



Together
we will end
homelessness

The homelessness monitor: England 2022

Beth Watts, Glen Bramley, Hal Pawson, Gillian Young, Suzanne Fitzpatrick, & Lynne McMordie, Institute for Social Policy, Housing and Equalities Research (I-SPHERE), Heriot-Watt University; City Futures Research Centre, University of New South Wales.

February 2022



The homelessness monitor

The homelessness monitor is a longitudinal study providing an independent analysis of the homelessness impacts of recent economic and policy developments across Great Britain. Separate reports are produced for England, Scotland and Wales.

This tenth annual report updates our account of how homelessness stands in England in 2021, or as close to 2021 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.

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About Crisis

Crisis is the national charity for homeless people. We help people directly out of homelessness, and campaign for the social changes needed to solve it altogether. We know that together we can end homelessness.

About the authors

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Disclaimer: All views and any errors contained in this report are the responsibility of the authors. The views expressed should not be assumed to be those of Crisis or any of the key informants who assisted with this work.

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Foreword

The findings of the 2022 England Homelessness Monitor create huge cause for concern. Whilst we know the decisive action at the start of the pandemic saved thousands of lives, councils are now warning of rising homelessness. We can't let this happen.

Thanks to Everyone In, over 37,000 people sleeping rough or at risk of doing so were given accommodation, including people who are usually excluded from receiving any support because of their immigration status. We also saw a shift away from using dormitory-style accommodation because of the concerns about the health impact of this, giving people greater dignity when they had their own living space instead. Financial measures that have now ended – including furlough, the evictions moratorium, and uplifts to Universal Credit and LHA – were also crucial in preventing people from becoming homelessness.

Support like this made an enormous difference. Local authorities all report it has since become harder and harder to house people in both private or social accommodation, with thousands of households still trapped in emergency accommodation and B&Bs.

What the pandemic illustrated, in my view, is how it's possible to support more people experiencing homelessness and reduce the number of people who become homeless. When political will changed, unfair restrictions that prevent some homeless people from receiving support were removed, and people who become homeless when their rent is unaffordable, or because they are evicted without adequate notice, were given stronger protection.

We are now facing a cost of living crisis that will see people all over the country paying hundreds of pounds more for their energy and day-to-day essentials. The evidence from both policy specialists and people on the frontline is telling us that if nothing changes, levels of homelessness will increase significantly. Heriot Watt University's projections in this report show that under the status quo, levels of 'core' homelessness will have gone up by one third between 2019 and 2024.

This should shock and concern all of us – but it can be prevented. The modelling in this report shows that targeted policy changes, such as reinstating the £20 uplift Universal Credit, and raising and indexing Local Housing Allowance, would have an enormous impact.

I also want to acknowledge the research contains valuable insight into areas of homelessness policy that are part of longer-term solutions to ending homelessness, including important progress that's been made as a result of the Housing First pilots and the Homelessness Reduction Act.

But I'm struck once again by the huge number of people facing homelessness who have to go through the often complex and frightening process of requesting support from their local council only to be told they cannot be given accommodation because they are not in 'priority' need, or that they were 'intentionally' homeless. This was the case for at least 22,000 families and individuals in 2020-21.

Homelessness shouldn't be 'managed' in this way which says some people 'deserve' to be helped and others do not. Homelessness can and should be ended for everyone.



Matt Downie
Chief Executive, Crisis

Executive summary

Key points

The Homelessness Monitor series is a longitudinal study providing an independent analysis of the homelessness impacts of recent economic and policy developments across Great Britain.¹ This tenth annual Homelessness Monitor England updates our account of how homelessness stands in 2021, or as close to 2021 as data availability allows. This year's report focuses on two key themes: first, the homelessness impacts associated with the ongoing COVID-19 pandemic, and second, rough sleeping and responses to it, which have been a major Government policy priority both before and during the COVID-19 crisis. The report also includes a comprehensive analysis of Homelessness Reduction Act processes and outcomes, as well as updated modelling estimates and forward projections of extreme forms of 'core' homelessness.

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

- Some 282,000 single people, couples and families were judged as homeless or threatened with homelessness by local authorities in 2020/21, an 8% fall on 2019/20 levels. This reduction resulted wholly from a 20% drop in the numbers assessed as 'threatened with homelessness', with numbers assessed as actually homeless up by 7%.
- Applications involving family households fell by 22% in 2020/21, whereas single adult household applications rose by 3%. People losing accommodation provided by family or friends, or homeless due to relationship breakdown or domestic abuse account for just over half of all applications in 2020/21 (53%), up by 14% on the previous year. These trends reflect pandemic-related homelessness drivers, including evictions protections

disproportionately protecting families, and the intensification of pressures within the home putting those in informal sofa-surfing arrangements and experiencing domestic abuse at greater risk.

- While overall statutory homelessness demand decreased slightly in the first pandemic year, total temporary accommodation placements continued to increase (up by 4% in 2020/21), and Bed and Breakfast hotel placements rose very significantly (by 37%). Some of this increase reflects actions under the Everyone In programme, although such placements are unlikely to have been comprehensively recorded through standard statutory homelessness statistics.
 - The vast majority of local authority homelessness Main Duty decision outcomes (77%) involve the household accepting a social housing tenancy offer, with an additional 7% accepting an offer of private rented sector accommodation. Most local authority survey respondents (78%) reported that access to private rented sector accommodation became more difficult during 2020/21, with 57% identifying access to the social rented sector as becoming more challenging also.
 - While Homelessness Reduction Act 2017 provisions give far better protection to single homeless households than the prior legal framework, some (mainly single) applicants still navigate the system without having secured settled accommodation. In 2020/21, this included around 22,000 homeless households deemed either not to be in priority need or to be intentionally homeless.
 - 'Core homelessness' in England – a concept which captures the most acute forms of homelessness – is estimated to have totalled 203,400 in 2020, down 5% on 2019 levels.
- This reduction is primarily due to the Everyone In initiative, with clear reductions in rough sleeping (down 33%) and sofa surfing (down 11%), albeit somewhat offset by an increase in forms of core homelessness associated with emergency accommodation brought on stream as part of the pandemic response.
- It is predicted that the aftermath of the COVID-19 pandemic risks a substantial rise in core homelessness, with overall levels expected to sit one-third higher than 2019 levels on current trends. Anticipated increases could however be avoided. Levels of rough sleeping are also predicted to rise, despite the Government's target of ending this form of homelessness by 2024, but these rises could be avoided. The largest rough sleeping reductions are forecast to be associated with a package of welfare benefit policies aimed at reducing destitution. Policies seeking to reduce evictions and scale up Housing First would also contribute to reducing rough sleeping on this timescale.
 - In the longer term, the largest potential contributions to reduce core homelessness would come from raising the Local Housing Allowance, rehousing quotas for core homeless households, consistent large-scale application of Housing First accompanied by appropriate rehabilitation provision and a reduction of traditional hostel accommodation, and welfare benefit measures to reduce destitution. Maximised prevention, boosted social housing supply, and a successful 'levelling up' of economic performance across the English regions would also help reduce core homelessness in the long run.
 - The Everyone In initiative prompted by the pandemic accommodated over 37,000 individuals experiencing or at risk of rough sleeping between March 2020 and January 2021, including those usually excluded

¹ Parallel Homelessness Monitors have recently been published for Scotland and Wales. All of the UK Homelessness Monitor reports are available from <http://www.crisis.org.uk/pages/homelessnessmonitor.html>

from assistance because of their immigration status. The early response is calculated to have prevented substantial numbers of COVID-19 infections, hospitalisations and deaths among the target cohort. Substantial reductions in rough sleeping (of 37% between Autumn 2019 and Autumn 2020 on one key measure) and radically reduced reliance on the use of dormitory-style night shelters in winter 2020/21 were also achieved as a result. The pandemic response also engendered much improved joint working between the homelessness and health sectors.

- Key limitations of the Everyone In response included patchy accommodation quality and insufficient support provision for those accommodated in some areas. It is also clear that the emergency response worked less well for particular groups, including young people, women and those with more complex needs. Non-UK nationals with No Recourse to Public Funds or other restricted eligibility for statutory support have been subject to inconsistent treatment following a shift in Government messaging and the ramping down of funding.
- Available data indicates that more than two thirds (over 26,000) of those accommodated via Everyone In have been moved on to more settled accommodation options including rental tenancies or supported accommodation placements. There are concerns, however, about those who have left emergency accommodation without a settled or appropriate offer. Most local authorities have found it challenging to secure move-on accommodation for those with complex needs or No Recourse to Public Funds.
- The Government target of ending rough sleeping by 2024 has been supported by substantially

increased investment, including via the Rough Sleeping Initiative. Progress against this target has been radically accelerated by responses to the pandemic. But there is little confidence in the Government's ability to achieve this objective without a clear definition of what 'ending rough sleeping' means in practice, an agreed approach to measurement, an updated strategy, a wider focus on rough sleeping prevention and move-on, and a willingness to address the clear tensions between the target and immigration policy.

- Initial evaluation outputs indicate positive results for the more than 500 people accommodated via the Government-funded Housing First Pilots in three regions, albeit that numbers are short of target, reflecting challenges associated with the regional scale of the pilots and the pandemic. Access to housing, challenges sustaining low caseloads, and difficulties recruiting appropriate staff were identified as key challenges. Housing First-type services are reportedly also in operation in a majority of local authority areas in England (59%), albeit that fidelity to Housing First principles varies.
- The pandemic significantly accelerated the support offered to single homeless households, in line with one of the key aims of the Homelessness Reduction Act 2017. Resourcing and administration of the Act is a key challenge for local authorities. Stakeholders nevertheless see the Act as failing to adequately expand statutory support for homeless households: the continued lack of entitlement to accommodation for some groups and the 'duty to refer' (rather than cooperate) placed on wider partners are two key weaknesses. New provisions according automatic 'priority need' status to households homeless as a result of domestic

abuse were strongly welcomed and anticipated to contribute to increased demand from this group in the future.

- While overall poverty rates remained largely stable in the ten years to 2019/20, child poverty (after housing costs) increased by 4% to 31% and child poverty among larger families by 12% to 47% linked to specific welfare reforms including the Benefit Cap, the 'two child' limit on Child Tax Credit and Universal Credit claims. Poverty also became increasingly skewed towards households with someone in work.
- Deep poverty and destitution were also on upward trajectories prior to the onset of the pandemic. These issues are very likely to be compounded by the 'cost of living crisis', which saw prices rise by their highest rate for 30 years in the year to December 2021.
- The £20 uplift in the Universal Credit weekly allowance boosted claimant income during the pandemic, though it was not extended to legacy benefits. It was ended in October 2021 affecting 3.6 million households. The refreezing of Local Housing Allowance rates from 2021/22 will also put pressure on claimant household budgets in the context of rising rents.
- An estimated 7% of private tenants were in arrears in April-May 2021, 4 percentage points more than in 2019/20. While protections introduced during the pandemic prevented widespread evictions from rental housing, numbers have been increasing significantly since the end of the eviction ban at the close of May 2021. There are mounting concerns that evictions could rise sharply in 2022, depending on landlord behaviour and court capacity.
- The Affordable Homes Programme remains heavily focused on delivery

of 'affordable rented' homes generally seen to be unaffordable for many low-income households. Just 11% of all new affordable homes provided with government support in 2020/21 were for (lower cost) social rent, down from 65% in 2011/12. This has been accompanied by a long-term decline in new social lettings, with the 2019/20 total (149,000) 47,000 (24%) fewer than in 2011/12. While the share of all lettings to new social tenants (excluding supported housing or hostel) allocated to statutory homeless households increased in the nine years to 2019/20 (from 20% to 26%), the actual numbers of tenancies allocated to this group remained broadly static, averaging 39,000 per annum.

- COVID-19 inflicted considerable damage on the economy during 2020. 2021 has seen some bounce back, but considerable uncertainty remains regarding when and how the economy will recover following the pandemic-shock. Government plans to increase spending on public services, including health and local government, will depend on the performance of the economy and pandemic-related developments. Uncertain economic prospects and the deepening living cost crisis has led to mounting concerns there may be a surge in homelessness in 2022.

Trends in homelessness **Statutory homelessness**

In 2020/21, the initial pandemic year, total eligible homelessness applications fell back by 8%, from 306,000 in 2019/20 to 282,000. This came about wholly because of a 20% reduction in those classed as threatened with homelessness. Applicants owed the relief duty (because they are currently experiencing homelessness, rather than threatened with it) continued to increase in 2020/21 – up by 7% year-on-year and 23% over two years.

The number of households deemed unintentionally homeless and in priority need at the Main Duty decision stage totalled 39,210 in 2020/21, around the same as the year prior, but a substantial reduction on the 57,000 households owed Main Duty in the year prior to the Homelessness Reduction Act coming into force. This reflects that a much higher proportion of those seeking help are assisted at an early stage under prevention or relief duties.

Most local authorities (two thirds) responding in our survey reported an increase in the overall number of households seeking homelessness assistance in 2020/21 compared with 2019/20. The majority (51%) also reported having undertaken more homelessness prevention in the pandemic year. These results are in some tension with the administrative statistics presented above and may in part be explained by activity in relation to the Everyone In initiative not being comprehensively captured in official statistics. Reports of increased prevention activity may reflect work undertaken prior to the 56 day window specified by the legal framework and/or be reflective of the intensity rather than quantum of prevention work local authorities were engaged in during the pandemic.

The bulk of those assessed as homeless or threatened with homelessness in 2020/21 (67%) were single adults. Nevertheless, the reduction in households assessed as homeless or threatened with homelessness in the initial pandemic year, is entirely reflective of a drop in family homelessness: the number of couples with children fell by 33% and single parent by 19%. Single adult households, by contrast, slightly increased – by 3%. These trends reflect the disproportionate protection given to families by evictions restrictions, given their greater likelihood of occupying self-contained rented accommodation as compared to single

person households. Conversely, the increase in single person homeless households in 2020/21 reflects their greater likelihood of being accommodated informally by family or friends and the pressures on such sofa-surfing type arrangements during the pandemic.

Reflecting these same pandemic-related drivers, the mix of 'immediate reasons for homelessness' changed substantially in 2020/21. Family/friend exclusions were up by 17%, so too those made homeless due to domestic abuse. These were more than counterbalanced by the substantially reduced numbers of private renters (down 37%) and social renters (down 31%) whose tenancy had ended for some reason.

Temporary accommodation placements rose 4% in the year to March 2021, standing at 95,000, continuing a decade-long trend which has seen overall placement levels almost double compared to their 2010 low just above 50,000. While the bulk of temporary accommodation placements involve self-contained units, Bed and Breakfast hotel placements increased sharply (by 37%) in 2020/21. Though mainly used for childless households, at 31 March 2021, 4,000 households with children were residing in Bed and Breakfast hotels (24% of all households in such accommodation). Stakeholders reported that unprecedented demand for temporary accommodation during the pandemic has led to longer stays. There were also anxieties that an official focus on the substantial and rising numbers in temporary accommodation, including families with children, has been crowded out as a policy priority by the Government's focus on rough sleeping.

Turning to the outcomes achieved for households owed prevention or relief duties under the Homelessness Reduction Act, a substantial proportion involved social rented housing. Indeed,

the number of new social rental tenancies facilitated via prevention and relief activity (14,760 relief cases, and a proportion of the 20,180 prevention cases resolved by securing existing or new socially rented accommodation) was certainly not far short of the number enabled through Main Duty decisions (18,280) – and it could have been greater. A significant proportion of prevention and relief cases were resolved by supported housing being offered or re-secured (having been at risk). While the Act requires all such accommodation to be available for at least six months, this housing outcome nevertheless encompasses a very wide range of types of accommodation, from secure tenancies in self-contained supported accommodation models, to placements in hostel-type congregate accommodation in which residents have very little security of tenure.

In the case of outcomes for households owed the main rehousing duty (i.e. those for whom prevention and relief efforts have failed and who are deemed to be unintentionally homeless and in priority need), the vast majority (77%) were offered a tenancy, usually in the social rented sector (albeit that higher use was made of privately rented tenancies in London).

It should also be noted that substantial numbers of (mainly single) homeless applicants still reached the end of the Homelessness Reduction Act system without having secured settled accommodation, or even having had such accommodation offered to them. In 2020/21, around 22,000 homeless households were deemed as either not in priority need or intentionally homeless, and therefore not owed the main rehousing duty. This is in addition to the households who exit the system at earlier stages without having been assisted to secure settled accommodation, including the 36,000 households for whom the relief duty is ended without having been helped into new accommodation or referred

for a Main Duty assessment because they lose contact etc.

Almost four fifths (78%) of local authority survey respondents reported that access to private rented tenancies for homeless households had become more challenging in 2020/21 as compared to the year prior. Key here was the role of the evictions moratorium in available lets, but also a perceived increase in landlord exits from the sector as well as intensified selectivity on the part of landlords in choosing tenants. Increased market buoyancy and higher rents appears to have cancelled out any initial gains associated with the rebasing of Local Housing Allowance rates in early 2020.

Well over half of local authorities also reported access to social rented tenancies for homeless households also becoming harder in 2020/21, linked to a slowing of vacant property turnarounds since the onset of the pandemic and lower turnover linked to evictions protections. Reflecting longer-standing concerns, a large majority of local authorities reported that affordability or financial capability checks by housing providers make accessing social housing difficult for homeless households in their area. Housing association reluctance to accommodate those with more complex needs was also a widespread concern. While some stakeholders were highly critical of what they perceived as providers' abnegation of their social mission, others were understanding of these practices in the context of prevailing social security policy and challenges accessing and funding appropriate floating support.

Access to supported accommodation for homeless households during 2020/21 was seen to have deteriorated by a lower proportion of local authorities (47%), but against a backdrop of pre-existing insufficient supply. Beyond issues of access, stakeholders highlighted concerns regarding the quality of some

supported accommodation. Especially urgent issues were emphasized in relation to the provision of very poor quality 'exempt accommodation' in some areas, with little if any support in place, run by private companies with complex governance arrangements and subject to minimal scrutiny and oversight due to gaps in the relevant regulatory frameworks.²

Core homelessness

The concept of 'core homelessness' captures some of the most severe and immediate forms of homelessness, including people sleeping rough, staying in places not intended as residential accommodation (e.g. cars, tents, boats, sheds, etc.), living in homeless hostels, refuges and shelters, placed in unsuitable temporary accommodation (e.g. Bed and Breakfast hotels, Out of Area Placements, etc.), and sofa surfing (i.e., staying with non-family, on a short-term basis, in overcrowded conditions).

Pre-COVID-19, core homelessness was on a gradually rising trajectory, up 14% between 2012 and 2019, with the largest increases being for unsuitable temporary accommodation (194%) and rough sleeping (85%). In 2020, however, the number of core homeless households in England was about 203,400, down somewhat (5%) from 213,200 in 2019. This is primarily attributable to the Everyone In initiative, with clear reductions in rough sleeping (down nearly 4,800 or 33%) and sofa surfing (down 13,300 or 11%), but partially offset by an increase in hostels, etc. (up nearly 7,700 or 18%) because of the additional emergency accommodation introduced in response to the pandemic. London remains the most important hotspot for core homelessness, albeit that the

gap with other regions has narrowed noticeably as rates in London have fallen in recent years.

Looking ahead, our predictions indicate an increase in core homelessness from 2021, assuming no significant amendment to existing housing, homelessness and social security policies.³ Overall core homelessness in 2024 is projected to be one-third higher than in 2019 under this scenario, with the largest rises anticipated in sofa surfing and rough sleeping, and especially steep rises predicted in London. These predictions closely align with key stakeholder expectations that homelessness will rise, potentially very substantially, in 2022. Looking further ahead under this baseline scenario, we predict continued albeit slower rises in core homelessness to 2041.

Modelling a range of alternative future policy scenarios demonstrates that increases in core homelessness at this scale and pace could be avoided. In particular, very substantial reductions in rough sleeping could be achieved by 2024, the end point for the current Government's target to end rough sleeping. Particularly impactful here would be a package of welfare benefit policies aimed at sharply reducing destitution (reinstating the £20 uplift in Universal Credit allowances, ending the 5-week wait, stopping debt deductions, reducing rates of Personal Independence Payment assessment fails, and lifting the Benefit Cap). Social housing lettings quotas targeting core homeless households, a focus on reducing evictions and scaling up Housing First would also contribute to reducing rough sleeping on this timescale. With all of these policies in place, rough sleeping in 2024 would

be reduced by 63%, from 17,824 to 6,568. Substantial progress on this timescale could also be made by reducing unsuitable accommodation use as a component of core homelessness, in particular via raising and indexing Local Housing Allowance, maximising prevention, introduction of rehousing quotas for core homeless households, and welfare measures.

In the longer term, the largest projected impact on reducing core homelessness would result from raising the Local Housing Allowance, rehousing quotas, consistent large-scale application of Housing First accompanied by appropriate rehabilitation provision and a reduction of traditional hostel accommodation, the welfare benefit measures, and to a more moderate degree maximised prevention and raising of total and social housing supply. A successful 'levelling up' of economic performance across the English regions (as operationalised in our forecasting model) would also contribute to the reduction of core homelessness in the long run.

A comprehensive and appropriately phased programme of the recommended measures is shown to be capable of reducing core homelessness by 30% in 2031 and 34% in 2041, compared with what will eventuate without any change in policies, with greater proportionate reductions predicted in London. This scenario would see core homeless held at around the level of 2019. Rough sleeping would be reduced against baseline trends by 66%, unsuitable temporary accommodation by 80%, hostels and sofa surfing by 17%. This scenario would see overall homeless applications and total

temporary accommodation both down by more than three-quarters, releasing significant cost savings to local authorities which could be redirected into even more effective prevention and post-tenancy support.

Economic, policy and COVID-19 impacts on homelessness

The economic disruption created by COVID-19 occurred after more than a decade of weak economic growth following the Global Financial Crisis and associated austerity policies reducing public spending and social security benefits. While relative poverty rates (after housing costs) remained largely unchanged since 2007/08,⁴ in the ten years to 2019/20, the child poverty rate increased by 4 percentage points to 31%, and for larger families (with three plus children) grew by 12 percentage points to 47%,⁵ with trends likely linked to specific welfare changes (the Benefit Cap and two child limit) disproportionately impacting these groups. Poverty also became increasingly skewed towards households with someone in work. 'Deep poverty' (referring to households falling below a more severe 50% of median income threshold) also rose significantly in the years prior to the pandemic.

COVID-19 sent shockwaves through public finances, with pandemic-related spending on health, public services and mitigation measures seeing the annual deficit climb to £323.9 billion in 2020/21, or 15% of Gross Domestic Product,⁶ reversing the ten year downward trend in borrowing. The Government plans to boost public spending over the current years, in particular on health but also local government, while also bringing public borrowing down below pre-pandemic

² For a detailed account of these, see *ibid*. See also St Basil's (2021) *Young People In: A report on young people who were assisted by the Everyone In programme across the West Midlands during the first national lockdown*. Online: St Basils. <https://stbasils.org.uk/wp-content/uploads/2021/03/Young-People-In-St-Basils-Deep-Dive-report-FINAL-pdf.pdf>

³ It should also be underlined that, in the case of Local Housing Allowance, we are not actually following the Government's apparent policy of cash freeze, because this would be demonstrably unsustainable in the medium to longer term in the sense that it would see core homelessness rise exponentially in the short term. We instead index Local Housing Allowance rates with CPI.

⁴ Department for Works and Pensions (2021) *Households below average income: for financial years ending 1995 to 2020*. London: DWP <https://www.gov.uk/government/statistics/households-below-average-income-for-financial-years-ending-1995-to-2020>

⁵ *Ibid*.

⁶ Office for National Statistics (2021) *UK government debt and deficit: June 2021 (27 October)*. London: ONS <https://www.ons.gov.uk/economy/governmentpublicsectorandtaxes/publicspending/bulletins/ukgovernmentdebtanddeficitforeurostatmaast/june2021>

forecasts. These plans depend, however, on economic prospects that remain highly uncertain in the context of the continuing pandemic and the impacts of Brexit.

The Coronavirus Job Retention Scheme was pivotal in containing the rise in unemployment during the pandemic to date, ultimately running to September 2021 and supporting 11.7 million employees. Almost a million workers were still on furlough when the scheme ended.⁷ Despite these measures, the pandemic saw huge growth in people of working age claiming state benefits, to 8.5 million people in February 2021 compared to 6.2 million in February 2020. Universal Credit claims alone stood at 4.96 million in November 2021, almost double their pre-pandemic level.

The £20 uplift in the Universal Credit weekly allowance boosted claimant income during the pandemic, though was not extended to legacy benefits (e.g Jobseekers Allowance or Employment and Support Allowance), and ended in October 2021 affecting 3.6 million households. While Local Housing Allowance rates were rebased at 30% of market rents in spring 2020, the refreeze from April 2021 will compound pressure on household budgets as rents rise. Some households did not benefit from the £20 supplement or Local Housing Allowance uplift in full because their benefits or child tax credits were capped. In line with overall claimant trends, the numbers of households subject to the Benefit Cap increased by 77% from March 2020 to 133,255 April 2021, with the rise being most pronounced in London (91%) and the South East (90%).

7 HM Revenue & Customs (2021) *Coronavirus Job Retention Scheme statistics: 4 November 2021*. London: HMRC. <https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-4-november-2021>

8 Department of Levelling Up, Housing and Communities (2021) £65 million support package for vulnerable renters, 23 October 2021: press release. DLUHC: Online. <https://www.gov.uk/government/news/65-million-support-package-for-vulnerable-renters>

Local authorities have seen increases in discretionary funds available to assist those hit hard by the pandemic, including a £40 million boost to the Discretionary Housing Payments grant for England and Wales, increasing the overall budget to £180 million in 2020/21. Around two thirds of the Discretionary Housing Payment budget continued to be spent on assisting households adversely affected by welfare reforms, particularly the 'Bedroom Tax' and the Benefit Cap, easing the risk of homelessness. The DHP budget fell back to £139.5 million in 2021/22, but in October 2021 an additional £65 million was announced to support households at risk of eviction or homelessness.⁸

Delivery of affordable homes rose steadily from 2016, albeit consistently falling short of Government and independent estimates of need, until the pandemic stalled delivery in 2020/21. Arguably more important are policy-driven changes in the composition of the affordable homes new build pipeline, with just 11% of those delivered in 2020/21 for social rent, down from 65% in 2011/12. The Affordable Homes Programme 2021-26 will continue a strong emphasis on the provision of Affordable Rent homes and government-assisted home ownership options, widely acknowledged as within reach for few low income households. Only a fifth (22%) of local authorities responding to this year's survey were satisfied that new affordable housing supply is sufficient to meet the needs of homeless households and other people in housing need in their area, and only 8% in London.

High demand for social housing combined with the decline in the numbers of lettings has further

intensified challenges in accessing such accommodation. In 2019/20, there were 149,000 lettings to households new to the social rented sector, 47,000 fewer than in 2011/12. The share of all lettings to new social tenants allocated to statutory homeless households in the nine years to 2019/20 inclusive, however increased from 20% to 26%, though the actual numbers remained broadly static, averaging 39,000 per annum.

Larger numbers of families and low-income households live in the private rented sector than at any time since the Global Financial Crisis. The sector's changing size and configuration has led to greater policy interest in its regulation⁹ but progress in effecting change remains erratic at best, with plans to end 'no-fault' evictions further delayed until 2022. The widening gap between Local Housing Allowance rates and private rents in the eight years prior to 2020/21 deepened affordability problems for lower income private renters.¹⁰ It also contributed to the growth in overcrowding in the sector,¹¹ a factor linked to the transmission at least of COVID-19¹² and greater domestic conflict and abuse.¹³ The pandemic has also seen an increase in arrears in the sector, to 7% of households in April-May 2021, 3 percentage points more than in 2019/20.

Protections introduced during the pandemic have prevented widespread eviction across the private and socially rented sectors. Landlord claims in 2020/21 (21,166) were down 79% on 2019/20, with orders for possession (8,114), warrants (5,340) and bailiff repossessions (784) all down on the previous year by 90% or more. Figures for all stages of the eviction process increased significantly in July-September 2021 in the first quarter following the end of the eviction ban, most noticeably in London and the South East. Although evictions remain down on pre-pandemic levels, there are mounting concerns that eviction could rise sharply in the coming months, depending on landlord behaviour as well as court capacity.

In the context of COVID-19-related economic and wider policy changes, homelessness policy itself has been radically impacted by the pandemic. A key and immediate focus was the Everyone In initiative, via which 37,430 people sleeping rough, at risk of doing so, or in communal shelters were accommodated in hotel or similar accommodation by January 2021. Everyone In (and allied infection control measures in homeless settings) were estimated to have avoided 21,092 infections, 1,164 hospital admissions and 338 intensive care admissions and 266 deaths among this cohort in the early phase of the pandemic.¹⁴ The initiative was a central driver of

9 Whitehead, C. & Williams, P. (2018) *Assessing the evidence on rent control from an international perspective*, London: LSE. <https://www.lse.ac.uk/business/consulting/assets/documents/assessing-the-evidence-on-rent-control-from-an-international-perspective.pdf>

10 Housing, Communities and Local Government Committee (2021) *Protecting the homeless and the private rented sector: MHCLG's response to Covid-19*. London: House of Commons. <https://publications.parliament.uk/pa/cm5801/cmselect/cmcomloc/1329/132902.htm>

11 Clair, A. (2021) 'The effect of local housing allowance reductions on overcrowding in the private rented sector in England', *International Journal of Housing Policy*, <https://doi.org/10.1080/19491247.2021.1964253>

12 Barker, N. (2020) The housing pandemic: four graphs showing the link between COVID-19 deaths and the housing crisis. *Inside Housing*. 29th May. Online: Inside Housing. <https://www.insidehousing.co.uk/insight/insight/the-housing-pandemic-four-graphs-showing-the-link-between-covid-19-deaths-and-the-housing-crisis-66562>

13 Chandan, J. S., Taylor, J., Bradbury-Jones, C., Nirantharakumar, K., Kane, E., & Bandyopadhyay, S. (2020). 'COVID-19: a public health approach to manage domestic violence is needed'. *The Lancet Public Health*, 5(6), e309. [https://doi.org/10.1016/S2468-2667\(20\)30112-2](https://doi.org/10.1016/S2468-2667(20)30112-2)

14 Lewer, D., Braithwaite, I., Bullock, M., Eyre, M. T., White, P. J., Aldridge, R.W., Story, A. & Hayward, A.C. (2021), 'COVID-19 among people experiencing homelessness in England: a modelling study', *The Lancet: Respiratory Medicine*, 8(12), 1181-1191. DOI:[https://doi.org/10.1016/S2213-2600\(20\)30396-9](https://doi.org/10.1016/S2213-2600(20)30396-9)

reductions in enumerated levels of rough sleeping (down 37% in Autumn 2020 compared to the year prior, with further reductions indicated by national data in January 2021) and reduced use of dormitory-style night shelter accommodation, and is also credited with improved partnership working between the homelessness and health sectors.

Key limitations of Everyone In include variations in the nature, extent and quality of responses across local authority areas, with reliance upon poor quality accommodation used with insufficient support provision an issue in some. The emergency response also appears to have been less effective for specific groups, including women and young people who are reported to have avoided or been exposed to particular risks within the mixed hotel provision. While non-UK nationals with No Recourse to Public Funds or other restricted eligibility for statutory support and sleeping rough were initially explicitly included in the Everyone In response, this group have subsequently been especially vulnerable to inconsistent treatment.¹⁵ Subsequent case law has clarified that local authorities retain the power to accommodate those with No Recourse to Public Funds while the COVID-19 public health emergency is ongoing,¹⁶ but fewer than a fifth of local authorities reported that statutory and/or commissioned services were accommodating all those with No Recourse to Public Funds and rough sleeping or at risk of doing (at Summer 2021). There are acute concerns about future prospects for this cohort beyond the pandemic, given that the legal powers to accommodate only

apply in the context of a public health emergency. More positively, however, some stakeholders emphasised that those initially deemed to have restricted eligibility for state support were in fact entitled to support following a full consideration and review of their circumstances.

Government data suggests that by January 2021, 26,130 people or 70% of those helped under Everyone In had been transitioned from hotels and other premises into longer term accommodation, defined as tenancies of at least six months or supported housing. Accessing move-on accommodation appears to have been particularly challenging for those with complex needs (9 out of 10 local authorities described this as 'difficult'), due to a dearth of appropriate supported accommodation options. Unsurprisingly, particular difficulties have also been faced securing move-on options for those with No Recourse to Public Funds, albeit that EEA nationals were identified as more easily supported to a resolution than those navigating the asylum system. In this context, local authorities' abilities to assess eligibility and provide access to specialist support and advice was seen to be incredibly important. Move-on for those with low or medium support needs has been a less acute challenge, with direct lets into social housing, private rented sector access, and mainstream temporary accommodation placements used in some areas. There are concerns, however, regarding the sustainability of private rented sector placements and the quality and appropriateness of temporary accommodation placements.

A key resource in this area has been the Rough Sleeping Accommodation Programme,¹⁷ providing capital and revenue funding for move-on accommodation for rough sleepers, with a presumption in favour of self-contained options.¹⁸ While the fund was welcomed by key stakeholders, frustrations surrounded the transitional nature of the move-on accommodation funded (expected to be two years in most cases) and the limited scale of the programme relative to demand in some areas. The programme's initial design and administration received intense criticism, in particular in relation to bidding timescales and requirements to spend funds within tight timetables. Indeed, this latter requirement was seen to force a reliance on market acquisitions that risk overheating already tight local housing markets.

Tackling rough sleeping was a very high policy priority pre-pandemic, reflected in Government investment in the Rough Sleeping Initiative and the Housing First regional pilot programme in 2018. Subsequent to these developments, the 2019 Johnson Government committed to ending rough sleeping by 2024 (accelerating the timetable announced by the previous Government). The pandemic is seen to have radically accelerated initial gains against the target, and very substantial increases in Rough Sleeping Initiative funding committed to by the Government are seen as a very welcome enabler of further progress. But stakeholders identified a range of barriers likely to inhibit achievement, including the absence of an updated strategy, no clear definition of what 'ending' means in this context, a lack of performance measurement and monitoring, and the persistence of

policies that restrict non-UK nationals access to statutory support (including but not limited to No Recourse to Public Funds restrictions). Stakeholders were also clear that further progress on rough sleeping requires attention to preventing it in the first place, as well as securing sustainable move-on options for those affected, both seen as weaknesses in current Government policy.

More positively, initial evaluation outputs indicate promising results from the regional Housing First Pilots for the more than 500 people accommodated to date. Tenants report being highly satisfied with the programme, with the greatest benefit identified as having secured their own housing, but additional gains in relation to stabilising or reducing harmful behaviours, improved health and health service engagement, and re-establishing relationships with friends and family, including children. This being said, the numbers recruited are short of target reflecting challenges associated with the regional scale of the pilots and the pandemic.

Access to housing for those admitted to the programme is a key concern, with additional delivery challenges including difficulties sustaining low caseloads, recruiting appropriate staff, and challenges accessing supports for tenants, in particular mental health support. The lack of clarity regarding whether pilot funding will be extended as a result of the 2021 Comprehensive Spending Review has raised serious concerns regarding the adequacy of arrangements beyond the pilot end date. Beyond the regional pilots, Housing First-type services are reportedly in operation in a majority of local authority areas in England (59%),

15 The Kerslake Commission on Homelessness and Rough Sleeping (2021) *A New Way of Working: Ending Rough Sleeping Together: Final Report*. Online: The Kerslake Commission. <https://www.commissiononroughsleeping.org/wp-content/uploads/2021/09/KRSC-Final-Report-2021.pdf>; National Audit Office (2021) *Investigation into the Housing of Rough Sleepers during the COVID-19 Pandemic*. HC 1075. Online: NAO. <https://www.nao.org.uk/wp-content/uploads/2021/01/Investigation-into-the-housing-of-rough-sleepers-during-the-COVID-19-pandemic.pdf>

16 See: <https://www.nrpfnetwork.org.uk/news/accommodating-rough-sleepers>

17 RSAP evolved out of the 2020/21 Next Steps Accommodation Programme which funded continued Everyone In emergency provision during 2020/21. See <https://www.gov.uk/government/publications/next-steps-accommodation-programme-guidance-and-proposal-templates>. The programme is administered separately within and outside of London.

18 Department for Levelling Up, Housing and Communities and Ministry of Housing, Communities & Local Government (2021) *Rough Sleeping Accommodation Programme 2021-24: Prospectus, guidance and proposal form for the Rough Sleeping Accommodation Programme 2021-24*. Online: DLUHC & MHCLG. <https://www.gov.uk/government/publications/rough-sleeping-accommodation-programme-2021-24>

although there are questions about the extent to which schemes that don't adhere to Housing First principles are capable of achieving the outcomes delivered by 'high fidelity' approaches.

Pulling back from this plethora of politics and funding programmes targeting rough sleeping, this Monitor also covers the third full year of operation of the Homelessness Reduction Act (2017). Stakeholder assessment of the Act and its implementation in the recent period were positive, with particular strengths highlighted including the reorientation it has prompted towards a culture of personalised support rather than entitlement testing. The emphasis within the legislative framework on preventative interventions was also seen as a key strength, albeit that the pandemic is acknowledged to have forced a particular focus on crisis responses. On the other hand, the pandemic context is seen to have substantially accelerated the Act's aim of enhancing the support available to single homeless households. New provisions according automatic 'priority need' status to households homeless as a result of domestic abuse were strongly welcomed, and anticipated to contribute to increased demand from this group in the future.

This overall positive assessment of the Homelessness Reduction Act was tempered by the view that funding remained insufficient, with the pandemic and Government emphasis on multiple short-term funding streams on homelessness seen to have intensified pre-existing workforce challenges. Difficulties recruiting appropriately skilled staff were reported, alongside low morale and high absence rates in some areas linked to the very stressful and high pressure period negotiated by staff since early 2020. In addition, key stakeholders acknowledged various

ways in which the Homelessness Reduction Act does not go far enough in expanding the legal duties upon local authorities and other stakeholders in responding to homelessness. Key issues included the continuing lack of entitlements to temporary accommodation and settled housing for particular groups, and the weakness of the duties on wider public authorities to 'refer' where someone is threatened with homelessness, rather than cooperate more fully in addressing their need. More broadly, it was recognised that wider Government action on homelessness is needed, beyond the parameters of the Act, to effectively prevent homelessness, including via housing supply, access and regulatory reform and poverty reduction efforts.¹⁹

Conclusion

The COVID-19 pandemic has continued to have extremely significant impacts on homelessness and homelessness policy during 2021 and into 2022. The focus has shifted in the most recent year from the largely successful initial emergency accommodation response targeting people sleeping rough or at risk of doing so, to securing move-on options for those assisted. Progress in this respect has been variable across the country and between groups, with acute challenges remaining as regards assisting those with No Recourse to Public Funds. But there is no doubt that these efforts have assisted a very significant number of single people facing crisis into more stable accommodation options.

The key questions going forward concern whether reductions in rough sleeping and reliance upon night shelters will be sustained, improved upon or reversed in the coming period, with our analysis indicating clearly that measures currently in place are insufficient to achieve the

Government's objective of ending rough sleeping by 2024. Equally important, though notably absent in recent policy trends, is the extent to which ongoing pressures responding to wider statutory homelessness will be addressed going forward. Since the onset of the pandemic, local authorities have seen continued rises in temporary accommodation use, and the absence of any dramatic falls in key measures of statutory homelessness demand. With welfare mitigations and evictions protections introduced early in the pandemic now ended, and the housing context continuing to be challenging, there is an understandable and acute concern about an expected surge in homelessness from 2022, a concern reinforced by our own projections analysis.

Reinforcing a long-term theme in the Homelessness Monitors series and a key lesson from the pandemic-period so far, it is also clear that upward trends in homelessness over the coming years are not inevitable. The 2023 monitor will provide an opportunity to review the extent to which opportunities to avoid this eventuality are grasped during the coming year.

¹⁹ Fitzpatrick, S., Mackie, P. & Wood, J. (2019) *Homelessness prevention in the UK: Policy briefing*. Online: UK Collaborative Centre for Housing Evidence. <https://housingevidence.ac.uk/wp-content/uploads/2019/07/Homelessness-Prevention-in-the-UK-Policy-Brief-July-2019-final.pdf>

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