Impact Report Appendix 2025

Data collection methodology and tools

Underlying Academic Research for Survey Tool

The aim of our impact reporting work is to develop an accurate picture of where and how Greater Change's work impacts our clients' lives.

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 understanding of how our services make a difference in each of our clients' lives.

Industry standards and wider academic literature support our methodology, specifically the focus on measuring financial stability in relation to self-management, accounting for experiences of the individual and their social context, assessing comprehensive measurements of homelessness outside of 'rooflessness', and highlighting the importance of advice coupled with practical and emotional support in order to leave behind homelessness.

The impact measurement tool was designed with the help of The Social Innovation Partnership and was derived from the Homeless Link Outcomes Star and the Housing Stability Scale.

How does it work?

The Impact Measurement Tool (IMT) is filled out by the client with their support worker, where 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.

Impact is assessed based on the change in scores on metrics before and after our intervention, the degree of change, and the number of clients who move into or sustain the most positive outcome on each metric.

Survey Tool Scaling

The following scaling guidance is sent out to all support workers filling in the survey and is attached within the survey form to help them accurately report on the status of their clients.

Impact on Social Networks

1	- Having a hard time trusting people - Holding on to unhealthy relationships - No positive interaction with family or personal support network
2	- Still finds it difficult to trust people - Initial contact with support worker and personal support network - Still haunted by unhealthy relationships
3	- Starting to inconsistenly see a regular key support worker - Still at risk of disengaging - Starting to detach and disengage from unhealthy relationships
4	- Starting to build positive relationships with support workers, friends, and family - Consistently engaging with support services - At low risk of disengaging
5	- Building meaningful relationships with friends and families and receiving support - Constantly seeing Support Worker - Left behind unhealthy relationships

Impact on Mental Health

1	- Poor mental health - Suffering from anxiety & panic attacks - Difficulty finding motivation - Potentially depressed
2	- Asking for help - Speaking to a doctor about mental wellbeing but not discussing struggles in detail - Not actively engaging with others
3	- Trying to get help - Starting to discuss emotional and mental health struggles with services and doctors - Trying to get help and get better
4	- Taking active steps to get on top of mental health - Gradually getting a more positive outlook on life - Regaining motivation
5	- Stable mental health - Stable and engaging with activities related to mental wellbeing regularly (e.g. meditation) - Sticking to prescriptions if necessary

Impact on Drug and Alcohol Misuse

1	- Spending money on drugs - Physical condition still deteriorating - Pre-contemplation stage in recovery - Sometimes violent on the street
2	- Learning more about rehab options - In the contemplation stage of recovery
3	- Mindset is changing - The recovery process has started - Checked into rehab - Dependent on prescriptions to stay clean
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
5	- Maintaining recovery over a significant period of time - Still requires consistent effort but staying clean out of rehab

Impact on Reoffending

1	- Still in prison serving long prison service - Not going to be in stable housing after - Likely to be thrown back to criminality immediately after release
2	- Coming out of prison, unsure about housing - Starting to engage with services to not go back to offending
3	- Getting skills necessary to start a new way of life with the help of social workers - Exploring a variety of possible housing options to avoid homelessness
4	- Out of prison - Not engaging in criminal activity - Actively trying to move away from criminality - Low chances of recidivism
5	- No longer at risk of re-offending - Maintaining healthy move-on - Helping others out of similar situations

Public value-for-money research

This section outlines how the raw cost savings figures were derived. We will firstly discuss how each figure was derived, and then illustrate how these numbers were applied to the outcome scales above.

Cost savings table

Table 1. Cost savings by category of public expenditure

Category of Cost Savings	**Average Annual Savings per Person**	**Source**
Housing	£19,210.78	*LSE 'The cost of homelessness services in London', 2023.*
Employment: Local Housing Allowance and UC	£12,854.65	*LHA Rates calculated using Cat B dwelling types from April 2024 to March 2025.* *UC costs are calculated using UC base rates for 24/25.*
Substance Misuse	£2,744	NHS costs sourced at Unit Costs of Health and Social Care 2024; Frequency of use estimated based on Crisis 2016 "Better than a Cure?"
Mental Health	£16,206	
Other NHS Costs	£3,199	
Criminal Justice	£95,848	Average incarceration costs and length sourced from MOJ. Trials and Prosecution costs sourced from Crisis 2016 "Better than a Cure?"
Prevention	£14,161	*LSE 'The cost of homelessness services in London', 2023. Adjusted for CPI.*

Housing

The housing figures are drawn directly from the LSE's *The cost of homelessness services in London* report, and adjusted for inflation using the Consumer Price Index (CPI) from 2019 to 2025. According to the report, the annual cost of one person in temporary accommodation (TA) in London was estimated to be £14,964, equivalent to £19,210 when adjusted for inflation.

By comparison, the current cost of nightly paid accommodation for a one-bedroom property in Tower Hamlets stands at £65 per night, amounting to over £23,725 annually. This suggests that our estimate errs on the side of caution, likely underrepresenting the burden of temporary accommodation on local authority budgets.

This figure is applied to the following respondents:

- *Pre-intervention*: Respondents who rated their housing score between 1-3
- *Post-intervention*: Respondents who rated their housing score between 4-5

Employment

Local Housing Allowance

Local Housing Allowance (LHA) rates were sourced directly from each respondent's local council website. Since LHA represents the maximum amount that can be paid through housing benefit, we used it as a proxy for the housing benefit each client would likely have received. For every client, we applied the LHA rate specific to their local area.

This figure is applied to the following respondents:

The percentage of cost savings attributable to LHA differed depending on respondent answers.

100% of local LHA rate

- *Pre-intervention*: Respondents who rated their employment score between 1-3
- *Post-intervention*: Respondents who rated their employment score as 5

50% of local LHA rate

- *Category 1:*
    - *Pre-intervention*: Respondents who rated their employment score between 1-3
    - *Post-intervention*: Respondents that rated their employment score as 4
- *Category 2:*
    - *Pre-intervention:* Respondents who rated their employment score as 4
    - *Post-intervention:* Respondents who rated their employment score as 5

Universal Credit

We calculated a weighted average of Universal Credit (UC) rates based on the composition of households owed a relief duty between January and March 2025. Each household type was weighted by its share of the population and multiplied by the average weekly UC amount typically received by that group.

Composition of households owed a relief duty:

- Single with children: 17%
- Single without children: 71%
- Couple with children: 8%
- Couple without children: 4%

To estimate UC rates for each household type, we used:

- The client's age (under or over 25)
- The average number of children among homeless households

Annual UC amounts were calculated by multiplying the weekly base rate by 52. For households with children, we added the first child rate plus 69% of the subsequent child rate (reflecting average household composition of homeless households). These were then weighted by household type to determine the final average UC rates:

- Under 25: £5,686
- Over 25: £6,753

This figure is applied to the following respondents:

The proportion of UC savings attributed to each respondent depended on their progress on the employment scale.

100% of average base UC rate:

- *Pre-intervention*: Respondents who rated their employment score between 1-3
- *Post-intervention*: Respondents who rated their employment score as 5

50% of local LHA rate

- *Category 1:*
  - *Pre-intervention*: Respondents who rated their employment score between 1-3
  - *Post-intervention*: Respondents that rated their employment score as 4
- *Category 2:*
  - *Pre-intervention:* Respondents who rated their employment score as 4
  - *Post-intervention:* Respondents who rated their employment score as 5

Note: the figure in Table 1 summarising employment cost savings is an average of the 23/24 cost savings generated by respondent answers.

Housing (Prevention)

It's common sense to say that prevention is better than cure, especially when it comes to homelessness. Prolonged experiences of homelessness often lead to entrenched rough sleeping, escalating health issues, sustained reliance on overstretched public services, and, in too many cases, premature death.

When engagement with interventions happens early, this doesn't just mean that problems are addressed before they worsen, it also means avoiding those problems altogether. At earlier stages in the homelessness cycle, individuals typically present with fewer complex needs, their health has not yet suffered in the long-term, the risk of exploitation by organised crime is lower, and the burden on services such as A&E, policing, and emergency housing is significantly reduced.

However, translating this common-sense logic into concrete numbers is challenging, primarily due to the lack of a clear counterfactual. There is limited robust research quantifying the public costs truly avoided through prevention because, by definition, those individuals do not enter the system and are therefore not tracked.

This creates a dilemma: while we believe the long-term cost of unaddressed homelessness is high (and extensively documented in other sections of this report), quantifying the exact cost avoided per individual through early support remains difficult.

The aim here is to capture the public cost of an average 'journey' through the homelessness pathway, costs that Greater Change can prevent entirely, not just mitigate. This is distinct from cost savings associated with reducing temporary accommodation (TA) use *after* someone has already entered the system. Instead, we focus on the full suite of costs we're helping to avoid by keeping individuals out of homelessness in the first place.

For this report, we've drawn from the 2023 LSE *Cost of Homelessness Services in London* report to establish a conservative estimate of the cost avoided through prevention. Two figures were combined to arrive at the estimated per-case saving:

1. Prevention and relief support work: £2,517
2. Average TA cost per accepted case: £8,514

Together, they reflect the **minimum** public cost that can be avoided through effective early intervention, and the value of stopping homelessness before it begins.

These figures are based on 2019 costs and have been adjusted for inflation to reflect 2025 values. When updated, the total estimated saving per prevented case is approximately **£14,161** in today's terms.

This figure is applied to the following respondents:

- *Pre-intervention*: Respondents who rated their housing score between 4-5

- *Post-intervention*: Respondents who rated their housing score between 4-5

Our experience suggests that individuals rarely come to Greater Change unless a significant number of other options have failed, which provides sufficient argument to apply this figure to those who maintain the same housing score pre- and post-intervention. In this context, maintaining housing stability at all may itself reflect a successful prevention outcome. Given the lack of an ideal counterfactual and the conservative nature of our costing method, we believe this approach offers a cautious but reasonable reflection of our impact.

Wider determinants of Health

We currently use two sources to measure the cost savings attributed to the NHS.

Frequency of Use of Health Services
We estimate frequency of use of health services using a 2016 Crisis study *Better than a cure?*. This study measured usage of health services among 86 homeless individuals across a period of 90 days. This frequency of use was multiplied by four to reflect cost-savings per annum.

Cost of Health Services
We estimated the cost of each health service used by respondents in the Crisis study using the Unit Costs of Health and Social Care 2024 report. Since not every respondent used every service, we calculated an average per-person cost by multiplying each service's unit cost by its total usage, then dividing by the number of people who used that service.

For example, for mental health cost savings, we arrived at a total cost-savings of £16,206 via the following:

- **Inpatient Psychiatric Care**
  9 nights x £786 (cost per night for Adult Medium Secure psychiatric ward)
  =£7,074
- **Outpatient Psychiatric Appointments**
  39 appointments x £289 (General Psychiatry service)
  =11,271
- **Community Mental Health Contacts**
  214 contacts x £274 (average cost of Community Mental Health Service - Functional and Organic)
  =£58,636

Total over 3 months = £76,981
Average per person (based on 19 individuals): £4,051 per quarter
Annualised per-person saving: £4,051 x 4 = £16,206

Table 2. Cost Savings Attributable to ecreased NHS Usage

Service Used	Frequency of Use (per annum)	The unit costs of health and social care 2024	Total Cost Savings, per person, per annum
Mental Health ***19 respondents utilised Mental Health services in Crisis 2016 *Better than a Cure?***			
Nights in a Psychiatric Ward	36	£786	£16,206
Outpatient Psychiatric Appointments	156	£289	
Contacts with Community Mental Health Teams	856	£274	
Substance Use ***Crisis study provided average number of uses per person for substance use services**			
Drug and Alcohol service	29.2	£94	£2745
Other NHS Costs ***60 respondents used other NHS services in Crisis 2016 *Better than a Cure?***			
GP Appointments	804	£90	£3,199
Outpatient Appointments	204	£230	
A&E Attendances	152	£273	

Hospital Ambulance	68	£459	

This figure is applied to the following respondents:
Mental Health

- *Pre-intervention*: Respondents who rated their mental health score between a 1-3
- *Post-intervention:* Respondents who rated their mental health score between a 4-5

Substance Misuse

- *Pre-intervention*: Respondents who rated their substance use score between a 1-3
- *Post-intervention:* Respondents who rated their substance use score between a 4-5

Other NHS services

- *Pre-intervention*: Respondents who rated their housing score between a 1-3
- *Post-intervention:* Respondents who rated their housing score between a 4-5

Criminal Justice

When discussing the relationship between homelessness and interactions with the criminal justice system, it's important to note that people experiencing homelessness are far more likely to be victims of crime than perpetrators; 77% of rough sleepers have been victims of some violent crime at some point in a 12-month period. However, because it's not feasible to discuss the possible costs of the victimisation of people experiencing homelessness, this report focuses on the cost of *reoffending.*

It is well established that spending time in the criminal justice system increases the risk of homelessness and this in turn raises the risk of offending. In July 2021, the Ministry of Justice introduced an accommodation scheme entitled the Community Accommodation Service Tier 3 (CAS-3) program, which provides temporary accommodation for up to 84 nights for prison leavers at risk of homelessness. However, with the chronic shortage of affordable housing across the UK, 84 days is not a sufficient amount of time to obtain suitable accommodation. It's unsurprising then given the cycle of the effects of being unhoused and interacting with the criminal justice system, that according to the Ministry of Justice, those who are released from prison without somewhere safe to stay were 50% more likely to come into contact with the system again. In 2022, individuals who were homeless upon release from custody reoffended at a rate of 66.1%, compared to a 34.5% reoffending rate among those in settled, bail/probation, or other stable accommodation.

In order to estimate the cost to the public purse of these contacts with the criminal justice system, we separated incarceration costs from trial and prosecution costs.

Incarceration

According to the Ministry of Justice, in 2022-23, the average cost of holding one prisoner per year was £33,628. Also according to the Ministry of Justice, in the 12 months following September 2023, the average length of a prison sentence was 20.1 months. However, the length of sentence for those that have had previous interactions with the criminal justice system is slightly different. To calculate the average length of a prison sentence, the weighted average was calculated using the middle value of each interval:

- >10 years: 5%
- 4 to 10 years: 12.5%
- 1 to 4 years: 22.5%
- <1 year: 60%

This results in an average prison length of 25.5 months. This was multiplied by the total cost per month for imprisonment (£33,628/12). The final figure was adjusted for inflation using CPI, totalling to **£74,855.66.**

Trials and Prosecutions

In order to estimate the cost of trials and prosecutions, we utilised the cost estimates from the 2016 *Better than a cure?* report. Of the homeless individuals surveyed in the Crisis study, 17 had interactions with the criminal justice system, totaling:

- 28 arrests with detention, costing in total: £20,132
- 6 instances of injunction on anti-social / criminal behaviour, costing in total: £4,038
- 16 court appearances, costing in total: £233,648.

From this, the unit cost of arrest and detention, injunction and court appearances were derived to be £719, £638 and £14,603 respectively. Assuming each reoffence incurs all these costs, the total cost of arrest and prosecution per person was £15,166, equivalent to **£20,992.46** when adjusted for inflation from 2015.

Total Criminal Justice Costs per Person: £95,848

This figure is applied to the following respondents:

- *Pre-intervention*: Respondents who rated their reoffending score between 1-3
- *Post-intervention*: Respondents who rated their reoffending score between 4-5

Quality Adjusted Life Years

In an effort to capture larger societal (non-cashable) benefits of Greater Change personalised budgets, we endeavored to undertake an initial quantification of the Quality Adjusted Life Years benefits derived from Greater Change intervention. Quality-Adjusted Life Years (QALYs), is a measure used in health economics to assess the value of health outcomes by combining both quantity and quality of life.

According to a study entitled *Homelessness and Quality Adjusted Life Years: Slopes and Cliffs in Health Inequalities a Cross-sectional Survey,* compared to a housed population, one year of homelessness was associated with a loss of 0.117 QALYs. According to Green Book guidance, the total value of one QALY is £70,000. Therefore, the cost savings that can be attributed to QALY benefits is **£8,190 (**£70,000 x 0.117).

This figure is applied to the following respondents:

- *Pre-intervention*: Respondents who rated their housing score between 1-3
- *Post-intervention*: Respondents who rated their housing score between 4-5

A Note on Limitations and Approach

While our cost savings analysis is grounded in the best available data, it's important to acknowledge the broader context:

- **Limited research & funding:** Homelessness in the UK remains under-researched and underfunded. Some of our impact estimates, while deliberately conservative, are therefore less robust than we would hope.
- **Limits of numerical measures:** Measuring the impact of homelessness interventions solely through cost savings and other metrics will always be a partial picture. These figures can never fully capture the profound human cost of homelessness, nor the deep and far-reaching value of financial stability, dignity, and opportunity that Greater Change personalised budgets provide.

Still, numbers matter, and we believe that our estimates offer a meaningful, if particle, view of both the challenge and the change we are working to create.