

Whole Housing Approach Cost Benefit Analysis Explained

A cost benefit analysis (CBA) model was applied to demonstrate the economic and social value of the WHA intervention based on the actual experiences of three victim/survivors.

The results are persuasive in showing that harmful outcomes were likely prevented for each case study with a potential total savings of £68,545.80 to the public purse. The cost benefit ratio ranged from £3.39 to £59.27 for every £1 invested.

Methodology

The Greater Manchester Cost Benefit Analysis model provided the foundation for undertaking a CBA. Two main inputs are needed to run the New Economy model: data on project costs; and evidence of project outcomes, in this instance the issues prevented or delayed as a result of the WHA intervention. The costs saved relate to immediate savings, roughly within the first year, and also extend beyond that period.

Details of the victim/survivors' stories were provided by the local domestic abuse services involved and a DAHA accredited housing association. The outcomes prevented or delayed were identified based on the existing issues they faced at the start of the intervention.

The costs of delivering WHA intervention were taken from the actual costs of delivering the funded components of the WHA project. This included costs for Mobile Advocacy services¹, Sanctuary Schemes and flexible funding.

The New Economy Unit Cost Database was used to identify the costs associated with the outcomes prevented or delayed by the WHA intervention (i.e. fiscal benefits).

¹ The cost of Mobile Advocacy support was £323 per victim/survivor and calculated based on the cost employing a FTE mobile advocate for one year divided by the average number of victim/survivors supported per advocate in that year. This figure is an estimate and doesn't account for variation in the level of intervention delivered per victim/survivor, as some victim/survivors will need more time than others when they are experiencing more complex issues. It also doesn't account for the travel time and costs for delivering this service in a rural location.

The cost savings for each case were calculated by subtracting the combined costs for delivering the WHA interventions from the combined costs of the outcomes prevented or delayed.

With this figure, it is then possible to work out the cost-benefit ratio for each case.

A certainty level of 70% was added to account for risk and uncertainty, which is in line with a certainty level applied by local authorities in the WHA pilot sites for other projects. This is an allowance for outcomes of “what would have happened anyway” without the WHA intervention. This meant applying a 30% reduction from the total savings identified.

The following example shows how the cost benefit ratio for Rosa’s journey was calculated:

The cost of WH interventions was **£3,780**

The saving identified was **£18,342**. **30%** was deducted from this figure to reflect a saving of **£12,839.40**.

$£12,839.40 / £3,780 = £3.39$

This means that **£3.39 was saved for every £1 spent**.

Case study template

The following case study format was used in the CBA and can be used as a template for local areas to conduct their own analysis.

The text in bold indicates WHA interventions that have been costed as part of the analysis. Underlined text that is accompanied by a bracketed code indicates costs saved. The codes indicate costs taken from the New Economy Unit Cost Database.

Details of the costs are given in tables following the case study text.

Rosa's story

Background/Crisis/Issues

The housing officer (HO) at a **DAHA accredited housing provider** carried out a welfare visit to Rosa's home following concerns raised by the police at a 'Problem Solving Group'. Rosa has mild learning difficulties and struggles with a drug abuse problem. The HO noticed that she had visible injuries to her face. The HO had concerns that Rosa was experiencing economic abuse as there had been a historical adult safeguarding referral made about financial abuse. At the visit, Rosa confirmed that her current partner had assaulted her and that she had not reported this to the police or sought help. The perpetrator was already known to police due to long history of previous convictions for drug and violent offences. The HO was unaware of the history of the perpetrator until this was disclosed at the MARAC. The HO identified that Rosa was at risk of further physical, psychological and economic abuse as well as abuse from the perpetrator's mum. Rosa was also in rent arrears. She wanted to continue to live at the property.

Actions/Awards

An unannounced visit was made by the HO as they were concerned about Rosa's welfare. A disclosure of domestic abuse was made to the HO. The HO encouraged Rosa to disclose to police, who subsequently referred the case to MARAC. The perpetrator was arrested and jailed until 2020. The HO liaised with the local domestic abuse service and made a referral. Rosa found it difficult to approach other support services so the HO arranged a joint meeting to introduce Rosa to the local domestic abuse service. Rosa's property was secured by the **local sanctuary scheme**, and the police installed an alarm and GPS on her mobile telephone in addition to this. The HO continued checking in with Rosa, following up a safeguarding referral (although Rosa did not meet threshold). The HO liaised with the local domestic abuse service and police to get updates. Meanwhile, Rosa continued to live at the property. The domestic abuse service provided on-going support to Rosa throughout the criminal proceedings. Rosa received support through the Citizens Advice Bureau (CAB) to assist with rent arrears due to economic and financial abuse.

Further crises/issues prevented:

Rosa did not require hospital admission, as further domestic abuse was prevented (**CR2.0**). Anti-social behaviour was prevented (**CR1.0**) by the perpetrator's imprisonment. The HO has discussed a debt relief order option with Rosa to prevent arrears action and eviction (**HO1.0**), and a subsequent homeless application (**HO3.0**). Rosa is actively receiving support for drug withdrawals, reducing her drug misuse (**HE2.0**), and is also on medication for her mental health. Rosa is receiving counselling for domestic abuse.

WHA intervention cost	Cost	Unit	Main cost bearing agency
DAHA Accreditation	£3,600	Per housing provider; lasts for 3 years	Housing provider
Sanctuary scheme	£180	Per installation (average)	Sanctuary Scheme provider
Total	£3,780		

*The cost of domestic abuse support was not included as this was part of the general domestic abuse service provision in the area and was not funded as part of the WHA.

Further crisis/issue prevented (New Economy Unit Cost Database)	Cost	Unit	Main cost bearing agency
HO1.0 - Prevention of eviction from local authority accommodation	£7,770	Per eviction	Local authority
HO3.0 - Prevention of homeless application	£2,909	Per application	Local authority
HE2.0 - Prevention or reduction of drug misuse	£3,994	Per year	Criminal justice system / NHS
CR2.0 - Prevention of domestic violence. This includes costs saved to health care services, the CJS, and general housing costs associated with an incidence of domestic violence.	£2,968	Per incident	Multiple
CR1.0 - Prevention of anti-social behaviour	£701	Per incident	Police
Total	£18,342		
Applying certainty level of 70% (deduct 30% from above)	£12,839.40		
Cost Benefit Ratio (saving for every £1 spent)	£3.39		

Total cost savings = £12,839.40 - £3,780 = **£9,059.40**

Isla's story illustrates how low-cost interventions can save public services a significant amount of money and can also result in significant emotional and social savings.

Isla's story

Background/Crisis/Issues

Isla lived in a private rented property with a sole tenancy in her husband's name. Rosa was referred to the **mobile advocacy service** by social care. Her husband was violent and there had been several police call outs to their home. Isla had visited A&E for injuries caused by her husband. Isla had two children who had been subject to a Child Protection Plan for a significant period of time. Shortly after the mobile advocate began working with Isla social services told her that she had to leave her abusive husband and find new accommodation or her children would be taken into care. Isla had saved enough for a deposit on a private rented property but did not have enough money to buy furniture, including beds. Isla did not feel able to move into the property as her children would have had to sleep on the floor.

Actions/Awards

Isla's mobile advocate made an application for **flexible funding** to purchase furniture for the new property. The funding was quickly approved, enabling Isla to feel comfortable with and complete the move. Once Isla had moved into the new property a referral to the local **sanctuary scheme** was completed.

Further crises/issues prevented:

As a result of the flexible funding being awarded, Isla was able to feel comfortable with and complete the move. Her children were not taken into foster care (**SS2.0**) and it is likely that the children will soon be placed on a Child in Need Plan. The referral to the sanctuary scheme prevented crime (**CR8.0**) by ensuring that the property was secure from Isla's husband. The sanctuary scheme installations also prevented a homeless application (**H03.0**) by ensuring that Isla felt secure in her home. Had the children been taken into care, Isla may have stayed in the relationship and it is likely that her husband's abuse would have escalated so further domestic violence was prevented (**CR2.0**).

WHA intervention cost	Cost	Unit	Main cost bearing agency
Mobile advocacy	£323	Per victim/survivor accessing the service (average, and does not take into account that some victim/survivors may need more casework support time than others, and travel time in rural areas)	Domestic abuse service
Flexible funding	£420	Per request; actual cost	Domestic abuse service
Sanctuary scheme	£180	Per installation (average of local sanctuary scheme)	Sanctuary scheme provider
Total	£923		

Further crisis/issue prevented (New Economy Unit Cost Database)	Cost	Unit	Main cost bearing agency
SS2.0 – Prevention of child taken into local authority foster care	£71,240 (£685 per week; average stay in LA foster care is 52 weeks). £35,620 x 2 for 2 children)	Per year	Local authority
HO3.0 - Prevention of homeless application	£2909	Per application	Local authority
CR2.0 - Prevention of domestic violence. This includes costs saved to health care services, the CJS, and general housing costs associated with an incidence of domestic violence.	£2968	Per incident	Multiple

CR1.0 - Prevention of crime	£1036	Per incident	Police
Total	£78,153		
Applying certainty level of 70% (deduct 30% from above)	£54,707.10		
Cost Benefit Ratio (saving for every £1 spent)	£59.27		

Total cost savings = £54,707.10 - £923 = **£53,784.10**

Rosa's story

Background/Crisis/Issues

The **mobile advocacy team** received a self-referral from a BME woman, Rashida, who was experiencing abuse from her husband. Rashida had separated from her husband and was living between two different family members' properties. Rashida had three children and was pregnant.

Rashida had an argument with one of the relatives who was allowing her to stay in the property that they owned. The relative refused to allow Rashida to stay there anymore, although she still had access to the property.

Actions/Awards

Rashida spoke to her mobile advocate about her housing situation and the mobile advocate supported Rashida to make a homelessness application to her local authority. The application was denied. The mobile advocate liaised with a culturally specific charitable organisation that advocated with the council on Rashida's behalf. This did not change the outcome of her homelessness application.

The mobile advocate explored the possibility of going into refuge with Rashida. Rashida did not want to go into refuge as this would mean withdrawing her children from school, where they were settled, and moving them to a new school. Due to their ethnicity Rashida was concerned about her children experiencing bullying in a new school. This was particularly important to her as she could not read or write and wanted her children to be able to access education.

Rashida did not have enough money to buy her children new school uniforms, so the mobile advocate made **a flexible funding application** to fund this. This was granted and prevented the woman having to ask her husband for money.

Rashida found a privately rented property that would meet her needs and the needs of the children, but she did not have the money for the deposit. Her mobile advocate applied for **flexible funding** to cover a pre-payment of rent and some other essentials. This was granted and Rashida was able to pay the deposit for the property. The mobile advocate also applied to other funds to cover other items; for example, Children in Need’s Emergency Essentials fund provided the woman with bunk beds, mattresses and a fridge freezer.

Rashida moved into the property and had security measures installed by the local **sanctuary scheme**.

Rashida had her baby. The mobile advocacy service gave Rashida practical support with the new baby, providing her with clothes and nappies.

As a result, Rashida’s case was closed. She can contact the outreach workers if she needs their support.

Further crises/issues prevented:

The mobile advocate felt that Rashida would likely have returned to the perpetrator if she had not been able to access flexible funding, in addition to the support provided by the mobile advocate. As a result, flexible funding prevented further abuse **(CR2.0)** and potentially Child in Need case management processes **(SS5.0)**. Rashida’s children were able to remain settled in school, meaning that truancy was prevented **(E&S1.0)**. Additionally, the security installations made by the local sanctuary scheme prevented crime **(CR1.0)** by the perpetrator and ensured that Rashida felt safe enough to stay in the new property and prevented a homeless application being made **(H03.0)**.

WHA intervention cost	Cost	Unit	Main cost bearing agency
Mobile advocacy	£323	Per victim/survivor accessing the service (average, and does not take into account that some victim/survivors may need more casework support time than others, and travel time in rural areas)	Domestic abuse service

Flexible funding	£200	Per request; actual cost	Domestic abuse service
Flexible funding	£1000	Per request; actual cost	Domestic abuse service
Sanctuary scheme	£180	Per installation (average of local sanctuary scheme)	Sanctuary scheme provider
Total	£1,703		

Further crisis/issue prevented (New Economy Unit Cost Database)	Cost	Unit	Main cost bearing agency
E&S1.0 - Prevented persistent truancy	£1,965	Per child per year	Multiple
SS5.0 – Prevented Child in Need case management processes	£1,701	Per process	Local authority
HO3.0 - Prevention of homeless application	£2,909	Per application	Local authority
CR2.0 - Prevention of domestic violence. This includes costs saved to health care services, the CJS, and general housing costs associated with an incidence of domestic violence.	£2,968	Per year	Multiple
CR1.0 - Prevention of crime.	£1,036	Per incident	Police
Total	£10,579		
Applying certainty level of 70% (deduct 30% from above)	£7,405.30		
Cost Benefit Ratio (saving for every £1 spent)	£4.34		

Total cost savings = £7,405.30 - £1,703 = **£5,702.30**

Limitations

This CBA singles out the cost savings based on the likely outcomes that were prevented or delayed by the WHA intervention. It therefore only considers the costs for delivering the WHA intervention and costs associated with the outcomes prevented or delayed.

Future analysis can consider costs incurred alongside a WHA intervention, such as police phone-call outs, court cases, and custodial sentences to more accurately identify savings. It is anticipated that applying a WHA will show to be more cost effective than not offering this.

This CBA is designed to illustrate the costs that can be saved as examples rather than general figures. The costs and benefits will vary depending on an individual's circumstances. For instance, BME women may face additional barriers to achieving safety due to oppression related to their ethnicity. This can make it more challenging to access services and advocacy could take longer due to additional barriers and culturally specific considerations.

It's also important to note that a CBA doesn't account for individual experiences and benefits to the person. For example, it doesn't quantify how this impacted on the person's own health and wellbeing and financial situation. Costs saved will be much higher when considering the direct outcomes for each individual.

The figures that this CBA draws on were identified by New Economy (now the Greater Manchester Combined Authority Research Team) in 2011 and updated in 2014, and as such are not always reflective of current costs and are generic, not tailored to the local authorities where the cases studied occurred. Additionally, the cost for domestic violence prevention is per incident of violence, which reflects an understanding of domestic abuse that is based on physical violence rather than coercive control.

The Public Services (Social Value) Act 2012 requires housing providers to consider their social impact in procurement and commissioning and, increasingly, public sector bodies will expect their partners to evidence the value they create. [HACT](#), a solutions agency promoting ideas and innovation across the housing sector, created the [HACT Social Value Wellbeing Valuation Approach](#) for housing providers to measure the social impact of a wide range of community focused investment as a tool for meeting their duty under the act.

The approach monetises outcomes that are related to people's wellbeing. This would require asking victim/survivors a set of questions relating to the outcomes. It analyses existing datasets of national surveys and identifies the impact of a specific aspect of life on wellbeing. It works out the value of an intervention or project based on the equivalent money needed to increase someone's wellbeing by the same amount. It converts a monetised value from the data to the equivalent amount of money needed to increase someone's wellbeing by the same amount.

The Wellbeing Valuation includes a 'bank of values', which are relevant to community investment activities and calculated through statistical analyses of four large national UK datasets that contain data on wellbeing and life circumstances:

- British Household Panel Survey (BHPS)
- Understanding Society
- The Crime Survey for England and Wales
- The Taking Part survey

It requires asking victim/survivors a set of questions when they first access the WHA intervention and then a few months later (three to six months) to get a sense of how they are getting on following the intervention. These questions could be included in existing follow up surveys and feedback forms.

This approach can be used alongside a CBA.

For further information about this approach, see HACT's '[Measuring Social Impact of Community Investment: a guide to using the Valuation Approach](#)'.

References

ⁱ Department for Education (2017) Child looked after in England (including adoption), year ending 31 March 2017: additional tables. Retrieved from https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/664998/SFR50_2017_Additional_Tables_Text.pdf.