



Frontline agencies in partnership

Policy Briefing:

Engagement, education, training and employment

April 2009



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Introduction

Homeless Link is the national membership organisation for frontline homelessness agencies in England. Our mission is to be a catalyst that will help to bring an end to homelessness. Our two goals are to:

- Raise standards in the services that support homeless people and tackle homelessness
- Influence the development of policy, strategy and investment at all levels of government

The policy briefings have been developed to:

- Establish our policy lines on key issues affecting homeless people so that we can continue to discuss these with our members
- Provide members with information on a range of relevant subjects to help them influence decision making in their local areas.

Homeless Link policy work is guided by the frontline experience of our member agencies. This information is collected in a number of ways including through the National Advisory Council (NAC), a quarterly forum comprised of two member representatives from each of the nine English regions. Member agencies are encouraged to contact NAC representatives or Homeless Link staff to feed in their thoughts on current policy issues. For full details of the NAC please see:

<http://www.homeless.org.uk/aboutus/advisorycouncil>

Increasingly, policy decisions are being taken at a local level. These policy briefings therefore also aim to support members in developing their positions on a range of issues so that they can effectively lobby for changes that will help end homelessness in their local areas.

Each policy briefing has 4 sections. These provide information on:

- Background, facts and figures
- An overview of responsible bodies
- Latest government policy developments
- A selection of key issues and policy lines

This briefing is on engagement, education, training and employment. Also in the series are briefings on drugs and alcohol; mental health; social housing, and; criminal justice.

We look forward to receiving your feedback on these documents so that we can continue to develop our evidence base and policy lines in consultation with member organisations. Please direct any feedback to oliver.hilbery@homelesslink.org.uk

2. Background, facts and figures

Engagement, education, training and employment (EETE) are vital to helping people experiencing homelessness move on with their lives. This briefing covers EETE services for people aged 16 and over.

EETE activities cover a wide spectrum. At one end, involvement in engagement opportunities (often referred to as meaningful activity) can equip people with the skills, motivation and 'personal space' to address the problems that have led to their homelessness and to rebuild self-esteem, personal relationships and quality of life. Informal learning activities can also lead to wide ranging improvements in mental and physical health for homeless people¹ and support health, crime and social exclusion targets. At the other, structured training and education courses can help homeless people gain the skills they need to operate in the job market and find sustainable employment.

It is important that all EETE activities across this spectrum are recognised as valid, that their use is supported, and that outcomes are measured both in terms of personal change ('soft' outcomes) and educational/employment successes ('hard' outcomes).

Despite the recognised importance of EETE services, the Homeless Link Survey of Needs and Provision (SNAP) shows that only 6% of homelessness projects currently receive funding from the employment and education agencies.² However, SNAP also shows positive trends in the availability of meaningful activity and ETE services in homelessness projects:

- Meaningful activity projects are available (in-house or via referral to an external agency) in around 90% of projects compared to around 65% in the 2008 survey
- Literacy and numeracy courses and IT related activities are reported to be available (in house or via external referral) in 94% of projects compared to around 70% of projects in the 2008 report.
- Ninety one percent of projects have accredited training available and 73% have general informal adult learning.
- Referral to an external agency for all these services is commonplace, but it is particularly likely for accredited training and IT, literacy and numeracy courses, suggesting that many projects have relationships in place with external providers³

¹ Broadway & Westminster PCT (2005) *The impact of social and cultural activities on the health and well-being of homeless people*

² Homeless Link (2009) *Survey of Needs and Provision* Homeless Link, London p.37

³ Homeless Link (2009) *Survey of Needs and Provision* Homeless Link, London. See pages 72-75 for full dataset.

2. Responsible bodies

EETE services and related policy cut across a number of government departments. For a comprehensive overview of the whole skills system see the Edexcel document: *Who does What In the Skills System*⁴

At central government level:

- **The Department for Work and Pensions (DWP)** has responsibility for the benefits system, including Job Seekers Allowance (JSA)
- **Job Centre Plus** a government agency of DWP, established in 2001, has responsibility for helping people away from welfare and into work
- **The Department for Innovation Universities and Skills (DIUS)** is responsible for further and higher education and developing skills to create an innovative and competitive economy
- **Communities and Local Government (CLG)** has responsibility for homelessness and creating sustainable communities. This includes active citizenship and community empowerment. Previously, CLG administered the Places of Change Programme (see next section), which has a strong EETE focus and is now run by the Homes and Communities Agency (HCA).
- **The Learning and Skills Council (LSC)** is a non-departmental public body that exists to make England better skilled and more competitive. It is responsible for planning and funding high quality education and training for everyone in England over 16 and outside of higher education. Under plans announced by the government last year, the LSC will be abolished in 2010 with its functions for 16-19 year olds moving to local authorities. Training and skills for adults will be led by a new smaller national agency, the Skills Funding Agency (SFA)
- **The Department for Culture, Media and Sport (DCMS)** has responsibility for sporting, cultural and creative sectors that link to informal adult learning
- **The Department of Health (DH)** has responsibility for promoting health and supporting active living
- **The Department for Children, Schools and Families (DCSF)** offers schools and community resources for informal adult learning

At a regional level:

- **Regional Development Agencies (RDAs)** help to create prosperity across England by strengthening and growing regional economies. They implement this goal through focusing on specific regional priorities that drive economic growth; supporting business development and competitiveness by encouraging public and private investment; and connecting people to economic opportunity. They also work to improve levels of education, learning and skills.

⁴ Edexcel (2008) *Policy Watch: Who does What In the Skills System, Exexcel*, <http://www.edexcel.com/Policies/Documents/Who%20does%20what%20in%20the%20skills%20system.pdf>

- **The Learning and Skills Council** has nine regional offices overseeing the work of local partnership teams throughout the county

At a local level:

- **Local education providers** such as colleges, universities and adult education centres deliver education services
- **Job Centre Plus** has a network of local offices providing support to help people into work
- **Day centres, hostels and supported housing providers** engage homeless people and residents in EETE activities and make links to mainstream provision. The CLG Places of Change Programme supports this aspect of work through its funding programme and process of information sharing (see next section).
- **Voluntary agencies and community groups** provide a range of opportunities across the informal adult learning spectrum
- **Employers and businesses** offer in-work and on-the-job training.

3. Government Policy

The government is committed to expanding education, training and employment options as part of its drive to create a thriving and competitive economy. In particular it is seeking to increase the employment rate from the current figure of 74.6% to 80%⁵.

It is expected that the current economic downturn will make the achievement of this target more difficult. The 2009 budget outlined the government's commitment to support people who lose their jobs as a result of the recession, in particular a guarantee that from January 2010, everyone under the age of 25, who has been out of work for 12 months, will be offered a job or a place in training.⁶

This section examines recent government policy relating to EETE and homelessness. There have been three recent and highly influential policy reviews on the welfare system and skills agenda:

- **Freud: Reducing dependency, increasing opportunity: options for the future of welfare to work** is an independent report to the Department of Work and Pensions (DWP) by David Freud. The report reviews progress on the Welfare to Work programme since 1997 and make a number of recommendations on how the government should continue to reduce inactivity and in-work poverty to help meet the 80% employment aspiration.

⁵ Freud (2007) *Reducing dependency, increasing opportunity: options for the future of welfare to work* Department for Work and Pensions, London. 74.6% figure based on those aged 16 to state pension age

⁶ Budget 2009: http://www.hm-treasury.gov.uk/bud_bud09_speech.htm

Freud recommends that UK welfare policy should apply its resources further to helping and encouraging the least advantaged into work, suggesting that while Job Centre Plus has been successful in helping those closest to the labour market more needs to be done for those furthest away.

He argues that DWP should develop an approach that allows it to direct spending to groups with complex and demanding problems in a more individualised way, with a role for the private and voluntary sectors in service delivery. Once more individualised support is available, he argues, the rights and responsibilities of all benefit recipients could be brought more closely into line through conditionality. Freud's proposals are being implemented by the DWP (see below).

In February 2009, David Freud moved to take up the position of Conservative spokesman in the Lords and to join David Cameron's council of economic advisers.

- **Leitch: Prosperity for all in the global economy - world class skills.** This review suggests that the UK must urgently raise achievements at all skills levels and commit to becoming a world leader in skills by 2020. This would mean doubling attainment at most levels of skill. It argues that responsibility for achieving ambitions must be shared between government, employers and individuals.⁷
- **Gregg: Realising potential: A vision for personalised conditionality and support.** This report, submitted to DWP in December 2008 set out a vision for a single personalised conditionality and support regime, where virtually everyone claiming benefits and not in work should be looking for or engaging in activity to help them move towards employment. The report suggests three key groups (1) a 'work-ready' group for those who are immediately job-ready, for whom the requirements would largely be based on the current JSA regime (2) a 'progression to work' group aimed at those where an immediate return to work is not appropriate but is a genuine possibility with time encouragement and support and (3) a 'no conditionality' group, which would not be required to undertake work-related activity or take steps back to work.⁸ The report has been very influential on recent welfare reforms.

In parallel with these reviews there have been a number of recent policy statements from government including two sets of Green and White Papers from DWP on welfare reform and a consultation and strategy document from DIUS on informal adult learning:

- **In Work, Better Off: next steps to full employment** is the DWP Green Paper published in July 2007. The paper outlines a proposed series of

⁷ HM Treasury http://www.hm-treasury.gov.uk/independent_reviews/leitch_review/review_leitch_index.cfm

⁸ <http://www.dwp.gov.uk/welfarereform/realisingpotential.asp>

measures to help achieve full employment and, following consultation, resulted in the White Paper, below.

- **Ready for Work: full employment in our generation**, is the DWP White Paper published in December 2007. It sets out how the government intends to meet its target of an 80% employment rate, stating that the core of the new approach will be to ‘move people from being passive recipients of benefits to active jobseekers looking and preparing for work with access to training and job-focussed activity.’⁹

Major changes relevant to the homelessness client group include the modernisation of the New Deal through the creation of the Flexible New Deal, which is in line with many of Freud’s recommendations; and the replacement of Incapacity Benefit with an Employment and Support Allowance (ESA), which increases conditionality and expands work related activity for some claimants.

Job Seekers Allowance - A new approach

A new approach to Job Seeker’s Allowance is central to the government’s welfare reform. This boxed text provides a brief overview of how it will work:

- **Stage 1 - Self Help - (0-3 months):** Claimants will be provided with signposting and access to job vacancies as well as fortnightly meetings to review and test their job search
- **Stage 2 - Directed Job Search - (3-6 months):** Claimants will be required to widen the scope of their job search, sign on more regularly and be submitted for any suitable employment.
- **Stage 3 - Supported Job Search - (6-12 months):** Claimants will be allocated to a particular personal advisor and an action plan agreed, including a timetable for specific activities to improve employability and find work. Certain groups of people, including people experiencing homelessness, will be fast-tracked to this stage.
- **Stage 4 - The Flexible New Deal - (12-24 months):** Claimants will be referred to an external provider for personalised help under the Flexible New Deal.
- **Work for your benefit - (24 months onwards)** A pilot scheme announced in the 2008 White Paper requiring ‘mandatory full-time activity’ for any individual spending more than two years on JSA.

Sources:

DWP (2008) No one written off: Reforming welfare to reward responsibility, p.39-40
DWP (2008) Raising expectations and increasing support: reforming welfare for the future, paragraph 6.10

⁹ Department for Work and Pensions (2007) *Ready for Work: full employment in our generation*, DWP, London (Ministerial foreword)

- **No one written off: Reforming welfare to reward responsibility** is the Green Paper issued by DWP in July 2008. It focuses on how the welfare system could be changed to have a greater focus on the responsibilities of claimants given the increased personal support to be made available by the reforms already outlined in the previous year's Green and White papers.¹⁰
- **Raising expectations and increasing support: reforming welfare for the future** is the subsequent White Paper published in December 2008. It sets out in detail the plan for the future as part of the government's vision for a personalised welfare state, where more support is matched by higher expectations for all. Major changes of relevance to homeless people include a stronger sanctions regime for missed appointments or failure to engage in directed tasks, including in some cases skills training or work related activity; and a requirement for those misusing certain drugs to accept a referral for treatment.
- **The Welfare Reform Bill**, currently making its way through Parliament, is supporting the implementation of these DWP White Papers. Two of the main elements of the bill are listed as being: 'measures to better enable people to take advantage of the considerable help on offer to them and where appropriate, to undertake training that is considered essential to finding employment' and 'a range of measures which strengthen the benefit contract between the individual and society - the individual's right to support in exchange for clear personal responsibility for improving their own circumstances'¹¹
- **Raising Expectations: enabling the system to deliver** is the DIUS White Paper published in March 2008, which announces the abolition of the LSC from 2010 (see section on responsible bodies).
- **Informal Adult Learning: Shaping the way ahead** is a consultation document issued by DIUS in January 2008. It makes clear that the government values the contribution that informal adult learning¹² makes to the well-being and health of society. It outlines government proposals for future funding and begins a conversation about the future of such learning in the 21st Century.¹³
- **The Learning Revolution** is the resulting strategy from the consultation outlined above, published in March 2009. It is a government wide document supported by other relevant Ministers and their departments. The strategy reaffirms the government's belief that informal adult

¹⁰ Homeless Link's response to this paper is available at:

<http://www.homeless.org.uk/policyandinfo/consultations/noonewrittenoffresponse>

¹¹ <http://www.commonleader.gov.uk/output/page2663.asp>

¹² Defined as 'planned and structured learning such as short courses organised in response to identified interests and needs but delivered in flexible and informal ways and in informal community settings'

¹³ Homeless Link's response to this paper is available at:

<http://www.homeless.org.uk/policyandinfo/consultations/informallearning>

learning is central to supporting individuals' personal development, well being and health as well as developing wider work-related skills and commits the government to ensuring that there is a wide choice of such inspiring opportunities accessible to everyone in every community. It states that the government is committed to building a culture which values informal adult learning in all its forms, with a wide range of organisations promoting it. Homeless Link was pleased to be asked to sign the Informal Adult Learning Pledge as part of this strategy.¹⁴

- **Places of Change Programme** In 2007 Communities and Local Government announced a further round of capital funding for homelessness services. Following from the successes of the Hostels Capital Improvement Programme (HCIP) the Places of Change programme (PCP) continues to have a strong focus on increasing the number of people who move on positively from a hostel or homelessness service through a recognition that hostel residents must benefit from engagement, education, training and employment activities as well as accommodation and resettlement support.¹⁵

The Places of Change Programme helps homelessness projects improve the physical make-up of their buildings as well as developing their services and staff. The Programme is now run by the Homes and Communities Agency. The associated Activating Places of Change grants scheme¹⁶ offered revenue funding to projects in receipt of capital funds to pump prime activities, for example around engagement, employment and training, to help services become Places of Change.

- **Communities in Control: Real people, real power** is the White Paper on empowerment published in July 2008 by Communities and Local Government. Although much of the focus is on engagement with democratic systems and political decision making there is an important statement of support around volunteering, in particular to explore how those on benefits can be supported to volunteer and announcing £2 million in funding from the Office of the Third Sector to help create opportunities for people with disabilities to volunteer¹⁷
- **No One Left Out: Communities ending rough sleeping** is the government's national rough sleeping strategy published in November 2008. The strategy prioritises engagement, education, training and employment through two action points, one around extending positive activities to motivate and empower people to take greater control in their lives (action 3) and another on tackling worklessness (action 4).

¹⁴ http://www.dius.gov.uk/skills/engaging_learners/informal_adult_learning/white_paper

¹⁵ Communities and Local Government (2007) *Places of Change Programme: Application Guidance*, CLG, London.

¹⁶ <http://www.homeless.org.uk/developyourservice/moving/places/activating>

¹⁷ Communities and Local Government, *Real People, Real Power, Summary*, CLG, London p.3

The strategy creates key links between homeless people and the Informal Adult Learning strategy outlined above.

- **Getting On, Getting Ahead** is a discussion paper on social mobility published by the Cabinet Office in November 2008. The paper highlights education, training and workplace skills as areas where the government can have an impact on improving social mobility.

4. Issues and policy lines

This section covers a selection of key policy issues relating to EETE and homelessness.

The importance of engagement activities

The CLG Places of Change Programme¹⁸ has shown how important meaningful activity and engagement programmes are in helping homeless people gain the skills, motivation and ‘personal space’ to address the problems that have led to their homelessness and to rebuild self-esteem, personal relationships and quality of life.

Engagement activities of this kind can also lead to wide ranging improvements in mental and physical health for homeless people¹⁹ and support health, crime and social exclusion targets. Engagement activities may also lead to a more structured programme of learning by an individual in the future (see below).

Despite strong support from DIUS in its recent Informal Adult Learning strategy there is still a lack of statutory support for basic engagement activities in homelessness services and revenue funding for such activity remains limited.

Providers often find that the outcomes required from funders necessitate a level of involvement that may be unrealistic for homeless people at the beginning of an engagement journey, or that funders require qualification based achievements rather than a focus on personal (or ‘soft’) outcomes. Tools such as the Outcomes Star²⁰ are allowing homelessness providers to better evidence these soft outcomes to overcome some of these issues.

¹⁸ Communities and Local Government (2007) *Places of Change Programme: Application Guidance*, CLG, London.

¹⁹ Broadway & Westminster PCT (2005) *The impact of social and cultural activities on the health and well-being of homeless people*

²⁰ http://www.homelessoutcomes.org.uk/The_Outcomes_Star.aspx

Homeless Link welcomes the strong focus from DIUS on the importance of a range of Informal Adult Learning opportunities, including basic engagement activities.

We welcome the recognition that not all learning has to be qualification based and the understanding that positive personal outcomes from informal learning are wide-ranging and can contribute to a number of cross-government targets.

We are pleased to have signed the DIUS Informal Adult Learning Pledge contained in the recent strategy.

Going forward, the government should support the joint commissioning of engagement activities in places that are regularly accessed by homeless people and ensure that funding requirements do not prohibit the delivery of such activities. It should also encourage other sectors, such as sports and arts, to link their social inclusion activities to homelessness services.

Education and training opportunities

Taking part in engagement activities may lead many people experiencing homelessness to a more formal programme of learning.

It is important that such activities are available both within homelessness services and that homeless people can develop their independence by easily accessing mainstream courses, for example at a local college. In some cases local education providers may offer ‘taster’ sessions in homelessness services before individuals join mainstream classes. The Survey of Needs and Provision (SNAP) shows that 75% of services use external referral to make accredited courses available.²¹

The Learning and Skills Council (Skills Funding Agency from 2010), local authorities and local education providers should ensure that a range of more formal learning activities are easily accessible to homeless people through the development of strong partnerships with homelessness service providers. The Community Learning Champions outlined in the recent DIUS strategy should include a focus on homeless people in their work.²²

‘Taster’ sessions or sometimes full courses, delivered in hostels or day centres, should be considered to help engage those individuals needing extra support and encouragement to access mainstream places of learning.

Cross government support and investment in the Places of Change Programme from DWP and DIUS, with a focus on the provision of more formal learning activities for homeless people, is needed.

²¹ Homeless Link (2009) *Survey of Needs and Provision* Homeless Link, London. See pages 72-75 for full dataset.

²² DIUS (2008) *The Learning Revolution*, DIUS, London p.7

Homeless Link Good Practice Handbook Education, training and employment

This new section of our website is dedicated to education, training and employment services for homeless and socially excluded people.

It features good practice guidance and considerations for a wide range of services and activities, from engagement and stabilisation activities, to volunteering, placements, self-employment and social enterprise.

It is designed for homelessness service workers and managers to find resources to support and complement their work, including innovative ideas and tried and tested schemes.

This project has been made possible by funding from OSW, the national charity that tackles homelessness by supporting individuals to access education, training, volunteering and employment, under their Tackling Multiple Disadvantage in London project, which receives funding from the European Social Fund.

To access the handbook please see: <http://handbooks.homeless.org.uk/ete>

Better engagement with homeless people from Job Centre Plus

Many homeless people find it difficult to engage with Job Centre Plus (JCP). JCP does not actively engage with homelessness services on a consistent national basis and some JCP staff lack the detailed knowledge to work effectively with people who have multiple needs. However, there are examples of good local cooperation in some areas as well as JCP staff with relevant specialist knowledge. Central and Eastern European homeless people have no specialist JCP provision available to them.

Job Centre Plus should provide active support to help work-ready homeless people into employment, including Central and Eastern Europeans. There should be visiting JCP workers and JCP job-search opportunities in all homeless hostels and day centres.

For individuals with complex needs the journey to employment may be slow and complex. There should be recognition that the engagement and more formal learning activities taking place in homelessness services are the beginning of this positive journey for many homeless people. By working closely with homelessness services JCP would be able to offer the appropriate advice and employment guidance at the right time in that journey.

The Flexible New Deal and ‘Work for Your Benefit’

The New Deals have been highly successful in helping those closest to the labour market, and claiming Job Seekers Allowance (JSA), into employment. In line with the proposals from the Freud Review (above) the government is implementing a Flexible New Deal (FND), which will replace the old system. This programme will provide a greater level of individualised support to people through four stages (see boxed text above).

The recent DWP White Paper also announced the piloting of a ‘work for your benefit’ scheme, requiring ‘mandatory full-time activity’ for any individual spending more than two years on JSA. Advisors in pilot areas can also require ‘work for your benefit’ engagement from people on JSA at any time if they believe the claimant would benefit.²³

Homeless Link welcomes the Flexible New Deal and its focus on providing support to help those furthest from the labour market into employment. However, the FND needs to have a special approach for people experiencing homelessness and we welcome the suggestion in the recent White Paper that homeless people will be fast tracked to the supported job search stage.²⁴

We believe that engagement in work or work-related activity can be a positive step on the road to employment, but only if it comes at the right time for the individual and if ‘work’ is meaningful and ‘work-related activity’ broad enough to be positive for all those involved. For some individuals mandatory full time activity may present barriers to their other needs being met and therefore not be beneficial to their journey towards the labour market. These individuals should not have to engage in this process.

Conditionality

The Department of Work and Pensions (DWP) has announced that Job Seekers’ Allowance (JSA) and the new Employment and Support Allowance (ESA), which replaces Incapacity Benefit, will both become more conditional.

This includes a significantly strengthened sanctions regime, to include the power to sanction one week’s full benefit from a claimant who misses just one mandatory appointment, and sanctions for people who fail to engage in directed activity.

In addition, people identified as problem drug users (heroin or crack cocaine) will be required to engage in a personalised programme of support

²³ Department of Work and Pensions (2008) *Raising expectations and increasing support: reforming welfare for the future*, DWP, London, paragraph 6.10

²⁴ Department of Work and Pensions (2008) *Raising expectations and increasing support: reforming welfare for the future*, DWP, London, paragraph 4.15

until they are ready to move to the mainstream JSA or ESA programmes. During this time they will receive a Treatment Allowance, with conditions modified to reflect a 'tailored and appropriate set of conditions for supporting recovering drug users' including progress against a rehabilitation plan.

Homeless Link supports the general principal of rights and responsibilities in welfare reform and the need to prevent people 'playing the system'. However, too tight a focus on the new conditionality, or misinformed decisions to impose sanctions, will create significant dangers for the most vulnerable.

Homeless Link is therefore calling for the government to have a much stronger check and balance on proceedings. If sanctions are to be used then a case management approach involving all relevant agencies should be required before a sanction is allowed. A sanction should not occur if it will result in homelessness or if it would move a vulnerable individual away from a generally positive trajectory of change.

Job Centre Plus advisors will need to work with local agencies and those supporting vulnerable people to make the right judgements and exercise flexibility for the most vulnerable, remembering that enabling support is often more effective than sanction. It is only through ensuring this balanced implementation that the government will really ensure that no one is left behind as a result of these reforms.

Financial barriers to entering employment

Many individuals fear that a move into work may not be financially beneficial, and that they may be disadvantaged by slow recalculation processes if they have to return to benefits after a short period in employment.

Recent research conducted by the New Economics Foundation for Business Action on Homelessness²⁵ has examined this issue. In particular the report looks at how a financial incentive provided to individuals entering work from benefits could ease the transition and result in significant cost savings to the government.

It also suggests reforming the benefits system so that any individual returning to benefits after a short period of employment could have their claim quickly restarted. This would significantly reduce one of the main perceived risks of taking a new job.

²⁵ Business Action on Homelessness (2009) *Making Work, Work*, Business Action on Homelessness, London

Tax and benefit systems could provide far more support for homeless people to return to work. We welcome the recent report from Business Action on Homelessness²⁶ on this issue and hope that the recommendations to government outlined above are implemented.

Housing costs as an additional barrier

For many people housing costs are an additional barrier to moving away from benefits and into work. This is particularly the case for people living in hostels or expensive private sector leased accommodation²⁷ in certain areas of the country.

Changes to the Housing Benefit system would be one way to address this issue. Homeless Link has proposed a number of changes to the Department for Work and Pensions, including:

- Promoting the fact that Housing Benefit can be claimed as an ‘in-work’ benefit
- Lengthening the extended payments scheme - which pays Housing Benefit at the pre-employment rate in the early weeks of a new job, thus helping individuals feel more financially secure as they adapt to being in employment
- Changing the rate at which Housing Benefit reduces as income rises (the taper) - which is a particular issue for homeless people in expensive temporary accommodation as the higher the rent, the lower their marginal rate of after-housing-cost income as their earnings rise
- Reducing the sensitivity of Housing Benefit to changes in personal circumstances - which is a particular issue for people falling temporarily in and out of work or working differing hours each week
- Improving the administration of Housing Benefit - as many of the issues outlined above are compounded by the very poor administration of Housing Benefit in local areas.²⁸

However, there are also a number of solutions that homelessness services can investigate to help homeless people make this transition, including arranging appropriate move on accommodation at a suitable time and reducing rents as far as possible for working residents.

²⁶ Business Action on Homelessness (2009) *Making Work, Work*, Business Action on Homelessness, London

²⁷ Provided by local authorities as temporary accommodation under the homelessness legislation.

²⁸ For full information on these issues please see Homeless Link’s recent letter to the Department of Work and Pensions at <http://www.homeless.org.uk/policyandinfo/consultations/HBinternalreview>

Homeless Link recognises that people in expensive supported accommodation can face an additional barrier in moving into work.

The government should reform Housing Benefit to ease this transition in the ways outlined in our recent correspondence (see above). Homeless Link will also consult its members and respond to the forthcoming consultation on this issue.

Services supporting homeless people and local authorities must also work to ensure that when people start work there is timely move on accommodation available that they can afford. The development of a 'working hostel' model, as outlined in the government's rough sleeping strategy may help to further develop thinking on this issue.

Local authorities should consider the full use of Discretionary Housing Payment (DHP) to temporarily bridge gaps between rent and benefits, while service providers should consider reduced service charges for working residents or temporary transition funds to support moves to independence.

In addition, there are number of projects, such as the Working Future project (which attempts to reduce the difficulties of a transition to work through reducing expensive rents) and the Transitional Spaces Project (which offers support to find work and move out of hostels). These schemes should be thoroughly evaluated and the best parts of them used in other similar schemes.

The government should also take action on rents for private sector leased accommodation, which currently sit outside of rent officer control. These prevent many people in temporary accommodation from working because of the high level at which they are set.

Incentives and support to enter and maintain employment

There is concern that the new Job Seekers' Allowance regime (outlined above) may lead to vulnerable people being forced to take jobs which are unsuitable for them, coupled with the fact that there is very little support available for people once they have entered employment. Currently, Job Centre Plus measures a job outcome as employment expected to last only 'at least 13 weeks'.

Research by homelessness provider Thames Reach²⁹ has shown that many of its clients report health rather than financial barriers to moving into work. If targets around employment levels are to be met, employers will need to be much more flexible in employing and supporting individuals with specific needs in the workplace. This includes people with physical and mental health difficulties.

²⁹ Thames Reach (2008) Service User Survey, Thames Reach, London

The Business Action on Homelessness report referenced above³⁰ also recommends the provision of a dedicated case manager for individuals making the transition from benefits to work. The case manager would provide holistic support and advice during job search as well as the early stages of employment.

The government should help employers recruit, develop and support people who have previously been homeless. Assigning a case manager to each individual moving from benefits to work, as proposed by Business Action on Homelessness, would be a welcome first step, alongside further work with the business community to ensure suitable offers of employment.

The 16-hour rule

In its 2008 Green Paper, the government announced greater flexibility in the JSA '16-hour rule'³¹ so that it will no longer be a barrier to short-term employment focused training. Those who have been receiving JSA for more than six months - or those whose personal advisers believe need urgent help to update skills - will be able to take part in full-time employment-related training for up to eight weeks while receiving a training allowance. DWP is also ready to consider requests to extend the eight week limit from the most effective City Strategy Pathfinders, or to look at other innovative proposals³²

Homeless Link welcomes the greater flexibility in the 16 hour rule. We stated in our response to the Green Paper that we would like this reform to go further still, so that DWP advisors could have the power to waive the 16 hour rule for anyone who would benefit from education and training activity as part of their job search, regardless of their time on JSA or the duration of their learning.

The Flexible New Deal: Commissioning, service provision and the Right to Bid:

There are opportunities for homelessness providers to be commissioned to deliver personalised support services to job seekers under the Flexible New Deal (tier 2 providers). However, there are also risks to this because providers will be paid related to outcomes.

In addition, the DWP has announced a Right to Bid programme, in which any organisation can bid if they believe that they can improve the current service on offer and can provide evidence to support their success.

³⁰ Business Action on Homelessness (2009) *Making Work, Work*, Business Action on Homelessness, London

³¹ Which used to restrict adults aged 19 and over from claiming benefit while studying full time (more than 16 guided learning hours/week).

³² DWP (2008) *No one written off: Reforming welfare to reward responsibility*, paragraph 2.75

DWP expects the majority of early Right to Bid applications to focus on improving aspects of welfare-to-work delivery, but Right to Bid is not restricted to that sector and may relate to any area of DWP business. A Bidder's Guide is available and some early decisions are expected soon.³³

The DWP commissioning regime needs to recognise the higher risk and challenge of delivering employment outcomes for many homeless people. Any approach used must ensure that there is no false incentive to work only with those clients easiest to help.

Homelessness agencies could be key providers of such services, but financial risks linked to outcomes will need to be appropriate for the target group and success will need to be defined appropriately.

³³ Department of Work and Pensions (2008) *Raising expectations and increasing support: reforming welfare for the future*, DWP, London 3.28 - 3.32 Bidders guide:
http://www.dwp.gov.uk/supplyingdwp/what_we_buy/right_to_bid_bidders_guide.pdf

Homeless Link is the national membership organisation for frontline homelessness agencies in England. Our mission is to be a catalyst that will help to bring an end to homelessness.

Our two goals are to:

- Raise standards in the services that support homeless people and tackle homelessness
- Influence the development of policy, strategy and investment at all levels of government.

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