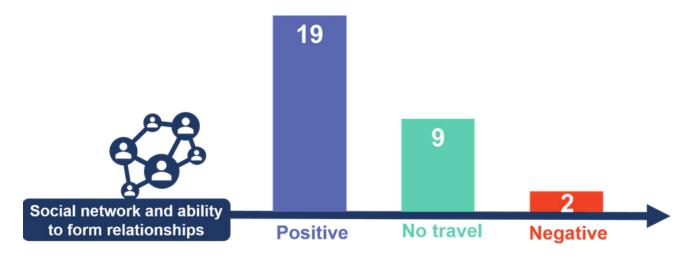
- Starting to build positive relationships with support workers, friends and family - Consistently engaging with support services - At low risk of disengaging

#### Meaningful Relationships (5

- Building meaningful relationships with friends and families and receiving support - Constantly seeing Support Worker - Left behind unhealthy relationships

The Social Networks and Relationships metric explores the extent to which the support from Greater Change has lead clients developing trusting relationships with others.

Following our campaign, 19 clients improved on the social networks and relationships metric. Having rated as 4 and 5 at the start, over the period of working with us, six clients maintained meaningful relationships. Clients who progressed on this metric did so by an average of 1.6 points.



#### **IMPACT ON MENTAL HEALTH**

#### Poor Mental Health (1)

- Suffering from anxiety and panic attacks - Difficulty finding motivation - Potentially depressed

#### Asking for Help (2)

- Speaking to a doctor about mental wellbeing but not discussing struggles in detail - Not actively engaging with

others

#### Trying to get Help (3)

- Starting to discuss emotional and mental health struggles with services and doctors - Trying to get help and get better

#### Taking Active Steps (4)

- Taking active

steps to get on top of mental health - Gradually getting a more positive outlook on life

- Regaining motivation

#### Stable Mental Health (5)

- Stable and engaging with activities related to mental well being regularly (meditation) - Sticking to prescriptions if

necessary

The unseen burden of homelessness is highlighted by the fact that the majority clients we work with experience poor mental health. Following our intervention, **19 clients boosted their mental health.** Moreover, we enhanced our client's mental health by an average of 2.1 points.



#### IMPACT ON DRUG AND ALCOHOL MISUSE

#### Serious Drug Misuse (1)

- Spending money on drugs - Physical condition still deteriorating - Precontemplation stage in recovery - Sometimes violent on the street

#### Contemplating Use (2)

- Learning more about rehab options -In the contemplation stage of recovery

#### Recovery Started (3)

changing
- The recovery
process has
started
- Checked into
rehab
- Dependent

- Mindset is

on prescriptions to stay clean

#### Making Progress (4)

- Still have to take it a day at a time to stay off drugs and alcohol - Sticking to the rehab programme - Coming off prescriptions

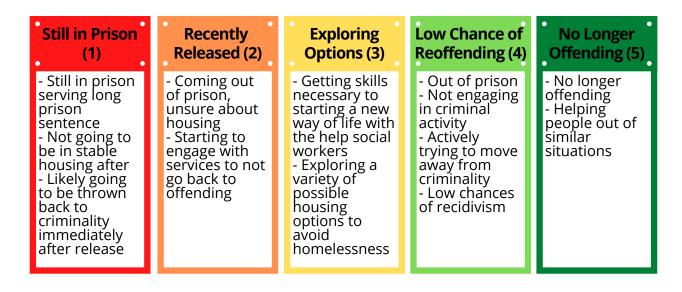
#### No Substance Misuse (5)

- Maintaining recovery over a significant period of time - Still requires consistent effort but staying clean outside of rehab

Unlike the previous metrics, the drug and alcohol misuse metric is relevant to only 20 clients this year. Whilst 13 clients showed no difference from the time of starting work with us to the end, 10 of these were rated as a 4 or 5 at the start. Hence, for most clients there were little to no areas for continued development on this metric. The **6 clients who showed improvement** did so by an average of 1.5 points.



#### IMPACT ON OFFENDING



As with the previous metric, only some of our clients engaged with the criminal justice system. Of 18 clients whom this metric was pertinent, **6 clients moved forward** in their journey away from offending. Despite 10 clients showing no travel, Greater Change supported **8 clients with maintaining non-offending behaviour** as they rated as 5 at the start of working with us.



#### **USER JOURNEY: ID & DOCUMENTATION**

One of the key challenges for people who have been rough sleeping for extended periods of time is that they no longer possess key pieces of identification documents.



Like Luke, illustrated here, they will have been sleeping rough for a long time and are only able to access emergency accommodation.

Unable to prove his identity to the relevant authorities, Luke is not able to gain access to better support options.

Greater Change is able to help by funding his Passport application and other forms of necessary documentation, allowing him to finally get the help he needs.





With the right support and some time, Luke can start to take the first steps out of homelessness and work towards a home, getting employment (if relevant) and move towards a better life.

# REFERENCES

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APPENDIX

#### COSTINGS RESEARCH AND CALCULATIONS

#### **COST OF HOUSING SERVICES**

The average cost of housing services provided to those in the homelessness pathway is not readily available. However, we were able to derive a reliable average figures by looking at census data collected by MHCLG in 2017/2018 [21] and total costing figures in the same time period published by MHCLG [22].

The relevant numbers and calculations are as follows: Number of People in temporary accommodation and/or are statutorily homeless:

Q2 2017: 94,040 Q3 2017: 92,750 Q4 2017: 94,480 Q1 2018: 92,580

Average number of people receiving homelessness support in 17/18 = 93,417

From MHCLG's statistics 17/18:

Net Homelessness Cost + Net Welfare Costs = £2,295,150.49

This results in a mean accommodation cost of £24,679 per person per year

#### **COSTINGS RESEARCH AND CALCULATIONS**

#### **COST OF BENEFITS AND UNIVERSAL CREDIT PROVISION**

The value of benefits paid out to claimants can be found on the Universal Credit website [23]. For the purposes of this report, we have taken the average claim amount, worked out by looking at demographic data on the homeless population from the Office of National Statistics [24] and a study by the Joseph Rowntree Foundation [25], and applied this as an average cost for each person helped by Greater Change.

Demographic figures are as follows:

Under 25: 25% of the total homeless population of which their relationship and parenthood status are:

17% single with children 20% couple with children 57% single without children 6% couple without children

Over 25: 75% of the total homeless population of which their relationship and parenthood status are:

25% single with children 7% couple with children 59.9% single without children 5.5% couple without children

Average number of children: 1.69

Based on the Universal Credit rates and the Local Housing Allowance rates provided, we can conclude that the average cost of benefits claimed per year is £6678.98 Additional housing benefits can further amount to the following figures:

When renting from private landlord (LHA): £4,733.4 [26] When renting from council (Housing Benefit): £5,035 [27]

Lastly, of all UC claimants in 2019, 36.2% were in low-income employment. [28] As more detailed statistics were unavailable, we have made the assumption in our calculations that if someone had been in employment whilst claiming UC, they would be claiming the full UC amount. This gives us a high end figure of how much employed people were claiming as benefits and therefore a conservative estimate of the cost savings amount.

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#### **COSTINGS RESEARCH AND CALCULATIONS**

#### **COSTS INCURRED BY THE HEALTH SERVICE**

As homelessness data in the healthcare system is not yet comprehensive enough for there to be a robust figure attached to the cost of homelessness, the following numbers are derived largely from case study evidence collected by MHCLG.

Lack of evidence regarding the number of homeless people using these services, but likely high costs due to mental health problems, substance misuse and alcohol dependency:

Case study evidence suggests that moving from a state of homelessness with piecemeal support to stable accommodation with more comprehensive and coordinated support can reduce annual drug treatment and mental health support costs from £16,000 to £2,700 and from £32,000 to £3,000 [9]

Resulting average savings on drug treatment and mental health per person: £21,150

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