



# Ealing Single Homeless Prevention Service

## The Challenge

Ealing Council faced significant challenges due to the introduction of the Homelessness Reduction Act 2017, which required increased duties to support single applicants not in priority need. This necessitated the creation of Personal Housing Plans and active engagement in preventing or relieving homelessness, creating a substantial resource burden. Additionally, the current service contract was due to conclude, necessitating a rapid focus on the future structure of the service. The council needed to conduct market engagement, draft a comprehensive strategy, and commercial strategy, and ensure the project was included in the council's forward plan to secure approval for the procurement process.

## The Solution

V4 Services supported the Ealing Homelessness Team in developing and implementing a comprehensive strategy to address these challenges. We played a pivotal role in formulating the commercial strategy that underpinned the SHPS strategy document, ensuring alignment with the council's objectives.

The council opted for a four-year contract with a two-year extension, funded by the Flexible Homelessness Support Grant, to be awarded to a suitably qualified provider through an open procurement process. Before the procurement, we conducted a pre-procurement exercise that included an options appraisal, determining that the Payment by Results (PBR) model was the best approach. We led a provider market engagement workshop during this exercise, where providers completed questionnaires to offer innovative ideas and market insights. We also held several "Meet the Client" Teams sessions to gather valuable feedback.

The contract was designed using a PBR model, ensuring payment only for verified successful outcomes. The chosen provider, Pan London Single Homeless Prevention Service (PLSHPS), subcontracted operational work to Hestia, which managed direct interactions with single homeless clients. Hestia created Personal Housing Plans and worked on preventing or relieving homelessness. Payment was based on three key outcomes: creation of a Personal Housing Plan, securing accommodation for at least six months, and sustaining the accommodation for at least eight months.



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## The Outcome

The project resulted in substantial benefits for the council and the community. Financially, the PBR model provided cost avoidance, with the council avoiding the need for significant staff increases and associated costs. The external provider managed 1979 referrals, achieving over 1,200 successful housing outcomes. These figures, reflecting the outcomes of the previous project, demonstrated that handling the service internally would have been more expensive for the council. Our calculations showed that the council would have incurred costs of approximately £575k annually if the service were delivered in-house, while the external contract averaged £548k per year, offering flexibility and efficiency. Consequently, our research and options appraisal confirmed that sticking with the PBR model was the optimal choice.

The council staff could focus on reducing the use of statutory temporary accommodation, maintaining high success rates in preventing and relieving homelessness. Ealing achieved the highest or second-highest success rate in London during the contract period. Additionally, the subcontractor's effective recruitment and retention of staff ensured continuous service delivery.

Socially, the service helped reduce rough sleeping and associated harms, supporting individuals in gaining employment and social independence. The service also addressed inequalities, benefiting economically challenged groups, with 74% of clients from ethnic groups other than 'White British' and 89% dependent on welfare benefits. The equalities data highlighted the positive impact on groups facing greater housing exclusion and disadvantage.

“ Working with V4 Services has been a transformative experience for our team at Ealing. The strategic insights and support provided were instrumental. The collaboration ensured we implemented an effective, outcomes-based model that delivered both financial and operational efficiencies. This partnership significantly reduced rough sleeping and its associated harms in our community. ”

Gill Reavey, Housing Options Manager



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