



# The homelessness monitor: England 2016

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Executive Summary

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## **The homelessness monitor 2011-2016**

The homelessness monitor is a longitudinal study providing an independent analysis of the homelessness impacts of recent economic and policy developments in England. It considers both the consequences of the post-2007 economic and housing market recession, and the subsequent recovery, and also the impact of policy changes.

This fifth annual report updates our account of how homelessness stands in England in 2016, or as close to 2016 as data availability allows. It also highlights emerging trends and forecasts some of the likely future changes, identifying the developments likely to have the most significant impacts on homelessness.

While this report focuses on England, parallel homelessness monitors are being published for other parts of the UK.

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## Executive summary

The homelessness monitor series is a longitudinal study providing an independent analysis of the homelessness impacts of recent economic and policy developments in England and elsewhere in the UK.<sup>1</sup> This fifth annual report updates our account of how homelessness stands in England in 2016, or as close to 2016 as data availability allows.

Key points to emerge from our latest analysis are as follows:

- An ongoing rise in officially estimated rough sleeper numbers remained evident in 2014, with the national total up by 55 per cent since 2010. At 14 per cent, the 2014 country-wide increase was the largest since 2011. Most notably, the 2014 London estimated total was up by 37 per cent over the previous year. Most of this increase resulted from a jump from 175 to 315 rough sleepers enumerated in the City of Westminster and the City of London. Statistics routinely collected by the 'CHAIN' system confirm a substantial rise in rough sleeping in the capital over the past year.
- At 54,000, annual statutory 'homelessness acceptances' were 14,000 higher across England in 2014/15 than in 2009/10. With a rise of 4 per cent over the past year, acceptances now stand 36 per cent above their 2009/10 low point. However, administrative changes mean that these official statistics understate the true increase in 'homelessness expressed demand' over recent years.
- Including informal 'homelessness prevention' and 'homelessness relief' activity, as well as statutory homelessness acceptances, there were some 275,000 'local authority homelessness case actions' in 2014/15, a rise of 34% since 2009/10. While this represents a slight (2%) decrease in this indicator of the gross volume of homelessness demand over the past year, two-thirds of all local authorities in England reported that overall service demand 'footfall' had actually increased in their area in 2014/15.
- A recent assessment by the UK Statistics Authority concluded that the official Homelessness Prevention and Relief and Rough Sleeping statistics do not currently meet the required standards of trustworthiness, quality and value to be designated as 'National Statistics'. The Statutory Homelessness Statistics (narrowly) retained their National Statistics status on condition that urgent action is taken by Government to make a series of required improvements, including placing these statistics in their proper context.
- The vast bulk of the recorded increase in statutory homelessness over the past five years is attributable to the sharply rising numbers made homeless from the private rented sector, with relevant cases almost quadrupling from 4,600 to 16,000. As a proportion of all statutory homelessness acceptances, loss of a private tenancy therefore increased from 11 per cent in 2009/10 to 29 per cent in 2014/15. In London, the upward trend was even starker, homelessness consequent on the ending of a private tenancy accounting for 39 per cent of all acceptances by 2014/15.
- Regional trends in statutory homelessness have remained highly contrasting, with acceptances in the North of England some 10 per cent lower in 2014/15 than in 2009/10 (the national nadir), while in London the

<sup>1</sup> Parallel homelessness monitors are being published for Scotland, Wales and Northern Ireland. All of the UK homelessness monitor reports are available from <http://www.crisis.org.uk/policy-and-research.php>.

figures are 85 per cent higher than at that time.

- Since bottoming out in 2010/11, homeless placements in temporary accommodation have risen sharply, with the overall national total rising by 12 per cent in the year to 30th June 2015; up by 40 per cent since its low point four years earlier. Although accounting for only eight per cent of the national total, B&B placements rose sharply (23%) in the most recent year. 'Out of district' placements also continue to rise, now accounting for 26 per cent of the national total, up from only 11 per cent in 2010/11. Such placements mainly involve London boroughs.
- English local authorities report far greater difficulties providing 'meaningful help' to single homeless people, especially those aged 25-34, and to homeless people with complex needs, than they do for homeless families with children. There was majority support amongst English local authorities for a move towards the more 'universal' preventative model offered to all homeless households under the Housing (Wales) Act 2014. London Boroughs were evenly split on the model's merits.
- There were 2.35 million households containing concealed single persons in England in early 2015, in addition to 267,000 concealed couples and lone parents. The number of adults in these concealed household units is estimated at 3.52 million. These numbers represent a rise of 40 per cent since 2008. On the most recent (2013) figures 701,000 households (3.1%) were overcrowded in England; the highest level in recent years. Both concealed and overcrowded households can be stuck in that position for considerable periods of time, with this persistence worsening after the recent economic crisis.
- The continuing shortfall in levels of new house building relative to levels of household formation, in a context where there are substantial numbers of concealed and sharing households, and severe levels of overcrowding in London, is a prime structural contributor to homelessness in England.
- There are concerns that the forced sale of high-value council houses, coupled with the loss of properties via the Right to Buy, and reduced new build development, will further deplete social housing capacity in just those areas of England already exposed to extreme shortage. Coupled with a potential weakening in local authority nomination rights to housing association properties, and growing difficulties in gaining access to the private rented sector, these recent policy developments could well result in 'perfect storm' conditions for local authorities seeking to discharge statutory homelessness duties.
- Two thirds of local authorities in England reported that the 2010-2015 welfare reforms had increased homelessness in their area. Negative effects of welfare reform on homelessness levels were much more widely reported by local authorities in London (93%) than in the North of England (49%).
- Northern local authorities most commonly cited the extension of the Shared Accommodation Rate to 25-34 year olds (44%), and benefit sanctions (33%), as the primary welfare reform measures driving homelessness in their areas. In London, on the other hand, the maximum cap on Local Housing Allowance rates was by far the most frequently identified welfare change inflating homelessness (reported by 69% of London Borough Councils).
- Almost three quarters (73%) of English local authorities anticipated that the roll

out of Universal Credit would further increase homelessness in their area. Particular concerns focused on the impact of altered direct rental payment arrangements on their already fragile access to private tenancies to prevent or alleviate homelessness.

- The new welfare reforms announced in the Summer 2015 Budget and Autumn Statement will have particularly marked consequences for families with more than two children, and for out-of-work young single people aged 18-21 who, subject to specific exemptions, may be entirely excluded from support with their housing costs or otherwise subject to the very low Shared Accommodation Rate of Housing Benefit in the social as well as the private rented sector. In the face of these and other major benefit cuts, local authority survey respondents largely viewed expanded Discretionary Housing Payments budgets, while welcome and necessary, as an unsustainable 'fix' in the longer-term.
- The one per cent cut in social rents and, even more so, the extension of the Local Housing Allowance Rate caps to the social rented sector have prompted concerns about the viability of supported accommodation services unless exemptions are applied in this subsector. Temporary accommodation for homeless people will in future be funded via an upfront allocation given to councils rather than an additional 'management fee' recouped through Housing Benefit, which may have implications for local authorities' ability to respond to fluctuating levels of 'homelessness demand'.
- From our vantage point at the end of 2015, and having completed five annual Homeless Monitors for England, it is clear

that homelessness worsened considerably during the five years of the Coalition Government. While the Homelessness Prevention Grant has received welcome protection from general cutbacks, services have been overwhelmed by the knock-on consequences of wider ministerial decisions, especially on welfare reform.

- Looking ahead to likely developments under the Conservative Government until 2020, there is much cause for concern, with deepening cuts in welfare making access to both rental sectors increasingly difficult for low income households. However, recent announcements regarding the potential for constructive legislative change provide grounds for some cautious optimism on that front at least.

## Trends in homelessness

### Rough sleeping

An ongoing rise in officially estimated rough sleeper numbers remained evident in 2014, with the national total up by 55 per cent since 2010. At 14 per cent, the 2014 country-wide was the largest since 2011. Most notably, the 2014 London total was up by 37 per cent over the previous year. Most of this increase resulted from a jump from 175 to 315 rough sleepers enumerated in the City of Westminster and the City of London.

The more robust and comprehensive rough sleeper monitoring data collected routinely by the St Mungo's Broadyway 'CHAIN' system in London<sup>2</sup> confirms this upward trajectory, with rough sleeping more than doubling in the capital since 2009/10 (up 106%). This includes a 16% rise in the last year – the fastest rate of increase since 2011/12. The particularly sharp increase in London's Central and Eastern European rough sleeper numbers in 2014/15 (up 37% on the previous

<sup>2</sup> St Mungo's 'Street to Home' monitoring reports (available at <http://data.london.gov.uk/dataset/chain-reports>) supplemented by unpublished data provided by St Mungo's.

year) seems to bear out the concerns noted in last year's homelessness monitor that 2014 restrictions on the housing benefit entitlements of European Economic Area migrants<sup>3</sup> could exacerbate Central and Eastern European rough sleeping.<sup>4</sup> It has also been reported that growing numbers of Romanian Roma who are working for very low wages in the informal economy, and may be considered 'non destitute rough sleepers'.<sup>5</sup>

The great majority of London's rough sleepers are part of an annual 'flow' of newly enumerated homeless, and this group have accounted for most of the rising trend in recent years. However, nearly 2,500 were classed under the CHAIN system in 2014/15 as 'stock' or 'returner' cases – people also logged as rough sleepers in 2013/14 or in a previous year.<sup>6</sup> While accounting for only just over one in ten rough sleepers in the latest statistics, numbers in the 'returner' category had grown by 20 per cent since 2013/14. Since returners are former rough sleepers who were 'off the streets' for at least one year prior to 2014/15, it is important to understand what has prompted their renewed homelessness.

### Single homelessness

Data on single homelessness trends, other than with respect to rough sleeping, are hard to source. The statutory homelessness system (see below) excludes most single homeless people, with only certain 'vulnerable' categories deemed 'priority cases' and therefore accepted as owed the main homelessness duty. The recent trend

in such priority single homelessness cases has been relatively flat, rising only 9 per cent in the five years to 2014/15, as compared with the 47% increase seen for other types of households accepted as homeless (mostly families with children, see below). Likewise, 'non-priority' cases logged by local authorities – most of whom will be single people – have been running at around 20,000 in recent years with no clear sign of any upward (or downward) trend.

There are two possible explanations for the relatively stable incidence of single homelessness as measured via statutory homelessness records. One is that the underlying growth in single homelessness has in fact been much lower than among families. The other, and more plausible, explanation is that the recorded trend in single homelessness acceptances reflects an increasingly rigorous interpretation of the 'vulnerability' test prior to a recent change in case law which lowered the relevant threshold,<sup>7</sup> implemented alongside a reduced priority placed on informally assisting 'non priority' single homeless people in the context of the ratcheting up of resource pressures (see below).

As indicated by our 2015 survey, local authorities report far greater difficulties in providing 'meaningful help' to single homeless people than they do to for families with children. This was especially the case for single people aged 25-34. 54 per cent of local authorities reported that they 'often' found it difficult to provide meaningful help to this

3 Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S. & Watts, B. (2015) *The homelessness monitor: England 2015*. London: Crisis/JRF

4 Homeless Link (2014) *Social Security Advisory Committee Formal Consultation and a Call for Evidence: The Housing Benefit (Habitual Residence) Amendment Regulations 2014*. London: Homeless Link.

5 Swain, J. (2015) 'Sleeping rough, working rough - with the Roma in London', *Ending Homelessness in London blog*, 28 March: <http://jeremyswain.blogspot.co.uk/2015/03/sleeping-rough-working-rough-with-roma.html>

6 'Stock' cases are those involving rough sleepers enumerated in 2014/15 already logged as such in 2013/14; 'flow': rough sleepers enumerated in 2014/15 but never previously seen sleeping rough; 'returner': 2014/15 rough sleepers previously logged as rough sleepers before 2013/14, but not in 2013/14.

7 A Supreme Court ruling in May 2015 on the joined cases of Johnson, Kanu and Hotak (Hotak (Appellant) v London Borough of Southwark (Respondent), Kanu (Appellant) v London Borough of Southwark (Respondent), Johnson (Appellant) v Solihull Metropolitan Borough Council (Respondent) Crisis & Shelter, EHRC, SS for CLG interveners [2015] UKSC 30) made significant changes to the "vulnerability" test for those aged over 18. Previously councils were only obliged to treat as "vulnerable" those homeless applicants who were even more vulnerable than an "ordinary street homeless person". The new test of vulnerability pertains to whether an applicant is more likely to be harmed by the experience of homelessness than an "ordinary person" would be.



group and single people aged 18-24 (44%) and over 35 (39%). The other main group that local authorities felt that they struggled to appropriately assist to was households with complex needs (51 %). The comparable figure for families with children (including pregnant women) was five per cent.

When we asked local authorities to elaborate on the reasons for these problems, it was evident from their responses that acute shortages of affordable housing supply, coupled with welfare restrictions, were the key factors, particularly in London. The other key concern was severe cuts in housing-related support ('Supporting People') funding – the main source of Government investment in single homeless services for more than a decade.<sup>8</sup> Between 2010/11 and 2015/16, English local authorities reduced Supporting People funding by 56 per cent in real terms, as compared with an average cut to all local authority services (excluding education) of 21 per cent over the same period.<sup>9</sup> Moreover, disproportionate reductions in Supporting People funding for single homelessness services have been reported in many areas; up to 80 per cent in some instances.<sup>10</sup> A powerful case has recently been made that, given the 'funding black hole' created by this radical shrinkage of Supporting People funding, urgent attention must now be given to ensuring that vulnerable homeless people can access the opportunities presented by the changing eligibility rules for adult social care and personal budgets introduced by the Care Act 2014.<sup>11</sup>

It had been feared that the Autumn Statement might mark the end of the Homelessness Prevention Grant, distributed by Central Government to local authorities to support their Housing Options and prevention work, and other frontline homelessness services, including for single homeless people and rough sleepers. Intensive lobbying by a range of homelessness charities to preserve it<sup>12</sup> seems to have paid off, with an announcement by the Homelessness Minister in December 2015 that it was to be protected through the provisional local government finance settlement.<sup>13</sup>

The particular problems associated with assisting homeless households with complex needs were noted across England, but were a particularly strong focus of comments from local authorities in the North. It had been anticipated that the 2015 Autumn Statement might announce a national support programme for people with complex needs,<sup>14</sup> but while no such announcement materialised<sup>15</sup> it is thought that relevant developments may still be in the pipeline.

Besides resource issues, some local authority respondents to our survey made explicit the link between the difficulties they often faced in assisting single homeless people and the weakness of statutory duties towards this group. Under the terms of the Housing (Wales) Act 2014, Welsh local authorities are now under a duty to take "reasonable steps" to prevent

<sup>8</sup> While this funding stream is no longer formally called 'Supporting People' this remains the terminology in wide usage so is employed here.

<sup>9</sup> Source: CIPFA Financial and General Statistics (Estimates).

<sup>10</sup> Homeless Link (2015) *Support for Single Homeless People in England: Annual Review 2015*. London: Homeless Link.

<sup>11</sup> Cornes, M., Mathie, H., Whiteford, M., Manthorpe, J. & Clark, M. (2015) *The Care Act, Personalisation and the New Eligibility Regulations. A Discussion Paper about the Future of Care and Support Services for Homeless People in England*. London: King's College London/University of Liverpool/Homeless Link/LSE.

<sup>12</sup> Crisis (2015) *Preventing and Tackling Single Homelessness*. <http://www.crisis.org.uk/data/files/publications/Homelessness%20Prevention%20grant%20briefing.pdf>

<sup>13</sup> DCLG (2015) 'Radical package of measures announced to tackle homelessness', *DCLG Press Release*, 17 December: <https://www.gov.uk/government/news/radical-package-of-measures-announced-to-tackle-homelessness>

<sup>14</sup> McNeill, C. & Hunter, J. (2015) *Breaking Boundaries: Towards a 'Troubled Lives' Programme for People Facing Multiple and Complex Needs*. London: IPPR; The Calouste Gulbenkian Foundation & MEAM (2015) *Individuals with Multiple Needs: The Case for a National Focus*. London: Gulbenkian Foundation & MEAM.

<sup>15</sup> MEAM (2015) 'Spending Review lacks ambition on multiple needs', *MEAM Blog*, 25 November: <http://meam.org.uk/spending-review-lacks-ambition-on-multiple-needs/>

or relieve homelessness for *all* eligible homeless households, and those at risk of homelessness within 56 days, regardless of priority need and intentionality.<sup>16</sup> Our 2015 survey results indicate that a similar approach would have majority support amongst English local authorities, with 56 per cent of respondents in favour of the Welsh model, and only 25 per cent expressing disagreement. London boroughs were more evenly split, with 47 per cent in favour and 53 per cent opposed.

The reasons that English local authorities gave for being in favour of the Welsh model often included that the ‘main’ statutory duty can be discharged with a six month private rented tenancy, but there was also support for a stronger emphasis on flexible prevention and early intervention and for a more ‘universal’ offer to single people as well as families. The minority of respondents who were opposed included some Northern and Midlands authorities who felt that they were already doing all that they could to prevent homelessness and others, concentrated in London and the South, which emphasised that high housing market pressures and/or welfare restrictions would make it difficult for them to deliver on enhanced homelessness duties.

Shortly before completion of this year’s Monitor, the homelessness minister announced a commitment to “*work with homelessness organisations and across departments to consider options, including legislation, to prevent more people from becoming homeless*”.<sup>17</sup> It was subsequently

reported that the government was considering imposing a new homelessness prevention duty, along the lines of the Welsh model, and informed by the proposals of an independent panel established by Crisis to review the English homelessness legislation.<sup>18</sup>

Also in December 2015, the Communities and Local Government Committee launched a Parliamentary Inquiry into Homelessness, including into its causes and the response at central and local government levels.<sup>19</sup> The Committee Chair noted that he would raise the potential new prevention duty with Ministers as part of this Inquiry, including with regard to any accompanying funding commitments.<sup>20</sup>

In the absence of an integrated dataset on single homelessness in England, we have attempted in this year’s Monitor to estimate the total scale of homelessness amongst adults by reconciling local authority (P1E) statistics with analyses of data from the Supporting People Short Term Services Client Records carried out as part of the *Hard Edged* study.<sup>21</sup> This exercise indicates that the total number of homeless adults over the course of a typical year in England is likely to be far greater than statutory homeless ‘acceptances’ (191,400 compared to 53,500), and also that a majority of these homeless adults are ‘single homeless’ rather than living in families with children (123,150 compared to 68,250). These numbers are likely to represent an underestimate as they omit people who experience homelessness but do not approach either a local authority or a single homelessness agency for help.

<sup>16</sup> A basic description of the Welsh model was given to survey respondents. It was explained that the new Welsh prevention and relief duties were not duties to provide social housing or other housing, but to take reasonable steps. Questions of priority need and intentionality are not required to be addressed until all such reasonable steps to prevent or relieve homelessness have failed. For those who are unintentionally homeless and in priority need, there is a duty to secure accommodation if prevention and relief efforts fail. But this full statutory duty can be discharged with a six month tenancy in the private rented sector.

<sup>17</sup> DCLG (2015) ‘Radical package of measures announced to tackle homelessness’, *DCLG Press Release*, 17 December: <https://www.gov.uk/government/news/radical-package-of-measures-announced-to-tackle-homelessness>

<sup>18</sup> Spurr, H. (2015) ‘Government considers new homelessness duty’, *Inside Housing*, 7th January: <http://www.insidehousing.co.uk/policy/health-and-care/homelessness/government-considers-new-homelessness-duty/7013390.article>

<sup>19</sup> See <http://www.parliament.uk/business/committees/committees-a-z/commons-select/communities-and-local-government-committee/news-parliament-2015/homelessness-launch-15-16/>

<sup>20</sup> Spurr, H. (2015) ‘Government considers new homelessness duty’, *Inside Housing*, 7 January: <http://www.insidehousing.co.uk/policy/health-and-care/homelessness/government-considers-new-homelessness-duty/7013390.article>

<sup>21</sup> Bramley, G., Fitzpatrick, S., Edwards, J., Ford, D., Johnsen, S., Sosenko, F., & Watkins, D. (2015) *Hard Edges: Mapping Severe and Multiple Disadvantage*. London: Lankelly Chase Foundation.



Nonetheless the estimates from these combined administrative sources come remarkably close, in total, to the number of adults estimated to experience homelessness in England in a year prior to 2012 from retrospective questions in the completely independent UK Poverty and Social Exclusion Survey (185,000).<sup>22</sup>

### Statutory homelessness

Nationally, the three years to 2012/13 saw a marked expansion in the recorded statutory homelessness caseload, as reflected by the total number of formal local authority assessment decisions. These grew from 89,000 in 2009/10 to 113,000 in 2012/13. Similarly, households 'accepted as homeless' (formally assessed as unintentionally homeless and in priority need) rose by 34 per cent over this period.

Over the past two years, however, the national statutory homelessness caseload largely stabilised. In 2014/15 the total number of decisions remained static, albeit at 26 per cent above the 2009/10 level. Statutory homelessness acceptances (that sub-group of decisions involving households deemed unintentionally homeless and in priority need) rose 4 per cent in 2014/15 to a level 36 per cent above their 2009/10 low point. Thus, at almost 54,000, annual homelessness acceptances were 14,000 higher across England in 2014/15 than in 2009/10. The most recent quarterly figures indicate that this gently rising trend in statutory homelessness acceptances continues, with 14,670 households accepted from July to September 2015 – four per cent higher than the same quarter in 2014.

In interpreting such trends, however, it is crucial to factor in changes in administrative practice. Local authority staff testimony confirms that recent years have seen a

continuing trend towards a primarily non-statutory approach to homelessness, with prevention and relief cases now outnumbering statutory homelessness acceptances by more than three to one. Over 80 per cent of 2015 local authority survey respondents therefore considered that 'the combined total of statutory homelessness acceptances, homelessness prevention and homelessness relief actions' was a better guide to the trends in homelessness in their area than the statutory figures alone.

According to this composite measure, homelessness 'demand' actually fell back slightly over the past year in England (albeit that the cumulative total remained 34 per cent above that in 2009/10). At the same time, two thirds of local authority survey respondents reported that overall homelessness service demand 'footfall' had increased over the past year, and for almost one quarter of English local authorities (one third in London) this increase was said to have been 'significant'. Less than one in ten local authorities reported that footfall had decreased. It seems, therefore, that while preferable to an exclusive focus on statutory acceptances, this broader measure remains imperfect for the purpose of capturing the real level of homelessness demand experienced by local authorities, perhaps not least because 'unsuccessful' prevention and relief interventions are not reported under the current system. Chiming with this, almost half the local authority respondents to our 2015 survey (45 per cent) considered that there was scope for enhancing the standard homelessness Returns, in particular to collect more detailed data on households processed via the informal homelessness prevention and relief routes.

Highly relevant here is a recent assessment by the UK Statistics Authority which

concluded that the official Homelessness Prevention and Relief and Rough Sleeping statistics do not currently meet the required standards of trustworthiness, quality and value to be designated as ‘National Statistics’.<sup>23</sup> For the Prevention and Relief statistics, the Authority emphasised the importance of publishing them every quarter and enhancing their content to cover, for example, the characteristics of affected households and the reasons for their homelessness or threatened homelessness. For the Rough Sleeping statistics, the key first step required by the Authority is for Government statisticians to demonstrate greater control over decision making around their collection. While the Statutory Homelessness Statistics have (narrowly) retained their National Statistics status, this “*fine judgement*”<sup>24</sup> was on condition that urgent action is taken by government statisticians to make a series of required improvements, including placing them in their proper context. In making this latter point, the UK Statistics Authority findings chime with those of the homelessness monitor series in stressing the importance of presenting the homelessness prevention, relief and statutory acceptance figures together as an “*integrated package*”<sup>25</sup> in order to avoid “*misleading interpretation*”.<sup>26</sup>

While the statutory homelessness acceptance figures undoubtedly understate the increase in ‘homelessness expressed demand’ over recent years, they nonetheless provide some meaningful indication of regional trends, and it is clear that these remain highly contrasting. Generally, 2014/15 saw a perpetuation of previous trends, with London and the South diverging further from the Midlands and the North. The 2014/15 figure for homelessness acceptances in the North of England remained 10 per cent lower than in 2009/10

(the national nadir), while in London the latest figures were 85 per cent higher than five years earlier. This pattern suggests housing system factors have been continuing to play an important underlying role, alongside the disproportionate impacts of certain welfare reform measures in London in particular (see below).

The vast bulk of the recorded increase in statutory homelessness in the past five years has been attributable to the sharply rising numbers made homeless from the private rented sector; relevant cases have almost quadrupled from 4,600 to 16,000. As a proportion of all statutory homelessness acceptances, loss of a private tenancy therefore increased from 11 per cent in 2009/10 to 29 per cent in 2014/15. In London, the upward trend was even starker, with loss of a private tenancy accounting for 39 per cent of all homelessness acceptances by 2014/15. The annual number of London acceptances resulting from private tenancy termination therefore rose from 925 to 6,790 over the relevant period.

Since bottoming out in 2010/11, homeless placements in temporary accommodation have risen sharply, with the overall national total rising by 12 per cent in the year to 30 June 2015; up by 40 per cent since its low point four years earlier. The bulk of temporary accommodation placements are in self-contained housing (both publicly and privately owned). However, although accounting for only eight per cent of the national temporary accommodation total as at 30 June 2015, B&B placements rose sharply in the most recent year. Totalling 5,630, the number of placements was 23 per cent higher than a year previously and no less than 200 per cent higher than in 2009.

23 UK Statistics Authority (2015) *Assessment of Compliance with the Code of Practice for Official Statistics: Statistics on Homelessness and Rough Sleeping in England*. London: UK Statistics Authority.

24 *Ibid*, para 1.5.

25 *Ibid*, para 1.5.

26 *Ibid*, para 1.10.

'Out of district' placements are also increasing, linked closely with the broader 'displacement' effects of welfare reform, discussed in last year's Monitor.<sup>27</sup> As at 30 June 2015, they accounted for 17,640 placements – 26 per cent of the national total, up from only 11 per cent in 2010/11.<sup>28</sup> Such arrangements mainly involve London boroughs. Cross-boundary placements create difficulties for 'receiving authorities' in meeting their own homelessness demands, as they often struggle to compete with the incentives offered to private landlords by London boroughs to accommodate their homeless households. In recognition of this, a deal has recently been struck between some London boroughs and councils in the West Midlands to agree on fixed maximum incentive payments.<sup>29</sup>

Limited as they are, the data on 'successful' prevention actions provide an indication of the balance of these activities, which has tended to shift towards helping service users to retain existing accommodation rather than to obtain new housing. Probably reflecting the state of the housing market and the impact of welfare reforms (see below), assisting people in accessing private tenancies is no longer the largest single form of prevention activity. Since 2009/10 the annual volume of such cases has dropped by 19 per cent. The most striking homelessness prevention 'growth activity' has involved debt advice and financial assistance which, in 2014/15, accounted for over 50,000 prevention instances – up from only 16,000 in 2009/10. This would seem highly consistent with the anticipated impacts of welfare reform

on those in precarious housing circumstances (see below).

### Hidden homelessness

The importance of regional patterns and housing market pressures is reinforced by our potential hidden homelessness analysis, which demonstrates that concealed households,<sup>30</sup> sharing households<sup>31</sup> and overcrowding<sup>32</sup> remain heavily concentrated in London and the South.

We estimate that there were 2.35 million households containing concealed single persons in England in early 2015, in addition to 267,000 concealed couples and lone parents. The number of adults in these concealed household units is estimated at 3.52 million. These numbers represent broad stability alongside the estimates presented in the previous two Monitors but a rise of 40 per cent since 2008. Concealed single individuals living with others, when they would really prefer to live independently, thus increased markedly after 2008, and this was associated with a fall in new household formation.

Detailed analysis of longitudinal surveys<sup>33</sup> shows that being a concealed household can be quite a persistent state for both families and single people. For example, over the whole period 1992-2008, 57 per cent of concealed families in one year were in the same position the previous year, while between 2010 and 2013 this rose from 61 to 66 per cent. This tendency to increased persistence also applied to concealed singles, rising from 51 per cent in 2010 to 58 per cent in 2013. Persistence

27 Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S. & Watts, B. (2015) *The homelessness monitor: England 2015*. London: Crisis/JRF.

28 DCLG (2015) *Statutory Homelessness: April to June Quarter 2015 England*. London: DCLG.

29 Spurr, H. (2015) 'Councils strike deal on out-of-London homeless moves', *Inside Housing*, 26 October: <http://www.insidehousing.co.uk/councils-strike-deal-on-out-of-london-homeless-moves/7012425.article>

30 'Concealed households' are family units or single adults living within other households, who may be regarded as potential separate households that may wish to form given appropriate opportunity.

31 'Sharing households' are those households who live together in the same dwelling but who do not share either a living room or regular meals together. This is the standard Government and ONS definition of sharing households which is applied in the Census and in household surveys. In practice, the distinction between 'sharing' households and 'concealed' households is a very fluid one.

32 'Overcrowding' is defined here according to the most widely used official standard - the 'bedroom standard'. Essentially, this allocates one bedroom to each couple or lone parent, one to each pair of children under 10, one to each pair of children of the same sex over 10, with additional bedrooms for individual children over 10 of different sex and for additional adult household members.

33 Sources: Authors' analysis of British Household Panel Survey 1992-2008 and Understanding Society Survey 2009-13.

over three annual waves applied to 37 per cent of concealed families and 31 per cent of concealed singles over the whole period 1992–2008. This underlines that this form of hidden need is not just a temporary phenomenon for many, and that in the period of economic crisis this persistence became even more pronounced.

Sharing has seen a long-term decline, but household survey evidence indicates that this trend now appears to have bottomed out.<sup>34</sup> The scale of concealed and sharing households is associated with unemployment, private renting, and higher area house prices, after controlling for demographics (including the higher risks for young adults, migrants, and those experiencing relationship breakup).<sup>35</sup>

On the most recent figures 701,000 households (3.1%) were overcrowded in England. This means that overcrowding is still sitting at its highest level in recent years. Overcrowding is less common in owner occupation (1.5%) and much more common in social renting (6.7%) and private renting (5.1%). There is a much higher incidence in London (across all tenures), with a rate of eight per cent in 2012/13. The next worst region for overcrowding is the West Midlands (3.2%), followed by the East and South East (2.4%). Recent trends in overcrowding are downward in the northern regions but upwards in the southern regions and London. Overcrowding, as with living as a concealed households, can be quite a persistent

experience, with this persistence increasing in recent years. Over the whole period 1992–2008, 62 per cent of overcrowded households in a particular year had been overcrowded the previous year;<sup>36</sup> in the period 2010–13, this rose to 70 per cent of crowded households having been crowded the previous year.<sup>37</sup>

### Youth homelessness

There is longstanding evidence that young people face disproportionate risks of homelessness.<sup>38</sup> Large-scale survey data indicates that young people are three times more likely to have experienced homelessness in the last five years than are older members of the general UK population,<sup>39</sup> and that additional risk is explained almost entirely by their heightened exposure to poverty.<sup>40</sup>

However, positive policy and legal developments over the past decade or so have improved responses to young people who are homeless or at risk, including: the extension of priority need status to 16 or 17 year olds and care leavers aged 18–20 years old; the 2009 ‘Southwark Judgement’, which provided that homeless 16/17 year olds should now be treated as ‘children in need’ with a full social services assessment; and a more recent extension in ‘corporate parenting’ duties towards some children in care.<sup>41</sup> There has also been investment in specific funds that aim to develop accommodation options for young homeless people, including the Fair Chance Fund<sup>42</sup> and Platform for Life.<sup>43</sup> The

34 It should be noted that some, but not all, of the increase in concealed households may be the mirror image of the decline in sharing due to changes in the way groups of people are classified into households in surveys.

35 Bramley, G. & Watkins, D. (2015) ‘Housing need outcomes in England through changing times: demographic, market and policy drivers of change’, *Housing Studies*, E-published 16/10/15. DOI: 10.1080/02673037.2015.1080817

36 Source: BHPS.

37 Understanding Society Survey.

38 Quilgars, D., Johnsen, S., & Pleace, N. (2008). *Youth Homelessness in the UK: A Decade of Progress?* York: JRF; Watts, B., Johnsen, S., & Sosenko, F. (2015) *Youth Homelessness in the UK: A Review for The OVO Foundation*. Edinburgh: Heriot-Watt University.

39 Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S., & Watts, B. (2013) *The homelessness monitor: England 2013*. London: Crisis.

40 Bramley, G., & Fitzpatrick, S. (unpublished) *The Social Distribution of Homelessness: Impacts of Labour Markets, Housing Markets and Poverty in the UK*.

41 Department of Education (2015) *The Children Act 1989 Guidance and Regulations: Volume 3: Planning Transition to Adulthood for Care Leavers*. [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/397649/CA1989\\_Transitions\\_guidance.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/397649/CA1989_Transitions_guidance.pdf)

42 Details of the areas in which Fair Chance programmes are underway can be found here <https://www.gov.uk/government/news/23-million-to-help-homeless-turn-around-their-lives>

43 See <https://www.gov.uk/government/news/government-expanding-support-to-beat-homelessness>

'Positive Youth Accommodation Pathway'<sup>44</sup> now informs the development of youth homelessness services in almost two thirds of local authorities in England.<sup>45</sup>

This targeted policy attention may well explain why, despite young people's disproportionate exposure to unemployment, benefit cuts and sanctions (see below), and their especially vulnerable position in the housing market, youth homelessness appears not to have risen substantially in recent years.<sup>46</sup> Thus it was estimated that a total of 83,000 young people were in touch with homelessness services in the UK in 2013/14,<sup>47</sup> indicative of broad stability in levels of youth homelessness over the past decade.<sup>48</sup> In fact, there have been significant declines in levels of 'official' statutory youth homelessness in England since 2008/09, though it seems that this has been offset by increases in other forms of homelessness amongst young people. The decline in statutory homelessness is primarily attributed to the introduction of preventative 'Housing Options' approaches and the impact of the Southwark Judgement, but is also, more negatively, linked to unlawful 'gatekeeping' in some areas. A 40% increase in the number of 18-25 year olds sleeping rough in London since 2011/12 has also been a cause of particular concern,<sup>49</sup> albeit it should also be noted that the number of under 18s sleeping rough in London is consistently very low (only 9 such cases were recorded in the whole of 2014/15).<sup>50</sup>

There must now be doubts about whether the 'line' can be held on youth

homelessness going forward. Certainly, there are widespread fears that the removal of Housing Benefit entitlement from 18-21 year olds from April 2017 (subject to specific exemptions) will lead to a significant rise in youth homelessness.<sup>51</sup> Moreover, the Autumn Statement announcement that Housing Benefit for new tenants in the social housing sector will be capped to Local Housing Allowance rates will impact especially on young people as they will become subject to the much lower 'Shared Accommodation Rate' in both rental sectors (see further below). These welfare reforms are also occurring within a broader context of budget cuts that have led to reductions in targeted services for young people and families, including family support and education, training and employment programmes, as well as mainstream youth service provision, such as youth centres and youth worker outreach teams.<sup>52</sup> It seems doubtful that even high quality specialist programmes will be able to counter the impacts of these major reductions in core supports for young people.

## Economic and policy impacts on homelessness

At a national level, the UK economic recovery continued through 2014 and into 2015, albeit after the longest economic downturn for over a century. The recovery in Gross Domestic Product as a whole has also now reached the point that it matches the population growth over the period, so that Gross Domestic Product per capita has also now recovered

44 St Basils (2015) *Developing Positive Pathways to Adulthood: Supporting Young People on their Journey to Economic Independence and Success through Housing Advice, Options and Homelessness Prevention*. <http://www.stbasils.org.uk/how-we-help/positive-pathway/>.

45 Homeless Link (2015) *Young and Homeless 2015*. London: Homeless Link.

46 Ibid.

47 Clarke, A., Burgess, G., Morris, S., & Udagawa, C. (2015) *Estimating the Scale of Youth Homelessness in the UK*. Cambridge: Cambridge Centre for Housing and Planning Research.

48 Watts, B., Johnsen, S., & Sosenko, F. (2015) *Youth Homelessness in the UK: A Review for The OVO Foundation*. Edinburgh: Heriot-Watt University.

49 Authors' own analysis of CHAIN data.

50 Ibid.

51 Wilson, W. (2015) *Housing Benefit: Withdrawing Entitlement from 18-21 Year Olds*. Briefing Paper 06473. <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN06473#fullreport>

52 Hastings, A., Bailey, N., Bramley, G., Gannon, M. & Watkins, D. (2015) *The Cost of the Cuts: The Impact on Local Government and Poorer Communities*. York: JRF; Unison (2014) *The UK's Youth Services: How Cuts are Removing Opportunities for Young People and Damaging their Lives*. London: Unison.



to 2007 levels. However, within the wider economic recovery earned incomes remain, in real terms, some way below 2007 levels, despite a modest return to positive wage growth in 2015. On the latest Office for Budget Responsibility forecast it will be 2019 before real earnings regain 2007 values.<sup>53</sup>

There has been something of a housing market recovery since 2013, prompting media speculation about the risk of an unsustainable boom, and concerns about the possible inflationary impacts of the Government's Help to Buy schemes. However, average UK house prices only recovered to 2007 levels during 2015,<sup>54</sup> though within that wider picture there was a very strong recovery in the London housing market, with the London: UK differential widening to unprecedented levels.<sup>55</sup> While the Government announced a raft of new measures to support access to home ownership in the 2015 Autumn Statement, these will at best ameliorate rather than reverse the constraints on access for households lacking substantial savings – or parental help – to meet minimum deposit requirements.

The severity of overcrowding and the shortfall of supply is clearly a factor in the much sharper rise in London house prices compared to the rest of the UK. While there are welcome signs that rates of new house building increased in 2014/15, even allowing for the contribution from dwellings created through conversions and changes of use, the rate of new house building would need to increase by another third from the 2014/15 level (of 155,000) to just keep pace with 2012-based projections of new household

formation, let alone to reduce housing market pressures.<sup>56</sup>

This will be challenging in a context of subdued and uncertain economic recovery, continuing constraints on the availability of mortgage finance, and uncertainty about the future capacity for additional new building by social landlords, particularly now in light of the Summer 2015 Budget proposals for reduce social sector rent reductions over the next four years, and the Office for National Statistics decision to reclassify housing associations as public corporations.<sup>57</sup> Both of these measures, as well as a sharply declining budget for new investment in light of the 2015 Autumn Statement announcement that effectively all Central Government capital subsidies will be switched to low cost home ownership towards the end of this Parliament,<sup>58</sup> will badly damage social landlords' ability to compensate for ongoing losses to the rental housing stock. While the extension of the Right to Buy to housing association tenants could result in additional funding for affordable rental house building, this will be offset within the sector both by the sitting tenant sales themselves, and the related requirement for disposal of high value local authority dwellings.

With respect to the implications for homelessness, the key concern is that the forced sale of high-value council houses, coupled with the long-term loss of properties via the Right to Buy, and reduced new build development, will further deplete social housing resources already under tremendous pressure. While the Government has stated ambitions for this diminished

53 OBR (2015) *Economic and Fiscal Outlook, November 2015*. London: The Stationery Office.

54 Lloyds Banking Group (2015) Halifax House Price Index September 2015, and related data series. [www.Lloydsbankinggroup.com](http://www.Lloydsbankinggroup.com). The Halifax house price series is used as it is fully 'mix adjusted' and thus provides a like for like comparison of house prices over the years, and is not distorted by changes in the mix of dwellings sold in different years

55 Wilcox, S., Perry, J. & Williams, P. (2015) *UK Housing Review 2015 Briefing Paper*. Coventry: CIH.

56 DCLG (2015) *Net Supply of Housing: 2014-15*. England. London: DCLG.

57 Tran, M. (2015) 'Majority of housing associations in England to be reclassified as public bodies', *Guardian*, 30th October: <http://www.theguardian.com/society/2015/oct/30/majority-of-housing-associations-in-england-to-be-reclassified-as-public-bodies>

58 Perry, J. (2015) 'Funding switch', *Inside Housing*, 25th November: <http://www.insidehousing.co.uk/funding-switch/7012929.article>



stock to be targeted on those in greatest need,<sup>59</sup> the interaction of their rent-setting and welfare policies runs directly counter to this aspiration.<sup>60</sup> In particular, the planned lowering of the total benefit cap to £23,000 in London and £20,000 elsewhere announced in the Summer 2015 Budget, means that there are concerns that families with more than two children may find both affordable rented *and* social rented housing, not only in London, but also in much of the rest of the country, beyond their means.<sup>61</sup>

More generally, especially in the South of England, local authorities and others have reported that concerns over welfare cuts among 'business' orientated housing associations are prompting growing resistance to accommodating low income benefit-dependent households.<sup>62</sup> The relaxation of regulatory control being negotiated between Government and housing associations, in the context of both the voluntary Right to Buy deal and the Office for National Statistics reclassification, may well involve weakening local authority nomination rights, thus compounding difficulties in discharging statutory homelessness duties.<sup>63</sup>

Even for those homeless or other vulnerable households who do manage to access social or affordable rented housing, it may increasingly be offered as a time-limited stopgap rather than a secure home, if Government plans to mandate the use of fixed-term tenancies in virtually all new

(general needs) council tenancies,<sup>64</sup> and possibly also in new housing association lettings,<sup>65</sup> are passed by Parliament. The Government's proposals to require council landlords to introduce 'Pay to Stay' measures for households with incomes above £30,000 (£40,000 in London)<sup>66</sup> can likewise be interpreted as a move towards a more minimalist and conditional 'welfarist' model of social housing along US or Australian lines.<sup>67</sup> This latter policy will, however, remain voluntary for housing associations in light of the apparently now larger imperative to 'deregulate' this sector and return it to the private sector.<sup>68</sup>

Meanwhile, a whole gamut of welfare restrictions have made access to the private rented sector increasingly difficult for low income households in many areas. The Shared Accommodation Rate limits for single people aged under 35 have already had a marked impact in reducing their access to the private rented sector. The Local Housing Allowance caps have also seen a similar reduction in the capacity of all low income households to secure, or maintain, private rented sector tenancies in the high value areas of inner London. The impact of the overall benefit cap is set to increase fivefold with the advent of the lowered caps as noted above.

The impact of the 'Spare Room Subsidy limit' (widely known as the 'Bedroom Tax'<sup>69</sup>) has been mitigated by the use of Discretionary Housing Payments, but there are concerns

59 DCLG (2010) *Local Decisions: A Fairer Future for Social Housing*. London: DCLG; see also Fitzpatrick, S. & Pawson, H. (2013) 'Ending security of tenure for social renters: transitioning to 'ambulance service' social housing?', *Housing Studies*, 29(5): 597-615.

60 Wilcox, S., Perry, J. & Williams, P. (2015) *UK Housing Review 2015 Briefing Paper*. Coventry: CIH.

61 Peaker, G. (2015) 'The homelessness budget', *Nearly Legal*, 21st July: <http://nearlylegal.co.uk/2015/07/the-homelessness-budget/>

62 Clarke, A., Morris, S. & Williams, P. (2015) *How do Landlord's Address Poverty*. York: JRF.

63 Hilditch, S. (2015) 'Abandoning the poor (1)', *Red Brick*, 7th October: <https://redbrickblog.wordpress.com/2015/10/07/abandoning-the-poor-1/>

64 Apps, P. (2015) 'Lifetime tenancies are to be scrapped', *Inside Housing*, 9th December: <http://www.insidehousing.co.uk/policy/politics/central-government/lifetime-tenancies-are-to-be-scrapped/7013121.article>

65 Apps, P. (2015) 'Association lifetime tenancies decision delayed', *Inside Housing*, 11th December: <http://www.insidehousing.co.uk/business/tenancy/association-lifetime-tenancies-decision-delayed/7013167.article>

66 DCLG (2015) *Pay to Stay: Fairer Rents in Social Housing*. London: DCLG.

67 Fitzpatrick, S. & Pawson, H. (2013) 'Ending security of tenure for social renters: transitioning to 'ambulance service' social housing?', *Housing Studies*, 29(5): 597-615; Paris, C., Williams, P. & Stimson, B. (1985) 'From public housing to welfare housing?', *Australian Journal of Social Issues*, 20(2): 105-117.

68 Barnes, S. (2015) 'Large HAs plan to introduce Pay to Stay', *Inside Housing*, 17th December: <http://www.insidehousing.co.uk/policy/politics/central-government/large-has-plan-to-introduce-pay-to-stay/7013233.article>

69 Officially this measure is known as the 'Spare Room Subsidy limit', but outside of Government it is almost universally referred to as the 'Bedroom Tax'. While neither term is entirely satisfactory we have here bowed to the majority usage.

that this will be difficult to sustain given the reduction this year in the overall budget for these (though this does rise again in the later years of this Parliament). There are also growing concerns about the impact on household finances from the uneven support now provided by Council Tax Support schemes, and their interaction with the 'Bedroom Tax' and other welfare cuts that leave households needing to fund elements of their housing costs from the benefit incomes provided to meet their other basic living costs.

The impact of benefit sanctions on homeless people and those at risk of homelessness has become a core concern of local authorities and homelessness service providers, while the emergency welfare safety net has been substantially weakened by the localisation of the Social Fund and subsequent significant cuts to available funding for the optional replacement Local Welfare Assistance schemes.

We asked respondents to the 2015 local authority survey, conducted shortly after the end of the Coalition Government to reflect on whether 2010-2015 welfare reforms<sup>70</sup> had impacted on the level of homelessness in their area. In all, two thirds (67%) of local authorities in England reported that these changes had increased homelessness locally, with no respondents reporting that homelessness had consequentially decreased.

It was notable that negative effects of welfare reform on homelessness levels were much more likely to be reported in London (93%) than in the North of England (49%). Regional differentiation was also clearly apparent with respect to the perceived 'most significant' 2010-2015 welfare reform as regards exacerbating homelessness. Thus Northern

local authorities most commonly cited the extension of the Shared Accommodation Rate to 25-34 year olds (44%) and benefit sanctions (33%) as the primary welfare reform measures driving homelessness in their areas. In London, on the other hand, the maximum cap on Local Housing Allowance rates was far and away the most frequently identified welfare change with a deleterious effect on homelessness (reported by 69%).

Moreover, almost three quarters (73%) of local authorities surveyed in 2015 anticipated that the roll out of Universal Credit would further increase homelessness in their area. The most widespread concern related to the impact of altered direct rental payment arrangements on their already fragile access to the private rented sector to prevent or alleviate homelessness.

A further round of major welfare reforms and cuts were announced in the 2015 Summer Budget<sup>71</sup> including: the removal of entitlement to housing support for most single people under 22, as noted above; Universal Credit allowances limited to support for two children for new claims after April 2017, with the 'family element' also removed from tax credit and Universal Credit allowances for all new families after that date; income thresholds for Universal Credit reduced by cuts to the levels of the 'work allowance', alongside the lowering of the benefit caps noted above; and, crucially, benefit rates (including Local Housing Allowance rates) frozen for four years from 2016/17. Against all these changes, the Great Britain budget provision for Discretionary Housing Payments will rise from £125 million this year to an average of £160 million over each of the next five years.

However, following widespread criticism, and having been rejected by the House of

<sup>70</sup> Participants were asked to refer to a list of the main reforms including: the Local Housing Allowance cap, other changes to Local Housing Allowance rules, extension of Shared Accommodation Rate to single 25-34 years olds, 'Bedroom Tax', total benefit cap, Jobseeker's and Employment and Support Allowance sanctions, reforms to Council Tax support, replacement of Social Fund with Local Welfare Assistance.

<sup>71</sup> HM Treasury (2015) *Summer Budget 2015*. London: HM Treasury.

Lords, proposals to make further substantial reductions to tax credits were dropped in the Autumn Statement. This will still leave the cutbacks in Universal Credits in place, and undermine the argument that the new regime will improve work incentives. A further reform announced in the 2015 Autumn Statement noted above is the extension of Local Housing Allowance rates to social sector tenants, affecting particularly young single people, as the very low Shared Accommodation Rates will in many areas be below social sector rents for one bedroom dwellings.

The 2015 local authority survey was conducted after the Summer Budget but ahead of the Autumn Statement. We asked local authorities how they expected Summer Budget changes to impact on homelessness amongst a range of household types in their area. With respect to almost all household types, most respondents anticipated that these welfare changes would further exacerbate homelessness pressures. Concerns were particularly widely shared in relation to the impacts on large families. 93 per cent of local authorities thought homelessness would increase amongst this group as a direct result of the reforms. 86 per cent of local authorities believed that single 18-21s would face increased homelessness. In light of all this, respondents largely viewed expanded Discretionary Housing Payment budgets, while welcome and necessary, as an inadequate 'sticking plaster', that cannot in any case be used to assist under 22s who will no longer have any level of entitlement to help with housing costs.

A specific concern of many key informants this year related to the impact of the one per cent cut in social rents on supported accommodation, and also the extension of the Local Housing Allowance Rate caps to

the social rented sector; both moves, and especially the latter, have been argued as calling into question the viability of many supported accommodation services if this subsector is not excluded.<sup>72</sup> The Autumn Statement further heralded a significant change in the way that temporary accommodation for homeless people will be funded, with an upfront allocation given to all councils rather than an additional 'management fee' recouped via Housing Benefit. While the details of this had not been spelled out at the time of writing, moving from a demand-led system to a fixed-budget one may have implications for local authorities' ability to respond to fluctuating requirements for temporary accommodation.<sup>73</sup>

## Conclusion

The UK economy has now regained pre-recession output levels, but as we have argued in previous Monitors, policy factors – especially with regard to social security – have a more direct bearing on the incidence of homelessness than the economy in and of itself.

Thus, with recent policy decisions leaving major question marks hanging over the future supply of, and access to, social and affordable rented housing, coupled with deep cuts in welfare that are making access to both rental sectors increasingly difficult for low income households, the question "*who will house the poorest?*" is becoming an increasingly urgent one. Massive reductions in 'Supporting People' and other relevant sources of revenue funding at local level also casts a long shadow over future prospects for homelessness amongst those with additional support needs.

The evidence provided by the homelessness monitor over the coming years will provide a powerful platform for assessing the impact of economic and policy change on some of the

72 Sinclair, H. (2015) 'Supporting services', *Inside Housing*, 30th November: <http://www.insidehousing.co.uk/supporting-services/7012978.article>  
73 Perry, J. (2015) 'Funding switch', *Inside Housing*, 25th November: <http://www.insidehousing.co.uk/funding-switch/7012929.article>

most vulnerable people in England. As well as continuing to track the headline trends in both visible and hidden forms of homelessness, we will provide an overview of the profile of those affected, and the changing geography of homelessness in England, and how this evolves over the course of the time in office of the current Conservative Government till 2020.



## About Crisis

Crisis is the national charity for single homeless people. We are dedicated to ending homelessness by delivering life-changing services and campaigning for change.

Our innovative education, employment, housing and well-being services address individual needs and help homeless people to transform their lives. We measure our success and can demonstrate tangible results and value for money.

We are determined campaigners, working to prevent people from becoming homeless and advocating solutions informed by research and our direct experience.

We have ambitious plans for the future and are committed to help more people in more places across the UK. We know we won't end homelessness overnight or on our own. But we take a lead, collaborate with others and together make change happen.

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# Homelessness ends here