



## BRIEFING PAPER

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# Statutory Homelessness in England

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### Inside:

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2. The causes of homelessness
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## Summary

Local authorities in England have a duty to secure accommodation for unintentionally homeless households who fall into a 'priority need' category. There is no duty to secure accommodation for all homeless people. On 3 April 2018, local authorities acquired a duty to work to prevent and relieve homelessness for all eligible homeless applicants – their advice and assistance duties were also strengthened.

### Experimental statistics

Official statistics on statutory homelessness are published by the Ministry of Housing, Communities and Local Government (MHCLG). For many years, quarterly releases included details of households accepted as owed a statutory duty and numbers in temporary accommodation. Prevention and relief activity by local authorities was recorded separately but then included in the quarterly releases. MHCLG started to publish a new style of statistical release with quarterly statistics from April 2018 onwards.

These releases differ from the previous series in two ways: they account for local authorities' new duties under the *Homelessness Reduction Act 2017* and reflect a new system for collecting statistical information. Local authorities are now required to submit case-level data to the Ministry via a new system called the Homelessness Case Level Information Collection (H-CLIC). H-CLIC provides data on individual people in each household (previously, only household-level data was available). The Ministry said that H-CLIC should "allow us to better understand the causes and effects of homelessness."

### Trends in statutory homelessness

MHCLG's former releases tracked the number of households deemed to be owed a duty to secure accommodation (i.e. unintentionally homeless and in priority need). The financial year 2010/11 saw a 10% increase in homelessness acceptances by local authorities, representing the first financial year increase since 2003/4. Homelessness acceptances continued to rise over the next three years but fell by 3% between 2012/13 and 2013/14. The 2014/15 financial year recorded a further increase, with acceptances 36% higher than in 2009/10 (but 60% below the peak in 2003/4). Acceptances increased again in 2015/16 and 2016/17 but fell by 4% in 2017/18 compared to the previous year.

MHCLG's latest release describes local authorities' activity between July and September 2019. The release is classed as 'experimental statistics' because of several data quality issues. Some local authorities did not provide any data and others reported confusion about some of the reporting requirements.

When a household applies to their local authority for assistance an initial decision is made to determine whether they are owed a prevention or a relief duty. 95% of initial decisions recorded between July and September 2019 found that a duty was owed: 36,640 prevention duties and 34,940 relief duties. Local authorities accepted 9,650 households as being owed a main homelessness duty – since 3 April 2018 households are only owed a main duty if their homelessness has not been successfully prevented or relieved.

The increase in statutory homelessness since 2009/10 is attributed to several factors, of which the most important is identified as a continuing shortfall in levels of new house building, particularly of affordable housing, relative to levels of household formation. Housing Benefit reforms are also viewed as a significant contributory factor, particularly in London. In addition to contributing to levels of homelessness, local authorities in areas of high housing demand argue that benefit reforms have made it more difficult for them to

secure housing for eligible applicants. This is reflected in one of the key findings recorded in [The homelessness monitor: England 2019](#):

The safety net once provided by Housing Benefit, whereby post housing incomes were protected from erosion below basic benefit levels, has now effectively ended for the bulk of private tenants in receipt of benefit across the country, with young people under 35 particularly badly affected by reduced Local Housing Allowance rates and the working age benefit freeze.

The [National Audit Office](#) (NAO, 2017) determined that the impact of the Government's welfare reforms on homelessness had not been evaluated:

Homelessness in all its forms has significantly increased in recent years, and at present costs the public sector in excess of £1 billion a year. It appears likely that the decrease in affordability of properties in the private rented sector, of which welfare reforms such as the capping of Local Housing Allowance are an element, have driven this increase in homelessness. Despite this, the government has not evaluated the impact of its welfare reforms on homelessness, or the impact of the mitigations that it has put in place.

Overall, the NAO's report concluded that the Government's approach to tackling homelessness could not demonstrate value for money. The [Public Accounts Committee](#) (December 2017) said the Government's attitude to reducing homelessness "has been unacceptably complacent". The [Government responded](#) to the PAC report in March 2018, accepting several recommendations. MHCLG commissioned joint research with the Department for Work and Pensions (DWP) into "the wider causes of homelessness, including households' experience of the welfare system as well as other factors such as housing affordability or relationship breakdown." See section 2 of this paper for more information.

There are indications that the challenges faced by housing providers arising from the Covid-19 outbreak may impact on their ability to meet their statutory obligations to homeless people once the crisis passes (see section 5.6 of this paper).

## The Homelessness Reduction Act 2017

On 17 December 2015, the Government said it would work with homelessness organisations and across government departments "to explore options, including legislation, to prevent more people from facing a homelessness crisis in the first place."

During summer 2015, Crisis established an independent panel of experts to assess the strengths and weaknesses of the homelessness legislation in England. The panel's findings were published in April 2016: [The Homelessness legislation: an independent review of the legal duties owed to homeless people](#). The panel concluded that the case for reform was strong, and favoured changes to place more emphasis on preventative work within a statutory framework, particularly in relation to single people and childless couples. The annex to the report included suggested amendments to the legislative framework.

Bob Blackman drew second place in the 2016 Private Members' Bill Ballot. He introduced the *Homelessness Reduction Bill 2016-17* on 29 June 2016. The Bill attracted Government and cross-Party support. Having obtained Royal Assent on 27 April 2017, the Act came into force on 3 April 2018. As noted above, authorities in England are now required to place more emphasis on the prevention and relief of homelessness for all eligible applicants. By focusing on improved prevention and relief at an earlier stage, it is hoped that fewer households will be owed a main homelessness duty and that local authorities will reduce their use of temporary accommodation. The Government is distributing £72.7 million to authorities between 2017/18 and 2019/20 in respect of the new duties. The Act forms a major part of the Government's approach to tackling homelessness.

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The Housing, Communities and Local Government (HCLG) Select Committee opened an inquiry into the [Homelessness Reduction Act – One Year on](#) on 5 April 2019. A [one-off evidence session](#) was held on 23 April 2019. The Government opened [a call for evidence](#) on the impact of the Act in July 2019. A final report was expected in March 2020.

### Other relevant Library papers

Long-term time series data can be downloaded from the [landing page for this briefing](#). This includes data on decisions made on household prior to the *Homelessness Reduction Act 2017*, and the background of applicants accepted as homeless and in priority need.

Duties owed to the non-statutory homeless are covered in Library briefing paper: [Rough sleeping \(England\)](#) (2007). A separate paper focuses on the placement of statutorily homeless households in temporary accommodation ([02110](#)).

There are variations in approaches to homelessness in Scotland and Wales – these variations are outlined in [Comparison of homelessness duties in England, Wales, Scotland and Northern Ireland](#) (07201).

# 1. Local authorities' duties: an overview

## 1.1 Duties owed to homeless applicants

The *Housing (Homeless Persons) Act 1977* placed a duty on local housing authorities to secure permanent accommodation for unintentionally homeless people in priority need. Authorities' duties owed to homeless people are now contained in Part 7 of the *Housing Act 1996* (as amended).

The *Homelessness Reduction Act 2017* (HRA) has, since 3 April 2018, placed a duty on authorities in England to:

- Work to **prevent** homelessness for **all** eligible applicants who are threatened with homelessness, i.e. likely to become homeless within 56 days.
- Work to **relieve** homelessness for **all** eligible applicants who become homeless.

**Eligibility is determined in relation to an applicant's immigration status.**<sup>1</sup> The new duties stop short of requiring an authority to provide accommodation for homeless applicants who are not in priority need.

**Housing authorities have a duty to provide or secure the provision of advice and information about homelessness and the prevention of homelessness, free of charge.** This advice and assistance must be made available to any person in the district "including people who are not eligible for further homelessness services as a result of their immigration status."<sup>2</sup> The HRA amended the 1996 Act to provide that advice and information services must be designed to meet the needs of people within the district. The particular needs of the following groups must be taken into account:

- a. people released from prison or youth detention accommodation;
- b. care leavers;
- c. former members of the regular armed forces;
- d. victims of domestic abuse;
- e. people leaving hospital;
- f. people suffering from a mental illness or impairment; and,
- g. any other group that the authority identifies as being at particular risk of homelessness in their district.

In addition to direct applications from homeless people/households, **authorities may receive notifications from certain public bodies** where they believe a service user may be homeless or threatened with homelessness. The public authorities subject to the duty to refer are

Ineligible applicants should still be able to access free advice and information from a local authority to help relieve homelessness.

<sup>1</sup> MHCLG, [Homelessness Code of Guidance for Local Authorities](#), 2018, chapter 7

<sup>2</sup> MHCLG, [Homelessness Code of Guidance for Local Authorities](#), 2018, para 31

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specified in the [Homelessness \(Review Procedure etc.\) Regulations 2018](#) and include:

- prisons;
- youth offender institutions;
- secure training centres;
- secure colleges;
- youth offending teams;
- probation services (including community rehabilitation companies);
- Jobcentre Plus;
- social service authorities;
- emergency departments;
- urgent treatment centres; and,
- hospitals in their function of providing inpatient care.

The Secretary of State for Defence is also subject to the duty to refer in relation to members of the regular forces. The regular forces are the Royal Navy, the Royal Marines, the regular army and the Royal Air Force.

The public bodies listed above must have the consent of the individual before making a referral to a housing authority and must allow the individual to identify the authority to which the referral should be made. The individual must also have given consent to sharing their contact details with the housing authority.

The [Homelessness Code of Guidance](#), to which authorities must have regard when carrying out their homelessness duties, states that **“Every person applying for assistance from a housing authority stating that they are or are going to be homeless will require an initial interview.”** Where an initial interview indicates that someone is eligible and is homeless or threatened with homelessness, the authority must carry out a further assessment “and **develop a personalised plan to provide a framework for housing authorities and applicants to work together to identify appropriate actions to prevent or relieve the applicant’s homelessness.**”<sup>3</sup>

The Code of Guidance states:

It should be noted that applicants who have been served a valid section 21 notice to end an assured shorthold tenancy of their only available home, which expires within 56 days, **are threatened with homelessness.**<sup>4</sup>

For more detailed information on homelessness arising from the service of a section 21 notice on an assured shorthold tenant, see: [Applying as homeless from an assured shorthold tenancy \(England\)](#).

The new duties introduced by the HRA mean that authorities should actively work with **all** eligible applicants to prevent and relieve homelessness, personalised housing plans are key to this process.

All homeless applicants should be interviewed and, if eligible and homeless or threatened with homelessness, the authority should develop a personalised housing plan.

<sup>3</sup> For more information on assessments and personalised housing plans see chapter 11 of the [Homelessness Code of Guidance](#).

<sup>4</sup> [Homelessness Code of Guidance](#), para 11.5

Circumstances in which the prevention and relief duties end are explained in chapter 14 of the [Homelessness Code of Guidance](#).

**Authorities only have an absolute duty to secure accommodation for households who are deemed to be unintentionally homeless and in priority need.**

If an applicant has become homeless unintentionally, the authority must assess whether they, or a member of their household, falls into a 'priority need' category. These categories are set out in section 189 of the 1996 Act and include:

- a. People with dependent children who are residing with, or might reasonably be expected to reside with them, for example, because the family is separated solely because of the need for accommodation; or
- b. People who are homeless or threatened with homelessness as a result of any emergency such as flood, fire or any other disaster; or
- c. Where any person who resides or who might reasonably be expected to reside with them, is vulnerable because of old age, mental illness, handicap or physical disability or other special reason; or
- d. Pregnant women, or a person who resides or might reasonably be expected to reside with a pregnant woman;
- e. All 16 and 17-year olds;
- f. 18-20-year old care leavers;
- g. Vulnerable care leavers;
- h. Vulnerable former members of the armed forces;
- i. Vulnerable former prisoners; and
- j. People who are vulnerable because they are fleeing violence.

Categories e-j were added by the *Homelessness (Priority Need for Accommodation (England) Order 2002* which came into force on 31 July 2002.

On 2 May 2020, Robert Jenrick, Secretary of State, confirmed that amendments would be made to the *Domestic Abuse Bill 2019-21*, which is currently progressing through Parliament, to ensure that victims of domestic violence "get the priority need status they need to access local housing services much more easily", he went on:

This is fully-funded commitment which will mean that no victim of domestic violence has to make the unbearable choice between staying somewhere that they know is unsafe or becoming homeless.<sup>5</sup>

**If an applicant/household is in a priority need category and is homeless, the authority must secure temporary accommodation for them pending the outcome of inquiries.** If a full rehousing duty is owed, suitable temporary accommodation must be provided until such time as the duty to rehouse is discharged. The *Localism Act 2011*<sup>6</sup> enables authorities (since 9 November 2012) to discharge their duty to

<sup>5</sup> PoliticsHome, [Coronavirus: Communities Secretary vows priority council housing for people fleeing domestic abuse](#), 2 May 2020

<sup>6</sup> *Localism Act 2011 (Commencement No.2 and Transitional Provisions) (England) Order 2012*



homeless households by offering a suitable tenancy of private rented housing.

Local authorities have **discretion** to consider whether a homeless applicant/household has a local connection with the district. Most authorities do take local connection into account – where there is no local connection a referral can be made to an authority with which the applicant does have a local connection.

### 1.2 Homelessness strategies

The *Homelessness Act 2002* gave housing authorities:

- power to carry out reviews of homelessness in their areas;<sup>7</sup>
- a duty to formulate and publish a homelessness strategy based on these reviews;<sup>8</sup>
- keep the strategy under review; and
- consult other local or public authorities, or voluntary organisations before adopting or modifying the strategy.<sup>9</sup>

Guidance on conducting a review and formulation of a strategy is contained in chapter 2 of the [Homelessness Code of Guidance](#).

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<sup>7</sup> Section 1(1) of the 2002 Act

<sup>8</sup> Section 1(4) of the 2002 Act. All authorities have been required to publish a homelessness strategy since 1 April 2017.

<sup>9</sup> Section 3(8) of the 2002 Act

## 2. The causes of homelessness

Research into the causes of homelessness has identified several factors, some of which relate to the wider state of the economy and the housing market, and others which are personal to the individual or family.

**Structural factors** contributing to homelessness include:

- **A lack of housing supply** in England which is more acute in some areas than others. Homelessness is the most visible manifestation of the long-term failure of successive Governments to build enough housing to meet growing need. In the Housing White Paper (February 2017), the then Secretary of State for Communities and Local Government, Sajid Javid, said:

For decades, the pace of house building has been sluggish at best. As a result, the number of new homes has not kept pace with our growing population.<sup>10</sup>

- In addition to a crisis in overall housing supply, commentators argue that England is in the grip of **a crisis of affordability**. In the foreword to the June 2017 IPPR report, [What more can be done to build the homes we need?](#) Sir Michael Lyons said:

We would stress that it is not just the number built but also the balance of tenures and affordability which need to be thought through for an effective housing strategy.<sup>11</sup>

Research commissioned by the National Housing Federation (NHF) and Crisis from Heriot-Watt University (2018), identified a need for 340,000 homes each year to 2031 of which "145,000 must be affordable." Of the 145,000, the research concluded that 90,000 "should be for social rent."<sup>12</sup> **The social rented sector has declined as a proportion of all housing in recent years.** This reflects sales under the Right to Buy and reduced investment in the development of social housing. Shelter's evidence to the Communities and Local Government Select Committee's inquiry into homelessness over 2015-16 argued for the development of 250,000 new homes a year of which 30% should be at a low rent.<sup>13</sup>

In [The homelessness monitor: England 2019](#), an annual state-of-the-nation report commissioned by Crisis which looks at the impact of economic and policy developments on homelessness, the authors note that homelessness triggered by evictions from the social rented sector "continue to account for only a very small proportion of statutory homelessness acceptances".<sup>14</sup> However, a

<sup>10</sup> DCLG, [Fixing our Broken Housing Market](#), Cm 9352, February 2017, p7

<sup>11</sup> IPPR, [What more can be done to build the homes we need?](#), June 2017

<sup>12</sup> National Housing Federation (NHF) Press Release, [England short of 4 million homes](#), 18 May 2018

<sup>13</sup> [Shelter's written evidence submitted to the CLG Select Committee's 2016-17 inquiry into homelessness \(HOL94, paras 23-24\)](#)

<sup>14</sup> Suzanne Fitzpatrick; Hal Pawson; Glen Bramley; Beth Watts; Jenny Wood; Mark Stephens & Janice Blenkinsopp, [The homelessness monitor: England 2019](#), May 2019, p25

key finding arising from the research is that “Very few local authority respondents believed that existing social housing provision in their area is commensurate with homelessness needs, but many were at least equally concerned about the problematic profile of the local social housing stock portfolio, mismatched to need.”<sup>15</sup>

- **The affordability of home ownership** has been impacted by tighter mortgage regulation and the requirement for higher deposits from first-time buyers. Even in areas where house prices are relatively affordable, mortgage regulation can act as a barrier to access. [The homelessness monitor: England 2019](#) notes that possession cases arising from mortgage arrears “remain at low levels relative to the size of the market”. The authors observed that this could change if market conditions deteriorate.<sup>16</sup>

Between October 2018 and March 2019, the LGiU<sup>17</sup> Local Government Homelessness Commission carried out an assessment of the state of homelessness prevention from the perspective of local government. The Commission’s report (June 2019) identified the following drivers of homelessness:

The rise in homelessness is predominantly driven by central government policy making and lack of strategic leadership. Local government is, once again, tasked with picking up the pieces, though without the powers or resources to tackle the issues head-on. There is no single driver of homelessness. It is increasing due to a combination of factors, including poverty, unemployed and in-work poor living in private sector tenancies, changes to the welfare system and related cuts in funding, a broken housing market and, crucially, a lack of clear and consistent homelessness strategy in government.<sup>18</sup>

**Personal factors that trigger homelessness** include relationship breakdown; mental illness and addiction issues; discharge from prison; and leaving the care system.

The immediate causes of homelessness have remained fairly constant over the years. Family breakdown is highlighted as a significant cause. This includes family or friends no longer being able to provide accommodation and fleeing domestic abuse. The circumstances in which families become homeless tend to differ from those of single homeless individuals, with the latter experiencing more chaotic lifestyles.<sup>19</sup>

Section 3.2 of this briefing has more information on the background of people applying to their local authority for homelessness assistance (pp24-25) and the support needs of people being helped by their local authority (p26).

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<sup>15</sup> [The Homelessness Monitor: England 2019 – key findings](#), Crisis, May 2019

<sup>16</sup> Suzanne Fitzpatrick; Hal Pawson; Glen Bramley; Beth Watts; Jenny Wood; Mark Stephens & Janice Blenkinsopp, [The homelessness monitor: England 2019](#), May 2019, p11

<sup>17</sup> Local Government Information Unit.

<sup>18</sup> [LGiU Homelessness Commission 2019: Final Report](#), June 2019, p7

<sup>19</sup> DCLG, [Making every contact count: A joint approach to preventing homelessness](#), August 2012, paras 17-20

In February 2020, the Centre for Homelessness Impact (CHI) launched its [updated SHARE framework](#) (a summary of the Centre's vision for ending homelessness) with a suite of new homelessness indicators and reporting platform. The Centre is working with the Office for National Statistics (ONS) and others to develop a framework to assist policy development to tackle homelessness:

Over the past 6 months, with the Centre for Homelessness Impact, we have looked deeper into these causes of homelessness. As a What Works Centre, CHI have drawn on a range of expertise from academics, practitioners and international evidence and best practice. Together, we have consulted with over 500 users who have experience of working in and around homelessness and they've given us valuable insights into what the key indicators relating to homelessness should be. In consultation with data experts within each of the nations of the UK, we have assessed and selected the best available data sources for the measures and drawn on the expertise of leaders in the indicators field.

This work has identified an initial set of homelessness indicators and measures, and this report outlines the research findings that informed its ongoing development. We hope that this framework and the development of the reporting platform will inform policy to help create lasting change.<sup>20</sup>

There are two factors which merit particular consideration when looking at the causes of homelessness: homelessness arising from the end of an assured shorthold tenancy and the impact of Housing Benefit restrictions.

### **The end of an assured shorthold tenancy (AST)**

2010 onwards saw a substantial increase in homelessness where the applicant's last settled home was an assured shorthold tenancy (AST). This is the standard type of tenancy used in the private rented sector (PRS). Briefly, section 21 of the *Housing Act 1988* enables private landlords to repossess properties let under an AST without having to establish fault on the part of the tenant.<sup>21</sup>

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<sup>20</sup> The [framework](#) (which is still in development) and the CHI report are online, [The SHARE framework – a smarter way to end homelessness](#), Teixeira L (Dr); McSweeney R; Jonsson S; Russell D; Lacey A, 2020.

<sup>21</sup> This issue was the subject of a Westminster Hall debate on 6 December 2018, see: [The use of section 21 evictions in the private rented sector](#).

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The trend can be seen in statistics on the reason for homelessness amongst households that were owed a duty to secure accommodation by their local authority. In 2010/11, the end of an AST was given as a reason in 15% of cases, rising to a peak of 31% in 2015/16. In 2017/18, the figure was 27%.<sup>22</sup> In the period from July to September 2019, 20% of households owed a prevention or relief duty were homeless or at risk of homelessness due to the end of an AST.<sup>23</sup> 4,440 households were owed a prevention duty due to the service of a section 21 notice.<sup>24</sup> Section 3.2 (p19) has further statistics.

In [The homelessness monitor: England 2019](#), the authors noted:

...while the loss of ASTs remains the most significant trigger for statutory homelessness applications in England, the extraordinarily sharp upward trend in this cause of homelessness has been reversed in the most recent period. One statutory sector key informant explained that “They’re all gone”, by which she meant that so many low-income private tenants in London had already lost their hold on the PRS as a result of the combination of rising rents and the LHA freeze that there were simply fewer people in a position to be made homeless via this route. Similar comments about the “clearing out” of low-income households from Inner London in particular have been made by LAs surveyed in earlier editions of the Monitor.<sup>25</sup>

On 15 April 2019, the then Secretary of State, James Brokenshire, announced that the Government would consult on new legislation to abolish section 21 ‘no fault’ evictions, saying:

This will bring an end to private landlords uprooting tenants from their homes with as little as 8 weeks’ notice after the fixed-term contract has come to an end.<sup>26</sup>

The [consultation process](#) was launched in July 2019 with submissions accepted up to 12 October 2019. The Queen’s Speech on 19 December 2019 included a commitment to bring forward a Renters’ Reform Bill which will:

Abolish the use of ‘no fault’ evictions by removing section 21 of the Housing Act 1988 and reforming the grounds for possession.<sup>27</sup>

For more information see the Library briefing paper: [The end of ‘no fault’ section 21 evictions](#).

The Residential Landlords Association (RLA) disputes the charge that section 21 is a cause of homelessness. The organisation has published several pieces of research to demonstrate that the rise in homelessness from the PRS is linked more closely to rent arrears caused by welfare

Evictions from most residential tenancies have been banned until at least 30 June 2020 in response to the Covid19 outbreak. There are concerns that a spike in eviction activity will take place when the ban is lifted, with consequences for levels of homelessness.

There are calls for the Renters’ Reform Bill to be fast-tracked to protect tenants with ASTs who may face eviction once the Covid-19 crisis has eased and the courts can once again issue possession orders.

<sup>22</sup> MHCLG, [Acceptances and decisions live tables: Table 774](#), 12 September 2019

<sup>23</sup> MHCLG, [Initial assessments tables: Table A2](#), 19 March 2020

<sup>24</sup> MHCLG, [Initial assessments tables: Table A1](#), 19 March 2002

<sup>25</sup> Suzanne Fitzpatrick; Hal Pawson; Glen Bramley; Beth Watts; Jenny Wood; Mark Stephens & Janice Blenkinsopp, [The homelessness monitor: England 2019](#), May 2019, p17

<sup>26</sup> [MHCLG Press Release](#), 15 April 2019

<sup>27</sup> [Queen’s Speech Background Briefing Notes](#), 19 December 2019

reform, such as restrictions in the Local Housing Allowance and the roll-out of Universal Credit.<sup>28</sup>

Measures in the [Homelessness Reduction Act 2017](#) are aimed at addressing how local authorities deal with applications from tenants who have been served with a notice to leave an AST.<sup>29</sup> Section 4.1 of this paper discusses evidence on the early impact of these provisions.

### Housing Benefit restrictions and Universal Credit

Reductions in the amount of Local Housing Allowance (LHA)<sup>30</sup> payable since April 2011 (and further Housing Benefit changes implemented in January 2012, April 2013 and April 2016) have been identified as having an adverse impact on levels of homelessness and the ability of local authorities to use private rented accommodation in order to discharge their duties to homeless households.<sup>31</sup> London Councils published [Tracking Welfare Reform: Meeting the financial challenge](#) (September 2013) in which it highlighted an increased risk of arrears and homelessness as a potential outcome of the Government's various Housing Benefit measures at that time.

The 2015 Government implemented additional welfare reforms:

- The Benefit Cap was reduced from £26,000 to £23,000 in London and £20,000 elsewhere from 7 November 2016 (measures were included in the *Welfare Reform and Work Act 2016*).
- From April 2017, young people aged 18 to 21 who claimed Universal Credit were not entitled to the housing costs element, with certain exemptions. Entitlement was reinstated with effect from 31 December 2018.<sup>32</sup>

Local Housing Allowance rates were frozen for four years from 2016 with some provision for rents in the most expensive areas. This meant that claimants' LHA entitlement was less likely to cover the full contractual rent due as real rents increased over time. By April 2020, 946 of the 1,000 LHA rates in the UK were poised to be lower than the corresponding 30th percentile – with an average shortfall of 9.6%. This shortfall existed despite the end of the freeze and an uprating of 1.7% in line with the Consumer Price Index from April 2020.<sup>33</sup> In response to the Covid-19 outbreak, the Government announced an increase in support through LHA:

<sup>28</sup> See Simcock, T.J., (2017). [State Intervention into Renting: Making sense of the impact of policy changes](#). Manchester: UK. Residential Landlords Association, p.47; Simcock, T.J., (2018). [Investigating the effect of Welfare Reform on Private Renting](#). Manchester: UK. Residential Landlords Association; and Dr Chris O'Leary et al. [Homelessness and the Private Rented Sector](#), Residential Landlords Association, November 2018

<sup>29</sup> See Library paper, [Applying as homeless from an assured shorthold tenancy \(England\)](#) (6856)

<sup>30</sup> LHA is the benefit claimed by most PRS tenants to assist with rent payments.

<sup>31</sup> For more information on the Housing Benefit changes since 2010 see Library briefing paper 5638.

<sup>32</sup> For more information see Library briefing paper 6473: [Housing cost element of Universal Credit: withdrawing entitlement from 18-21-year olds](#)

<sup>33</sup> [DWP Press Release](#), 13 January 2020

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As well as keeping people in work, and supporting those who lose their jobs or work for themselves, our plan for jobs and incomes will help keep a roof over your head.

I'm announcing today nearly £1bn pounds of support for renters by increasing the generosity of housing benefit and Universal Credit, so that the local housing allowance will cover at least 30% of market rents in your area.<sup>34</sup>

Even after this increase, the LHA caps still apply at a lower level than the 30th percentile for 15 of the 30 LHA rates in central and inner London.

- *The Housing Benefit (Abolition of the Family Premium and limiting backdating) (Amendment) Regulations 2015* (SI 2015/1857) abolished the family premium for all new Housing Benefit entitlements after 30 April 2016 and for those who cease to have responsibility for any children or young people after 30 April 2016.
- Support for families receiving tax credits is now limited to two children. An equivalent change has been made to Housing Benefit "to ensure consistency between both benefits." This applies to subsequent children born after April 2017.

The Department's statistical release of 23 March 2017, covering the third quarter of 2016/17, acknowledged affordability issues in the private rented sector:

This indicates that affordability is an increasingly significant issue, as more households facing the end of a private tenancy are unable to find an alternative without assistance. The increase in the end of tenancies is also related to the expansion of the private rented sector, which has doubled in size (since 2002) and now houses 4.5 million households (2015/16).<sup>35</sup>

The National Audit Office's (NAO) September 2017 report, [Homelessness](#), identified Housing Benefit changes as contributing to an increase in homelessness:

Changes to Local Housing Allowance are likely to have contributed to the affordability of tenancies for those on benefits, and are an element of the increase in homelessness. Since 2011, the Department for Work & Pensions has introduced a series of welfare reforms, including capping and freezing Local Housing Allowance. These reforms have been designed to reduce overall welfare spending and to provide incentives for benefit recipients to take up employment. They have reduced the amount of household income that it is possible to derive from benefits where the Local Housing Allowance applies. At the same time, rents in the private rented sector in much of the country — London in particular — have increased faster than wage growth. All of these factors appear to have contributed to private rented properties becoming less affordable, which in turn is likely to be contributing to homelessness caused by the ending of an assured shorthold tenancy.

[...]

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<sup>34</sup> HM Treasury Press Release, 20 March 2020

<sup>35</sup> DCLG Statistical Release, 23 March 2017, [Statutory homelessness and homelessness prevention and relief: October to December 2016](#)

The government has not fully assessed the impact of its welfare reforms on homelessness. In our 2012 report *Managing the impact of Housing Benefit reform*, we found that the Department for Work & Pensions' assessment of the impact of its housing benefit reforms did not reflect their potential full scale, including an increase in homelessness. Subsequent research commissioned by the Department for Work & Pensions in 2012 on the impact of housing benefit reforms on homelessness did not establish how many of these households would have been homeless if the reforms had not been introduced. The Department for Work & Pensions has not carried out any more recent analysis, despite the introduction of a series of further welfare reforms since late 2012.<sup>36</sup>

One of the key findings from [The homeless monitor: England 2019](#) focused on the impact of Housing Benefit restrictions and the roll-out of Universal Credit:

The safety net once provided by Housing Benefit, whereby post housing incomes were protected from erosion below basic benefit levels, has now effectively ended for the bulk of private tenants in receipt of benefit across the country, with young people under 35 particularly badly affected by reduced Local Housing Allowance rates and the working age benefit freeze.

There is considerable concern amongst local authority respondents of the ongoing expected impact of welfare reform on homelessness in their area. The full roll out of UC is the subject of greatest concern with nearly two thirds of LAs anticipating a "significant" homelessness increase as a result. Aside from anxieties on UC, most LAs anticipated that homelessness would "significantly" increase due to then freeze in LHA rates (53%) and other working age benefits (51%), with almost as many LAs (47%) reporting likewise for the lowered benefit cap.<sup>37</sup>

Crisis published [Cover the Cost: Restoring Local Housing Allowance Rates to reduce homelessness](#) in August 2019 which argued for the restoration of LHA rates to cover the cost of the cheapest third of rents. The report is based on research by Alma Economics which, the authors note:

...shows that restoring the rates over a three year period will prevent thousands of individuals and families from becoming homeless and lift many thousands more out of poverty.

The research also shows the benefits of investment far outweigh the costs by reducing the need for expensive temporary accommodation and services relating to homelessness, meaning it prevents the significant economic, as well as human, cost of homelessness.<sup>38</sup>

The increase in LHA rates announced in response to the Covid-19 outbreak was widely welcomed. There are further calls for rates to cover the median of market rents and for the national caps to be temporarily removed to prevent tenants in high cost areas from being penalised.<sup>39</sup>

<sup>36</sup> NAO, [HC 308](#), September 2017, paras 11 & 13

<sup>37</sup> [The Homelessness Monitor: England 2019 – key findings](#), Crisis, May 2019

<sup>38</sup> Crisis, [Cover the Cost: Restoring Local Housing Allowance Rates to reduce homelessness](#), August 2019, pp4-5

<sup>39</sup> See Library paper: [Coronavirus: Housing Support](#), section 3



February 2020 saw publication of research commissioned by the Local Government Association (LGA) from Policy in Practice: [Evidencing the link between the Local Housing Allowance freeze and homelessness](#). The authors recorded that, prior to the increase in LHA rates in response to Covid-19, "The current LHA effectively sits at the 13th percentile of market rents (compared to the 30th percentile it was set at in 2016)." <sup>40</sup>

## Government research into the causes of homelessness

On 14 January 2019, Heather Wheeler, then Minister for Homelessness at MHCLG, responded to a PQ on whether the Department would commission research into the causes of homelessness:

Following a recommendation by the Public Accounts Committee the Ministry for Housing Communities and Local Government and the Department for Work and Pensions jointly commissioned a feasibility study into researching the wider causes of homelessness, including households' experience of the welfare system as well as other factors such as housing affordability or relationship breakdown.

The feasibility study was completed by an independent supplier, Alma and comprised of three strands:

- a rapid evidence assessment on the causes of homelessness in the UK
- a critique of existing models of homelessness and homelessness projections; and
- identification of options for developing a predictive, quantitative model or suite of models on homelessness.

The Communities Secretary and I are working with the ministerial teams across the DWP to decide how best to take this work forward. We will write to the Public Account Accounts Committee shortly setting out our plans for next steps.<sup>41</sup>

On 5 February 2019, James Brokenshire said that the research commissioned by the DWP and MHCLG into the causes of homelessness, including the impact of welfare reform, would assist the development of "a predictive model of homelessness and rough sleeping in the long term."<sup>42</sup>

Alma's reports were published on 25 March 2019:

[Causes of homelessness and rough sleeping: rapid evidence assessment](#)

[Causes of homelessness and rough sleeping: review of models of homelessness](#)

[Causes of homelessness and rough sleeping: feasibility study](#)

Commenting on the findings in response to a PQ, the DWP Minister, Will Quince, said:

The causes of homelessness are numerous, varied and complex. A joint study between the Department and the Ministry for Housing,

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<sup>40</sup> Charlesworth Z; Fell B (Dr); Macor F: [Evidencing the link between the Local Housing Allowance freeze and homelessness](#), 5 February 2020, LGA

<sup>41</sup> [Written question – 206896, 14 January 2019](#)

<sup>42</sup> [Written question – 212132, 5 February 2019](#)

Communities and Local Government, has shown that there is not a direct causal link between welfare and homelessness.

[...]

Attributing homelessness to a single Governmental policy would simplify the issue, and this approach would wrongly deny it the multi-faceted approach which we're committed to delivering.<sup>43</sup>

On 30 August 2019, the Director General of Housing and Building Safety at MHCLG, Jeremy Pocklington, [wrote](#) to the chair of the Committee of Public Accounts, Meg Hillier, to update her on progress following the publication of Alma's research. Briefly, the DWP and MHCLG are working together on a programme of research and analysis which will lead to the development of a predictive model of homelessness trends and which will enable the appraisal of future policy changes on levels of homelessness.<sup>44</sup>

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<sup>43</sup> [Written question – 241435](#), 10 April 2019

<sup>44</sup> [Letter from Jeremy Pocklington to Meg Hillier MP](#), 30 August 2019

## 3. Statistics on statutory homelessness

### Summary

- MHCLG introduced a new system for collecting homelessness statistics in April 2018. The figures are classed as 'experimental' because of quality issues. The latest available data covers the period July to September 2019.
- 95% of initial decisions made on applicants found that a duty was owed: 36,640 households were owed a prevention duty and 34,940 were owed a relief duty.
- About 49% of prevention and relief duties ended resulted in the local authority securing accommodation for 6+ months.
- Homelessness due to the end of an Assured Shorthold Tenancy in the private sector rose to a peak of 31% in 2015/16 but has been decreasing – between July and September 2019 the end of an AST accounted for 20% of households owed an initial duty.
- The number of households in temporary accommodation at the end of September 2019 was 4.8% higher than a year previously.
- Official statistics only cover households that apply and are eligible for help. An alternative estimate from Crisis put the number of homeless households in England at 153,000 in 2017.

MHCLG publishes quarterly statistics on local authorities' activity under the HRA – the figures include decisions made on applicant households, and how local authorities have discharged their duties.

### 3.1 Changes to homelessness statistics

Official homelessness statistics have been affected both by the implementation of the *Homelessness Reduction Act 2017* (HRA) and the introduction of a new system for local authorities to report homelessness figures.

Previously, MHCLG published a quarterly release detailing numbers of households owed a main homelessness duty, numbers in temporary accommodation and prevention and relief activity by local authorities.<sup>45</sup> The release for January-March 2018 (published in June 2018) was the last in this series.

The HRA came into force on the 3 April 2018, giving local authorities additional statutory duties to work to prevent and relieve homelessness for all eligible applicants (section 1 explains these duties in more detail). This necessitated a change in how homelessness statistics are reported.

Since April 2018, local authorities have started to submit case-level homelessness data to MHCLG via a system called H-CLIC. A [June 2018 note from MHCLG](#) set out planned changes to the reporting system and its impact on the published statistics. H-CLIC is intended to provide information about individual people in each household (until now, only household-level data has been available) as well as more detailed

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<sup>45</sup> Before the HRA came into force, prevention and relief activity was not a statutory duty but was nevertheless carried out by most local authorities

information about the background of applicants and their support needs.<sup>46</sup>

MHCLG's first statistics release using H-CLIC data was published in December 2018 covering the period from April to June 2018. Section 3.2 below describes the latest statistics in detail.

An [article from researchers at the University of Nottingham](#), published online at *The Conversation*, suggested that there were initial issues with how local authorities used H-CLIC to report data:

The new homelessness figures for April to June 2018 are the first aggregated reports based on [H-CLIC]. Entire local authorities have failed to return data for this period. For many others their returns are incomplete or contain errors because they haven't yet got to grips with the new system. The new statistics are likely to under-represent how many people were homeless in this period.

<sup>47</sup>

The article reported that local authorities had raised concerns about "confusion over what information should be recorded" and that the transition "will make monitoring the impact of the Homelessness Reduction Act 2017 impossible".<sup>48</sup>

The latest release is classed as Experimental Statistics. Experimental Statistics are defined by the Office for National Statistics as statistics that are not yet fully developed, and which come with limitations which should be explained in the information accompanying each release.<sup>49</sup> MHCLG have outlined the limitations in a [technical note](#).

Relevant quality issues are explained alongside the data in this briefing. MHCLG had previously said that it expected the quarterly releases to be classed as Experimental Statistics for around a year.<sup>50</sup>

## 3.2 Official statistics

This section summarises MHCLG's most recent release of new Experimental Statistics on homelessness, covering July to September 2019.

### Experimental statistics

There are a number of data quality issues which mean that all figures should be interpreted with caution, explained below.

## Prevention and relief duties

Local authorities have a duty to prevent homelessness for applicants who are threatened with homelessness within 56 days, and a duty to relieve homelessness for applicants who are homeless (see section 1).

<sup>46</sup> MHCLG, [Changes to MHCLG's statutory homelessness statistics](#), 27 June 2018

<sup>47</sup> Munro, N. & Reeson, C., [Homelessness: why new statistics are probably underestimating the problem](#), *The Conversation*, 17 December 2018

<sup>48</sup> Ibid.

Office for National Statistics, [Guide to experimental statistics](#), accessed 3 July 2018

<sup>50</sup> MHCLG, [Changes to MHCLG's statutory homelessness statistics](#), 27 June 2018

The H-CLIC system requires local authorities to record the outcome of their initial decision on homelessness applicants – whether they were owed a prevention or relief duty or deemed to be not homeless or threatened with homelessness within 56 days.

If the applicant household is unintentionally homeless and in a priority need category, the local authority also has a duty to secure suitable accommodation for the household (often referred to as a ‘main duty’). The H-CLIC system does not record the ‘main duty’ decision until after the duties determined at initial decision have elapsed (i.e. after 56 days).

The table below shows the outcome of **initial decisions** made by local authorities in July to September 2019. A total of 75,520 were recorded, of which 95% found that a homelessness duty was owed: 36,640 prevention duties and 34,940 relief duties.

INITIAL DECISIONS ON APPLICANTS FOR HOMELESSNESS ASSISTANCE		
England, July to September 2019		
Decision	Number of households	% of all decisions
Homelessness duty owed	71,570	
Prevention duty	36,640	48.5%
Relief duty	34,940	46.3%
Neither duty owed	3,950	5.2%
<b>Total decisions</b>	<b>75,520</b>	

Notes: Figures are rounded to the nearest 10. Data was imputed for eight local authorities. Other data quality issues are explained below.

Source: MHCLG, [Initial decision tables: Table A1](#) (19 March 2020)

MHCLG have reported quality issues with these figures. 8 out of 326 local authorities did not provide initial assessment data, although MHCLG have imputed data based on previous quarters for these authorities. Local authorities also reported issues that mean that some of their figures may be under- or over-reported.<sup>51</sup>

The table below shows the number of prevention and relief **duties ended** between July and September 2019. Households accepted towards the end of the quarter might not have the duty ended until the next quarter.

A total of 34,930 prevention duties were reported as ended, of which 20,430 (58%) were ended by securing accommodation for at least six months, including helping households to keep their existing accommodation. A further 19% of duties ended with the applicant becoming homeless (effectively turning the duty into a relief duty).

38,240 relief duties were reported as ended, of which 15,620 (41%) were ended by securing accommodation for at least six months. A further 37% of duties were ended because 56 days had passed – at this

<sup>51</sup> MHCLG, [Statutory homelessness: technical note](#), 19 March 2020

point, the local authority can end its duty if it has taken reasonable steps to secure accommodation, although the 'main duty' to households that are unintentionally homeless and in priority need still applies.

<b>HOW WERE PREVENTION AND RELIEF DUTIES ENDED?</b>		
England, July to September 2019		
	Number of households	% of duties ended
<b>Prevention duties ended</b>	<b>34,930</b>	<b>100%</b>
Secured accommodation for 6+ months	20,430	58%
Homeless (including intentionally) <sup>a</sup>	6,730	19%
Refused <sup>b</sup>	320	1%
56 days elapsed <sup>c</sup>	2,490	7%
Other <sup>d</sup>	4,970	14%
<b>Relief duties ended</b>	<b>38,240</b>	<b>100%</b>
Secured accommodation for 6+ months	15,620	41%
56 days elapsed <sup>c</sup>	14,210	37%
Refused <sup>b</sup>	550	1%
Local connection referral	300	1%
Intentionally homeless	260	
Other <sup>d</sup>	7,290	19%
<b>Total duties ended</b>	<b>73,170</b>	<b>100%</b>
Total secured accommodation for 6+ months	36,050	49%

Notes: Figures are rounded to the nearest 10. Data was imputed for six local authorities. Other data quality issues are explained above.

<sup>a</sup> If an applicant becomes homeless while the prevention duty applies, the prevention duty ends and a relief duty starts.

<sup>b</sup> Total of 'refusal to co-operate' and 'refused suitable accommodation'

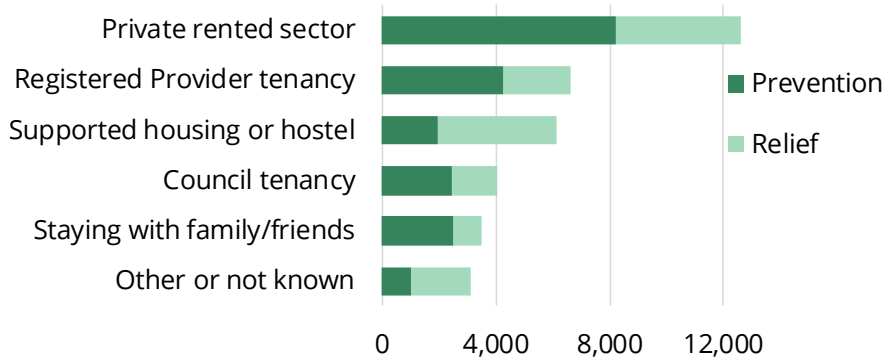
<sup>c</sup> Includes contact lost, application withdrawn, and applicant deceased

<sup>d</sup> The local authority can end its relief duty after 56 days as long as it has taken reasonable steps to help secure accommodation. If the applicant is unintentionally homeless and in priority need, the 'main duty' to secure accommodation will still apply.

Source: MHCLG, [Prevention duty tables: Table P1 and Relief duty tables: Table R1](#) (19 March 2020)

Overall, 36,050 duties were ended by securing accommodation for 6+ months. The chart below shows the type of accommodation secured in those cases. The private rented sector was the most common option, accounting for 35% of all duties ended. The bulk of households accommodated in the private rented sector arrived following a prevention duty, and this pattern also held for social tenancies and staying with family/friends. By contrast, supported housing and hostels were more commonly used for ending a relief duty.

**ACCOMMODATION SECURED, BY TYPE**  
Households owed a prevention or relief duty which ended with accommodation being secured, England (July-September 2019)



Notes: Figures are rounded to the nearest 10. Data was imputed for six local authorities. Other data quality issues are explained above.

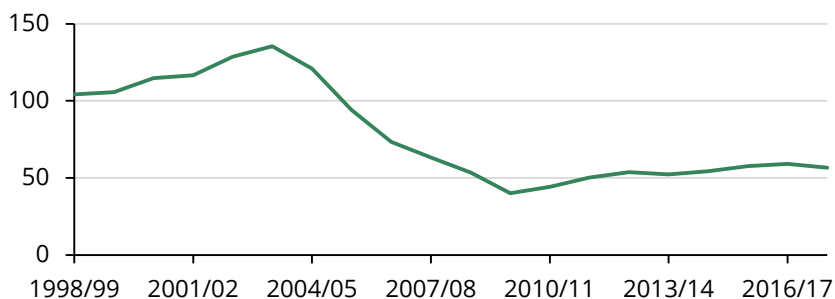
Source: MHCLG, [Prevention duty tables: Table P2 and Relief duty tables: Table R2](#) (19 March 2020)

**Main duty decisions**

Local authorities have a statutory duty to secure accommodation for households who are unintentionally homeless and in priority need, as set out in the *Housing Act 1996* (see section 1). This is sometimes referred to as a 'main duty'.

The chart overleaf shows long-term trends in decisions taken and households accepted as owed a main duty up to 2017/18 – that is, until just before the HRA took effect and introduced additional duties. Acceptances were at their highest in 2003/04, before falling and reaching a low point in 2009/10. During the 2010s, acceptances generally rose – increasing from 40,020 in 2009/10 to 56,580 in 2017/18, a rise of 41%.

**MAIN DUTY ACCEPTANCES**  
Thousands, 1998/99 to 2017/18, England



Source: MHCLG, [Main duty tables: Table MD1](#) (19 March 2020)

**Historic statistics: data download**

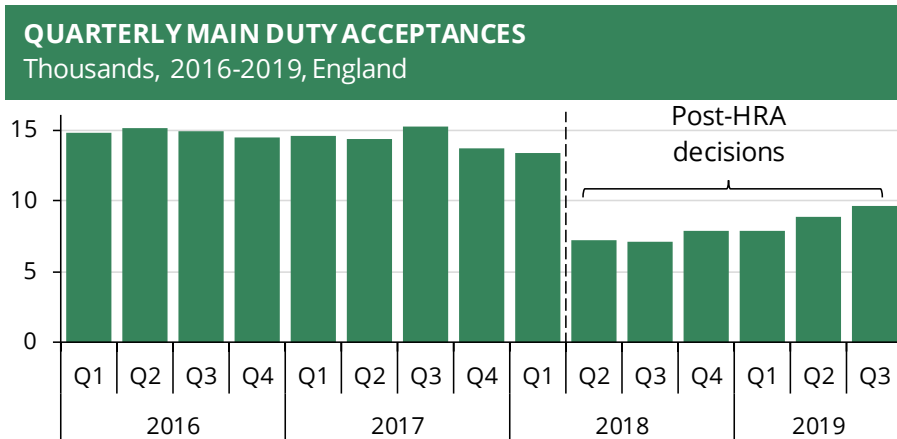
Historic statistics covering the period up to April 2018 are available for download from the [landing page of this briefing paper](#). This includes data on outcomes of 'main duty' decisions made and the background of those accepted as owed a main duty.

Main duty acceptances have in the past been used as an indicator of the extent of homelessness, but it has long been accepted that this doesn't provide a full picture. In 2017/18, only 52% of households applying to

their local authority were deemed to be owed a main duty – the remainder were found to be either not in priority need (17%), in priority need but intentionally homeless (8%) or did not meet the criteria for homelessness (23%).<sup>52</sup> Prior to the HRA, local authorities were also carrying out prevention and relief activity outside of the statutory homelessness framework. Section 3.3 considers other estimates of the true extent of homelessness.

The latest release from MHCLG also reports on main duty acceptances. The figures covering the period after April 2018 are not fully comparable with figures from before that date, because of the additional statutory duties created by the HRA. Households are now initially assessed as being owed either a prevention or a relief duty – the relief duty applies for 56 days and is replaced with a main duty if the household meets the criteria and hasn't had their homelessness relieved within that period. The H-CLIC system logs households as being owed a main duty only after this 56-day period has elapsed.

The number of households recorded as being owed a main duty after April 2018 is therefore considerably lower than the number in the same quarter in previous years (see chart overleaf). For example, in January-March 2019 there were 7,890 households accepted as owed a main duty: 41% fewer than in the same quarter in 2018.



Notes: Figures are rounded to the nearest 10. Data is missing or imputed for some local authorities from Q2 2018. Other data quality issues are explained above.

Source: MHCLG, [Main duty tables: Table MD1](#) (19 March 2020)

Prevention and relief activities will have successfully resolved households' issues in some cases, making a main duty assessment unnecessary. Data quality issues may also have contributed to the drop – data was missing for some local authorities in returns between Q2 2018 and Q2 2019, so those totals may be an underestimate.

<sup>52</sup> MHCLG, [Main duty tables: Table MD1](#) (18 December 2018)



## Background of people applying as homeless

MHCLG's data includes information on the background of households accepted as being owed a prevention or a relief duty.

The table below shows the reason recorded for households losing their last settled home. Common reasons were family and friends no longer able or willing to accommodate the household (26%), the end of an Assured Shorthold Tenancy (AST) in the private rented sector (20%), and domestic abuse (9%).

Similar data quality issues apply to this data as to the rest of the initial decisions statistics (see 'prevention and relief duties', above).

<b>REASONS FOR LOSS OF LAST SETTLED HOME</b>		
Households owed a prevention or relief duty, July-Sept 2019, England		
	Number of households	% of total
<b>Family/friends no longer able to accommodate</b>	<b>18,520</b>	<b>26%</b>
<b>End of an Assured Shorthold Tenancy</b>	<b>14,070</b>	<b>20%</b>
<i>Landlord wishing to sell/re-let</i>	6,470	9%
<i>Rent arrears</i>	3,630	5%
<i>Other reasons</i>	3,970	6%
<b>Domestic abuse or other violence</b>	<b>8,410</b>	<b>12%</b>
<i>Domestic abuse</i>	6,740	9%
<i>Other violence/harrassment</i>	1,670	2%
<b>Non-violent relationship breakdown</b>	<b>5,610</b>	<b>8%</b>
<b>End of a social rented tenancy</b>	<b>3,640</b>	<b>5%</b>
<i>Rent arrears</i>	2,600	4%
<i>Other reasons</i>	1,040	1%
<b>Other</b>	<b>21,330</b>	<b>30%</b>
<b>Total</b>	<b>71,570</b>	<b>100%</b>

Notes: Figures are rounded to the nearest 10. Data was imputed for eight local authorities. Other data quality issues are explained above.

Source: MHCLG, [Initial decision tables: Table A2](#) (19 March 2020)

Loss of accommodation due to the end of an AST grew substantially from 2009/10 onwards, accounting for much of the overall growth in statutory homelessness in this period. The chart, right, shows the trend in the proportion of households owed a main duty prior to the HRA that became homeless for this reason. There was a rise from 11% of all cases in 2009/10 to a peak of 31% in 2015/16, before falling to 27% in 2017/18.

One-fifth of all households owed a prevention or relief duty in July-September 2019 were homeless due to the end of an AST. In just under half of these cases, the AST ended because the landlord wanted to sell or re-let the property.

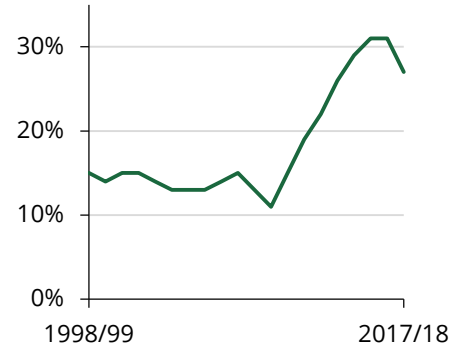
Rent arrears were the next most common reason for the end of an AST, accounting for 3,630 cases. Rent arrears were also the reason for homelessness for 2,600 households leaving the social rented sector and 330 households leaving supported housing. In total, rent arrears were behind 9% of all households owed a prevention or relief duty.

Section 2 of this briefing has more on the factors driving homelessness.

The chart below shows a breakdown of the type of accommodation households were living in at the time of applying. 34% of accepted households were living with family or friends and 25% were renting in the private sector. While 12% of households were recorded as 'no fixed abode', MHCLG report some uncertainty amongst local authorities about whether 'living with family/friends' would be a more appropriate category for some cases.

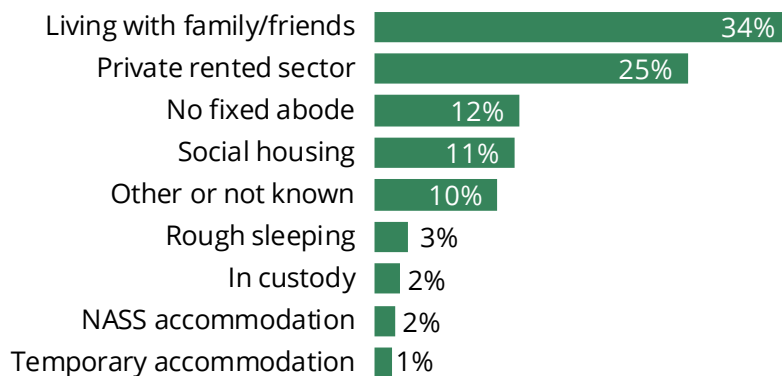
Other types of previous accommodation recorded include prison custody (1,470 households) hospitals (440 from general hospitals, 470 from psychiatric hospitals), and refuges (770 households).

**HOUSEHOLDS HOMELESS DUE TO END OF AN AST**  
% of main duty acceptances, England



Source: MHCLG, [Live Table 774](#)

**TYPE OF ACCOMMODATION AT TIME OF APPLICATION**  
Households owed a prevention or relief duty, July-Sept 2019, England



Notes: Data was imputed for eight local authorities.

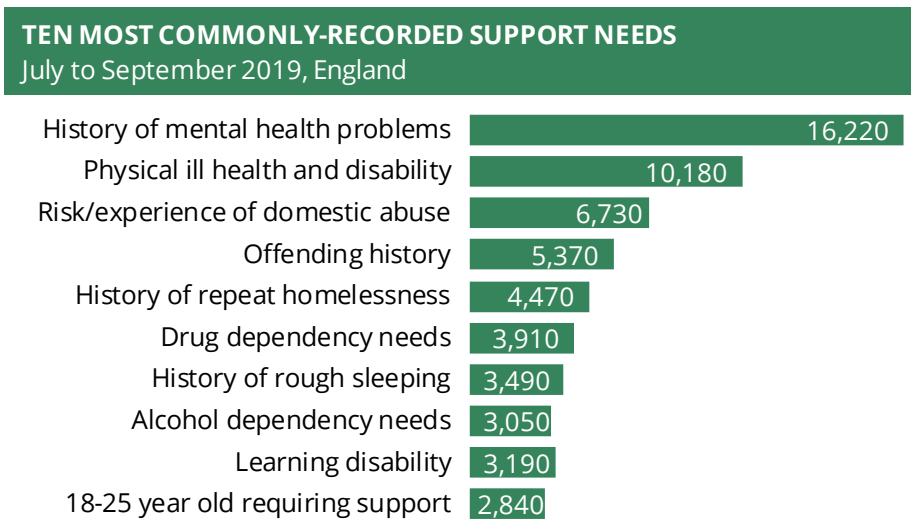
'Other or not known' includes households in hospitals and refuges.

Source: MHCLG, [Initial decision tables: Table A4](#) (19 March 2020)

The HRA means that households owed a prevention or relief duty are entitled to a personalised housing plan. The local authority must assess the support needs of these households as part of that process.

In July-September 2019, 32,990 households were identified as having support needs – 47% of all households assessed as owed a prevention or relief duty. Because households can have more than one support need, there were 70,180 support needs identified: an average of 2.1 per household.

The chart below shows the ten most commonly-reported support needs. ‘History of mental health problems’ was the most common, followed by ‘physical ill-health and disability’ and ‘risk or experience of domestic abuse’.



Notes: Figures are rounded to the nearest ten. Data was imputed for eight local authorities. Other data quality issues are explained above. Categories shouldn't be added together as this risks double-counting households with multiple support needs.

Source: MHCLG, [Initial decision tables: Table A3](#) (19 March 2020)

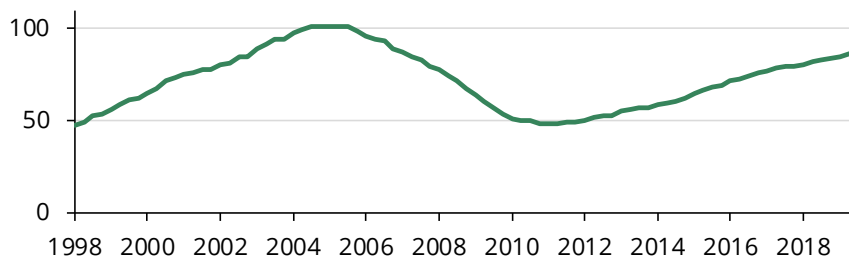
### Households in temporary accommodation

Local authorities must provide temporary accommodation for households in a number of circumstances – these include while the household is waiting for a decision on their application or waiting to be rehoused as part of a main rehousing duty.

There were 87,410 households in temporary accommodation at the end of September 2019, 4.8% higher than the same date a year previously. These households included 127,890 children, 2.6% higher than a year previously. As the chart below shows, the number of households in temporary accommodation has been rising year-on-year since late 2011.

## HOUSEHOLDS IN TEMPORARY ACCOMMODATION

Thousands, at end of quarter, March 1998 to September 2019



Notes: Figures are rounded to the nearest ten. Data was imputed for ten local authorities. Data quality issues are explained above.

Source: MHCLG, [Initial decision tables: Table TA1](#) (19 March 2020)

Even though data on temporary accommodation was reported differently through H-CLIC, the total is broadly comparable with data from previous quarters. However, the total for September 2019 uses imputed data (i.e. estimates based on previous trends) for ten local authorities which were unable to provide complete data. MHCLG also reports some inconsistencies in reporting between local authorities, and advises that the data should be treated with caution.

### 3.3 Other estimates of homelessness

Organisations such as Shelter and Crisis have long argued that the official statistics do not give a full picture of homelessness in England. The figures exclude those who are homeless but who do not approach a local authority for assistance. Prior to the introduction of H-CLIC, local authority returns did not fully capture applicants who did not meet the statutory criteria for assistance.

For example, Crisis carried out research with Heriot-Watt University to define 'core homelessness' and make estimates of its extent based on available data. This research estimated that there were approximately 103,000 homeless households in England in 2016. This total was made up of an estimated 59,000 households 'sofa surfing'; 38,500 in hostels, refuges and night shelters; 17,000 in unsuitable temporary accommodation; 11,500 squatting or in non-residential accommodation; 8,000 rough sleepers and 8,000 sleeping in tents, cars or on public transport.<sup>53</sup>

[The homelessness monitor: England 2019](#) reported an increase in levels of core homelessness as estimated by Crisis:

The overall level of core homelessness in England (number homeless on a typical night) has risen from 120,000 in 2010 to 153,000 in 2017, an increase of 28 per cent over the period. The overall annual rate of increase has been fairly steady in this period. However, different components have shown contrasting trends. Hostels etc. has declined by nearly 20 per cent, as funding restrictions have reduced capacity, rough sleeping and related categories have increased quite strongly, as reflected in official

<sup>53</sup> Bramley, G. for Crisis. [Homelessness projections: Core homelessness in Great Britain](#), August 2017

statistics (165% increase since 2010). However, the fastest-growing component has been unsuitable temporary accommodation (260% increase), reflecting the growing pressure on local authorities as increased demand has faced static or falling supply of social lettings and increasing difficulty in achieving private rental placements. The largest category of core homelessness is sofa surfing, and this has grown by 26 per cent.<sup>54</sup>

## 4. How are local authorities performing?

### 4.1 Meeting their homelessness duties

Several studies have identified variations in the quality of local authority homelessness services and funding pressures on those services.

Recurrent themes have included:

- poor coordination and collaboration with other agencies, e.g. health services and social services;
- a lack of rigorous investigation by local authorities with some applicants turned away without receiving a full assessment, leading to charges of gate-keeping;
- inconsistent assessment of vulnerability and intentionality; and
- pressure on local authority resources in terms of staffing and costs, particularly the cost of temporary accommodation.

The independent panel of experts established by Crisis in 2015 identified issues with the standard of advice and assistance given to non-priority applicants. Crisis conducted a mystery shopping exercise in 2014 to test the standard of advice and assistance given to single homeless people. **The evidence gathered led Crisis to conclude that in a majority of cases (50 of 87), applicants received inadequate or insufficient help.** A significant number of mystery shoppers had no assessment carried out and were not able to make a homeless application.<sup>55</sup>

These findings are reinforced by data gathered using the Combined Homelessness and Information Network (CHAIN) in London. Over 2018/19, 583 people seen rough sleeping for the first time were recorded as having approached their local authority Housing Options service for help in the 12 months prior to first being seen rough sleeping. This represents 11% of all new rough sleepers in that year.<sup>56</sup>

The move to a Housing Options approach by local authorities was generally welcomed as generating positive outcomes in terms of prevention work, but concerns arose around its use to reduce the

Around 11% of new rough sleepers seen in 2018/19 in London had contacted a local authority for assistance **before** sleeping rough.

<sup>54</sup> Suzanne Fitzpatrick; Hal Pawson; Glen Bramley; Beth Watts; Jenny Wood; Mark Stephens & Janice Blenkinsopp, [The homelessness monitor: England 2019](#), May 2019, p9

<sup>55</sup> [The Homelessness legislation: an independent review of the legal duties owed to homeless people](#), April 2016, p14

<sup>56</sup> [CHAIN Annual Report, Greater London April 2018 to March 2019](#), June 2019, p13

number of homeless acceptances amongst households in priority need. The CLG Select Committee identified evidence of difficulties applicants can face in trying to trigger the local authority's statutory duties:

The problem is typically [local authorities] not just making an application difficult, but an attempt to filter people away from getting a homeless application made, let alone accepted. That has unfortunately been, in part, the role of what some local authorities have been calling their housing options routes ... Typically we find people saying that you have to go through the housing options route for 14 days or 28 days before they will take a homeless application. If someone is at risk of homelessness, that application has to be made when they present, otherwise it is gatekeeping.<sup>57</sup>

The Local Government Ombudsman has periodically voiced concern about the number of complaints received where councils were employing "gate-keeping" practices in relation to homeless applications.<sup>58</sup>

## The impact of the Homelessness Reduction Act (HRA) 2017

The *Homelessness Reduction Act 2017* has strengthened the duties on local authorities to prevent homelessness (see section 1.1). The requirement to work to prevent/relieve homelessness for all eligible applicants should mean that no one who is homeless or threatened with homelessness (and eligible) is turned away without advice and assistance and a personal housing plan as a minimum.

When the provisions had been in force for just over one year the Housing, Communities and Local Government (HCLG) Select Committee opened an inquiry into the [Homelessness Reduction Act – One Year on](#) on 5 April 2019.

A [one-off evidence session](#) was held on 23 April 2019. Jon Sparkes, CEO of Crisis, told the Committee about early findings based on ongoing research with six local authorities. He said that the Act was doing some things it had been designed to do. A majority of authorities were in agreement about the purpose and benefit of the provisions and that it was "enabling them to deliver more person-centred services to people who come in."<sup>59</sup> Fewer people were being turned away without support/advice. However, he referred to a low level of awareness of the HRA and a variety of practice across local authorities.<sup>60</sup> Deborah Garvie, Policy Manager at Shelter, gave evidence based on a survey of advisers across England. She said that, overall, authorities were implementing the *process* required of them but in areas with limited options for securing affordable rented housing the HRA was not delivering on the relief of homelessness.<sup>61</sup>

<sup>57</sup> [CLG Select Committee, Third Report of 2016-17, Homelessness, HC 40](#), August 2016, para 40

<sup>58</sup> See: *Inside Housing*, "Councils failing to accept the homeless", 25 February 2011 and [LGO decision, Eastbourne Borough Council \(14016569\)](#), 2016

<sup>59</sup> [HC 2089](#), Q2, 23 April 2019

<sup>60</sup> *Ibid.*

<sup>61</sup> *Ibid.*

She drew attention to how local authorities were implementing new duties in relation to applicants with a section 21 notice:

Something we were particularly concerned about, which Government assured us would be addressed, was families who have been served with notice having to wait before they got a possession order against them, at which point the landlord will withhold their deposit. Therefore, you have no deposit money to access another private rental. That still is not really being dealt with at all. One of the biggest problems we are seeing is with families who are already homeless because they have been served notice, it has expired and the landlord is planning to apply to court. They are being told to stay where they are; they are not being offered interim accommodation.<sup>62</sup>

Both witnesses identified scope for further adjustments to the legislation and implementation of it, including:

- Professional triage on first contact.
- Specialist staff to work within their specialism, e.g. rough sleepers.
- Improvements to personalised housing plans – ensuring they do not focus on very short-term housing solutions and are not standard templates.
- More investment in homeless prevention, e.g. pathway teams based in hospitals.
- An extension of the duty to refer to GPs.

Witnesses from the Local Government Association (LGA) and the London Borough of Redbridge responded to questions about the adequacy of new burdens funding to implement the HRA. Councillor Hussain from LB Redbridge said:

Ahead of the spending review this autumn, London Councils has commissioned the LSE to carry out a review of the Act and its implementation across London. This is due to report back in May and we can share that with the Committee to let you know, but the initial findings back up our predictions about what would happen. Housing directors are very pessimistic across London about the policy being cost neutral in the third year. We just do not see that happening with the number of people coming to us in housing need, in need of temporary accommodation, and the administrative changes we have had to make to comply with the new regulations.<sup>63</sup>

Councillor Morris of the LGA said that the funding had enabled some “really good work across the country” but that the average funding gap was around £155,180, representing 93% of current HRA funding.<sup>64</sup> She noted that the predicted reductions in the use of temporary accommodation and associated costs had not come to pass.<sup>65</sup>

The LGiU Local Government Homelessness Commission’s work on homelessness prevention from the perspective of local government, which reported in June 2019,<sup>66</sup> considered the impact of the HRA. The Commission’s Final Report recorded that during evidence sessions they

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<sup>62</sup> Ibid., Q6

<sup>63</sup> Ibid., Q27

<sup>64</sup> Ibid.

<sup>65</sup> Ibid., Q29

<sup>66</sup> [LGiU Homelessness Commission 2019: Final Report](#), June 2019

heard that the HRA had created an assessment process which has “changed the outlook of homelessness teams, orienting them towards prevention” but went on:

However, it does not address the main underlying causes of homelessness. After years of funding reductions across the sector, and very little access to affordable housing, the Act gives councils extra duties towards vulnerable people at the point of crisis, but no powers or resources to stop them getting there in the first place.<sup>67</sup>

The April 2019 New Local Government Network Leadership Index [survey](#) of chief executives, leaders and council mayors from local authorities across the UK found that 67% of authorities did not think they had sufficient funding to fulfil their statutory duty to prevent homelessness.<sup>68</sup>

The LSE research commissioned by London Councils which was referred to in Councillor Hussain’s evidence to the HCLG Select Committee on 23 April 2019, was published in September 2019: [The Cost of Homelessness Services in London](#).<sup>69</sup> London Councils summarised the main findings as:

- Due to the chronic lack of affordable housing and record number of homeless households, the homelessness costs burden falls disproportionately on London.
- The cost of handling a homelessness case in London is at least double the cost for England as a whole (mostly due to the higher costs of securing accommodation for a homeless household in the capital).
- The cost of preventing a homelessness case (i.e. either helping a household to stay in their current accommodation or find a new place to live prior to becoming homeless) in London is almost four times the England average. The ‘new burdens’ grant funding to support implementation of the Homelessness Reduction Act did not take into account London’s higher costs and is due to end after March 2020.
- The capital’s local authorities spent over £919 million on homelessness services in 2017/18. £201 million of this expenditure was not covered by central government grants or councils’ housing income (such as rental payments), meaning boroughs resorted to covering the costs from their general funds (which could be used for other council services).
- If current trends continue, the total cost of London’s homelessness services will increase to over £1 billion a year

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<sup>67</sup> Ibid., p11

<sup>68</sup> [NLGN Leadership Index](#), April 2019 [the survey was sent to 816 council leaders, chief executives and mayors across the UK - 188 completed responses were received].

<sup>69</sup> Scanlon K; Whitehead C: [The Cost of Homelessness Services in London](#), LSE London, September 2019



by 2021/22. If funding arrangements do not change, the cost to boroughs' general funds is estimated to rise to £237 million by 2022/23 – representing an increasing proportion of boroughs' total homelessness spending.<sup>70</sup>

Jeremy Swain, Deputy Director of the Homelessness and Rough Sleeping division at MHCLG, told the HCLG Committee that the level of new burdens funding would be looked at as part of the Government's HRA review.<sup>71</sup> The [terms of reference](#) for the Government review were published on 2 April 2019 and [a call for evidence](#) on the impact of the Act was launched in July 2019. The intention was to report on conclusions and recommendations in March 2020.<sup>72</sup>

March 2020 saw Crisis publish an interim report of a three-year study into implementation of the HRA: [A Foot In The Door: Experiences of the Homelessness Reduction Act](#). More positive interactions with local authority Housing Options staff are recorded, but amongst the key findings Crisis observes:

The intention and ambition of the HRA is being constrained by the housing market, welfare system and funding.

Lack of affordable housing both social and PRS means that local authorities are increasingly constrained in the realistic outcomes that they can achieve.<sup>73</sup>

The report also contains recommendations for strengthening the HRA's provisions.

Shelter published [Caught in the Act: a review of the new homelessness legislation](#) in April 2020. As with evidence submitted to the HCLG Committee in April 2019, successes are recorded, particularly in the assessment and assistance provided to single homeless applicants.<sup>74</sup> But barriers to assistance still exist and the number of households in temporary accommodation has not reduced. Shelter concludes:

However, it is clear that the Act on its own is not sufficient to meet the homelessness emergency that England faces. While we supported the legislation, we argued from the outset that legislation alone cannot reduce homelessness.<sup>75</sup>

A [Post-implementation Review](#) of the implementation of similar provisions in Wales after April 2015, published in July 2018, found many positive outcomes but recorded:

...significant variation across Wales and also within local authority areas regarding the extent to which the ethos of the new Act has

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<sup>70</sup> [London Councils Press Release](#), 11 October 2019

<sup>71</sup> [HC 2089](#), Q2, 23 April 2019, Q84

<sup>72</sup> [Letter to Chair of the Housing, Communities and Local Government Select Committee from the Secretary of State, regarding the Homelessness Reduction Act Review, dated 2 April 2019](#), [published 24 April 2019]

<sup>73</sup> Boobis, S., Sutton-Hamilton, C., and Albanese, F. (2020) '[A foot in the door](#)' [Experiences of the Homelessness Reduction Act](#). London: Crisis

<sup>74</sup> These people were frequently turned away as 'not in priority need'.

<sup>75</sup> Shelter, [Caught in the Act: a review of the new homelessness legislation](#), April 2020, p5

been adopted and the effectiveness of prevention and reasonable steps: this is a concern.<sup>76</sup>

## 4.2 Use of private rented & out of borough placements

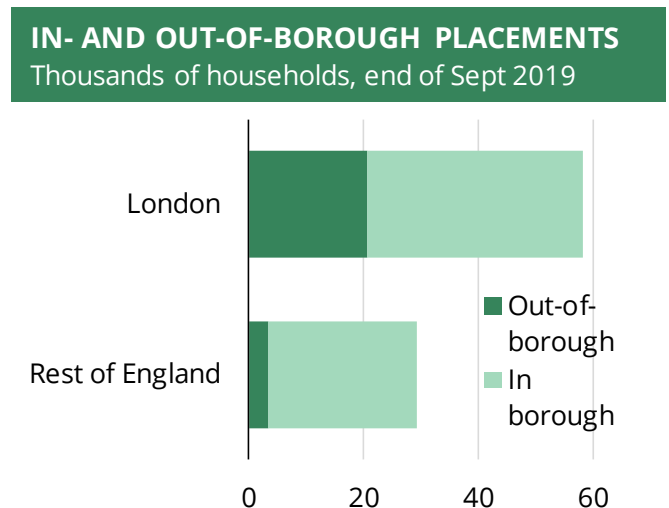
Measures to enable local authorities to discharge their duty towards statutorily homeless households by offering a tenancy in the private rented sector are contained in the *Localism Act 2011*. Regulations implementing this measure came into force on 9 November 2012.<sup>77</sup> There is concern amongst certain housing organisations that it is inappropriate for authorities to discharge their duty towards homeless households by offering a private rented sector tenancy at a time when homeless applications arising from evictions in the sector have risen.<sup>78</sup> Concerns were raised as the *Localism Bill* progressed through Parliament about the standard of accommodation in the private rented sector. The Government said it would use order-making powers (under section 210 of the *Housing Act 1996*) to specify required property standards and standards of management that will apply where a homeless household is re-housed in private rented housing.

The Localism Act 2011 enabled local authorities to discharge their responsibilities to homeless household by using private rented accommodation.

Following a consultation exercise the *Homelessness (Suitability of Accommodation) (England) Order 2012* was brought into force on 9 November 2012. [Statutory guidance on the Order](#) was published to which local authorities had to have regard when discharging (ending) their duties to homeless households by using private rented accommodation.<sup>79</sup> The statutory guidance states that location of accommodation is relevant to the question of suitability and describes the factors that an authority must take into account when offering accommodation outside of the local area.

Local authorities, particularly in London, also use temporary accommodation in other areas to assist in fulfilling their statutory homeless duties. Authorities receiving placements from London boroughs complain that they are not informed about the presence of vulnerable families within their areas.<sup>80</sup>

The chart, right, shows the number of households in out-of-borough and in-borough temporary accommodation at the end of September 2019. **24,030 households were placed in another local authority area at the end of September 2019, 1.2% higher**



<sup>76</sup> [Social Research Number 46/2018](#), Post-implementation evaluation of Part 2 of the Housing Act (Wales) 2014: Final Report, Welsh Government, 19 July 2018

<sup>77</sup> *Localism Act 2011 (Commencement No.2 and Transitional Provisions) (England) Order 2012*, (S.I. 2012/2599)

<sup>78</sup> See section 2 of this paper.

<sup>79</sup> This guidance is now archived - the relevant guidance can be found in chapter 17 of the [Homelessness Code of Guidance 2018](#).

<sup>80</sup> *Inside Housing*, "[Councils left in dark over homeless placements](#)," 15 November 2013 [subscription required]

**than a year previously.** 20,720 households were placed by a London local authority (86% of the total).

Section 208(1) of the 1996 Act requires that authorities shall, in discharging their housing functions under Part 7, in so far as is reasonably practicable, secure accommodation within the authority's own district. Chapter 17 of the [Homelessness Code of Guidance](#) (para 17.47 onwards) provides guidance for local authorities when considering the suitability of accommodation in terms of its location.

The then Homelessness Minister, Heather Wheeler, provided the following response to a question about out-of-borough placements on 5 November 2018:

We have been clear that placing families out of borough should be a last resort, and we have now committed £40 million to a London collaborative project that will ensure that families are placed in temporary accommodation close to home. We also recently launched the £20 million private rented sector access fund to support those who are homeless, or who are at risk of becoming homeless, to access sustainable accommodation. Finally, our specialist homelessness advisers are working closely with London boroughs in particular to provide support to limit the number of out-of-borough moves altogether.<sup>81</sup>

### 4.3 Homeless young people

Numerous reports have identified particular issues that young people face when seeking to access local authority assistance due to homelessness. Research published by the Law Centres Network in February 2013 concluded that local authority protocols for dealing with homeless 16 and 17 year olds did not comply with the law, resulting in homeless young people failing to receive the support to which they are entitled.<sup>82</sup> These findings were reinforced by the Children's Society's report [Getting the house in order](#) (March 2015).<sup>83</sup>

Centrepoint's report, [Making homeless young people count: The scale of youth homelessness in the UK](#) (November 2018) found that in 2017/18:

Of those young people who approached their council for help, less than half (48 per cent) received meaningful support to help prevent or relieve their homelessness (including those receiving a full housing duty). This is an increase from 42 per cent in 2016/17, driven by an increase in the prevention and relief provision for those who were not accepted as statutorily homeless.<sup>84</sup>

The report defined a young person as someone aged 16 to 24. The authors observed that the Homelessness Reduction Act should result in authorities assessing the needs of all young people who present for assistance:

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<sup>81</sup> [HC Deb 5 November 2018 cc1212-3](#)

<sup>82</sup> Law Centres Network, [Supporting homeless 16 and 17 year olds](#), February 2013

<sup>83</sup> Children's Society, [Getting the house in order](#), March 2015

<sup>84</sup> Centrepoint, [Making homeless young people count: The scale of youth homelessness in the UK](#), November 2018, p4

This means that there will be a steep rise in the number of young people assessed. The Ministry for Housing, Communities and Local Government (MHCLG) estimates that each assessment takes two hours, so additional resource provisions will be essential. In 2017/8, the 12 months before the introduction of the Homelessness Reduction Act, only 1 in 6 councils (16 per cent) were already assessing everyone who presented to them.<sup>85</sup>

CentrepoinT called for adequate funding of authorities' new duties and for specific data to be gathered on youth homelessness:

Funding has been assigned for new burdens associated with the Homelessness Reduction Act only until April 2020. CentrepoinT's research shows that the current funding is not adequate to support councils with their increased duties. Central government must consider additional funding as a priority, based on their review of the Homelessness Reduction Act. Without this, the Homelessness Reduction Act will not achieve its aim of supporting all people in need.

Further, it is essential that funding does not end in 2020, and that future allocations are based on need rather than existing levels of support in local areas. A thorough funding review based on needs would ensure councils have the security to plan services in the longer term.

[...]

Data published should include specific data on youth homelessness to ensure that the needs of this group can be effectively addressed.<sup>86</sup>

In April 2018, MHCLG and the Department for Education published updated joint guidance on the [Prevention of homelessness and provision of accommodation for 16 and 17 year old young people who may be homeless and/or require accommodation](#). The guidance takes account of new duties under the *Homelessness Reduction Act 2017*.

The Government responded to a PQ on tackling homelessness amongst people aged under 25 on 5 March 202:

This Government is committed to tackling homelessness, especially amongst vulnerable young people.

We have implemented the Homelessness Reduction Act, the most ambitious reform of homelessness legislation in decades. It has greatly expanded the duties on local housing authorities, meaning many young people, who may not previously have been eligible for support, are now being helped. The new duties should help prevent homelessness before it occurs. The Act also places a duty on public bodies, including Children's Services, ensuring better partnership working between public bodies and local authorities.

As part of the Rough Sleeping Strategy, the government committed £3.2 million per annum to increase the support provided to care leavers at risk of homelessness or rough sleeping. The funding has been allocated to the 47 local authorities with the highest number of care leavers with complex needs.

We fund St Basil's to deliver positive pathway events with local authority housing teams to share best practice on supporting

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<sup>85</sup> Ibid., p13

<sup>86</sup> Ibid., p23

young homeless people and ensure they are putting prevention and early help at the heart of their service.

We have put in place bespoke support for local authorities through our Homelessness Advice and Support Team, which includes dedicated youth homelessness advisers.

Finally, we have updated guidance on the 'Prevention of homelessness and provision of accommodation for 16 and 17-year-old young people who may be homeless and/or require accommodation' setting out the respective duties of children's services and housing services.<sup>87</sup>

Budget 2020 announced some additional exemptions from the [Shared Accommodation Rate](#) (SAR) which affects Housing Benefit claimants in the private rented sector under the age of 35 (see section 5.4, page 41 for more information).

### 4.4 Access to housing association tenancies

[The homelessness monitor: England 2019](#) recorded the difficulties local authorities experience in accessing housing association tenancies to assist in fulfilling their homelessness duties. This appears to be related to affordability/financial capability checks used by associations:

Exacerbating overarching supply concerns, ongoing shifts in housing association tenancy allocation policies and practices are perceived by local authorities as increasingly impeding their ability to resolve homelessness. Nearly half of council respondents (47%) reported that problematic changes of this kind had recently taken place amongst housing associations in their area. An even larger proportion (almost two-thirds - 64%) reported that social landlord "housing affordability" or "financial capability" checks (usually imposed by housing associations) were making it increasingly difficult for homeless households to access tenancies in their area.<sup>88</sup>

However, the authors noted that the proportion of lets to homeless households by local authorities had also declined in recent years:

...disaggregated data indicates that there are some difficult questions for local authorities to answer on this front too. In light of the decline in absolute numbers of social housing lettings and rising homelessness, it is reasonable to expect the proportion of lets to homeless households would rise sharply, but in fact the reverse seems to have happened. Whilst the data is illustrative rather than fully robust, it suggests that there has been a decline in the proportion of council lettings to new tenants that are allocated to homeless households from 30 per cent in 2007/08 to somewhere between 22 per cent and 25 per cent in 2017/18, while the equivalent housing association share has remained relatively steady at 23 per cent.<sup>89</sup>

In September 2019, the Local Government Association and National Housing Federation published [Housing Associations and councils](#)

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<sup>87</sup> [Homelessness: Young People: Written question – 15119, 5 March 2020](#)

<sup>88</sup> Suzanne Fitzpatrick; Hal Pawson; Glen Bramley; Beth Watts; Jenny Wood; Mark Stephens & Janice Blenkinsopp, [The homelessness monitor: England 2019](#), May 2019, p12

<sup>89</sup> Ibid.

[working together to end homelessness](#). This report reflected on how these bodies could work in partnership to tackle the challenge of homelessness. For example, associations are not subject to the 'duty to refer'<sup>90</sup> but the NHF has developed a housing association offer called "the commitment to refer."<sup>91</sup> Over 200 associations were reported to have signed up to this commitment at the end of December 2018.<sup>92</sup>

## 5. Government policy & comment

### 5.1 Increasing housing supply

One of the key ways in which governments seek to tackle and prevent homelessness is to stimulate housing supply. The current Government has said it will "continue our progress towards our target of 300,000 homes a year by the mid-2020s"<sup>93</sup> and build "at least a million more homes over this Parliament."<sup>94</sup>

Background on this aspect of Government policy can be found in the following Library papers:

[Stimulating housing supply - Government initiatives \(England\)](#)

[Tackling the under-supply of housing in England](#)

[What is affordable housing?](#)

Funding for the Affordable Homes Programme was increased to £9.1 billion following the Autumn Budget 2017. There has been an increased focus on delivering a supply of housing at social rents. For example, the Autumn 2017 Budget announced that councils in areas with high affordability pressure would be able to bid for increases in their borrowing caps from 2019/20.<sup>95</sup> This was followed by Theresa May announcing, during her speech to the Conservative Party Conference on 3 October 2018, that borrowing caps would be lifted to support more housebuilding.<sup>96</sup> The then Chancellor announced the lifting of borrowing caps with effect from 29 October 2018 during the Budget:

...the Housing Revenue Account cap that controls local authority borrowing for house building will be abolished from 29 October 2018 in England, enabling councils to increase house building to around 10,000 homes per year. The Welsh Government is taking immediate steps to lift the cap in Wales.<sup>97</sup>

Local authorities welcomed the removal of borrowing caps but have also called for the ability to retain 100 per cent of the receipts from Right to Buy sales to ensure their replacement:

It is therefore essential that the Government enables councils to keep 100 per cent of receipts from RtB sales to invest in new

<sup>90</sup> See section 1.1 of this paper.

<sup>91</sup> [NHF Guidance on the Commitment to Refer](#), January 2020

<sup>92</sup> *Inside Housing*, "Sign up to the commitment to refer on homelessness," 20 December 2018 [subscription required]

<sup>93</sup> [Conservative Party Manifesto 2019](#), p31

<sup>94</sup> [Queen's Speech Background Briefing Notes](#), 19 December 2019, p48

<sup>95</sup> [HC 587](#), November 2017, para 5.23

<sup>96</sup> [Prime Minister's Conference Speech](#), 3 October 2018

<sup>97</sup> [HMT, HC 1629, 2018 Budget](#), para 4.56

housing. Under current arrangements councils are only able to retain a third of receipts from the sale of homes. Local authorities have lost enough homes to house the population of Oxford in the last five years.

Recent LGA analysis reveals almost £3.5 billion in RtB discounts have been handed out to council tenants over the past six years, at an average of £60,000 in 2016/17. This has led to a quadrupling in the number of RtB sales, which councils have been unable to keep up with and replace. This loss of social rented housing risks pushing more families into the private rented sector, driving up housing benefit spending, and exacerbating our homelessness crisis.<sup>98</sup>

The 2019 Spring Statement announced a revival of the Affordable Homes Guarantee Scheme with £3 billion of Government backing for housing association borrowing. This could support the delivery of 30,000 homes by reducing the cost of associations' debt.<sup>99</sup>

The December 2019 Queen's Speech included a commitment to renew the Affordable Homes Programme. **Subsequently, the March 2020 Budget announced £9.5 billion for an extension of the AHP over five years from 2021-22:**

The Budget announces an additional £9.5 billion for the Affordable Homes Programme. In total, the programme will allocate £12.2 billion of grant funding from 2021-22 to build affordable homes across England. This should bring in a further £38 billion in public and private investment. This new five-year programme will help more people into homeownership and help those most at risk of homelessness.<sup>100</sup>

Commenting on the Budget, Shelter welcomed the extension of the AHP but called for clarity on funding for social rented housing:

This is welcome as the AHP is vital to enabling the delivery of affordable and social housing in England. However, it remains unclear how much of this new settlement will be made available specifically for the delivery of social rent homes, which are ultimately the types of homes that we most need and for which unmet demand is greatest.<sup>101</sup>

## 5.2 A commitment to reduce homelessness

The Government has referred to putting tackling homelessness and rough sleeping "firmly at the heart" of its agenda.<sup>102</sup> There is a commitment to end rough sleeping by the end of the Parliament in 2024 – 3 years earlier than the commitment by the previous Government.<sup>103</sup>

The focus will be on implementing the *Homelessness Reduction Act 2017* and supporting the delivery of more affordable homes.

Section 4.1 of this paper summarises progress in implementing the HRA to date. The Public Accounts Committee's report, [Homeless Households](#)

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<sup>98</sup> [Local Government Association Briefing for Lords Debate 31 January 2019](#).

<sup>99</sup> [MHCLG Press Release](#), 14 March 2019

<sup>100</sup> [HC 121, March 2020](#), para 2.91

<sup>101</sup> [Shelter Press Release](#), 13 March 2020

<sup>102</sup> [MHCLG Press Release](#), 23 December 2019

<sup>103</sup> *Ibid.*

(December 2017), referred to the Department's reliance on the new Act to provide a solution to homelessness and went on:

While this new legislation will no doubt help, it cannot be successful unless it is matched by a renewed focus across government on tackling the twin issues of both the supply and affordability of decent housing, which underlie the causes of homelessness.<sup>104</sup>

### 5.3 Insecure private rented sector tenancies

On 17 December 2015, the Communities and Local Government Select Committee launched an inquiry into the causes of homelessness, as well as the approach taken by national and local government to prevent and tackle homelessness.<sup>105</sup> The Committee's [report](#) was published on 18 August 2016. The Committee concluded that, in light of the shortage of social housing, the private rented sector is an "essential means to help people escape and avoid homelessness."<sup>106</sup> However, the Committee went on to highlight financial barriers to access and said that "instabilities of tenancies are too great." Members called on the Government to:

...explore measures to give greater confidence both to tenants and to landlords to encourage them to let to homeless people. Local Housing Allowances levels should also be reviewed so that they more closely reflect market rents. Landlords should be encouraged to offer longer Assured Shorthold Tenancies which allow tenants to leave early without penalty.<sup>107</sup>

On 2 July 2018, the Government published [Overcoming the barriers to longer tenancies in the private rented sector](#). This consultation sought views on the benefits of, and barriers to, landlords offering longer tenancies.<sup>108</sup> The outcome was published on 15 April 2019<sup>109</sup> - the then **Secretary of State, James Brokenshire, announced that the Government would consult on new legislation to abolish section 21 'no fault' evictions**, saying:

This will bring an end to private landlords uprooting tenants from their homes with as little as 8 weeks' notice after the fixed-term contract has come to an end.<sup>110</sup>

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<sup>104</sup> [HC 462](#), 20 December 2017, p3

<sup>105</sup> Links to the written evidence can be found on the [Committee's website](#).

<sup>106</sup> [CLG Select Committee, Third Report of 2016-17, Homelessness, HC 40](#), August 2016, para 21

<sup>107</sup> Ibid.

<sup>108</sup> MHCLG, [Overcoming the barriers to longer tenancies in the private rented sector](#), 2 July 2018

<sup>109</sup> MHCLG, [Overcoming the barriers to longer tenancies in the private rented sector: summary of responses and government response](#), 15 April 2019

<sup>110</sup> [MHCLG Press Release](#), 15 April 2019



The [consultation process](#) was launched in July 2019 with submissions accepted up to 12 October 2019. The current Government has committed to introduce a Renters' Reform Bill which will abolish 'no fault' evictions and strengthen tenants' security of tenure. For more information see the Library briefing paper: [The end of 'no fault' section 21 evictions](#).

As previously noted, there are calls to fast track the Renters' Reform Bill to protect assured shorthold tenants once the ban on evictions due to the Covid-19 outbreak is lifted.

## 5.4 Welfare reform

There have been numerous reports which have identified welfare reform, and changes to Housing Benefit/Local Housing Allowance entitlement, as a contributing factor to homelessness (see section 2). The CLG Committee's 2015-16 homelessness inquiry found that "The impact of the welfare reforms of recent years have increased pressure on levels of homelessness."<sup>111</sup>

As previously noted in section 2, the Ministry and DWP jointly commissioned a feasibility study into the wider causes of homelessness, including households' experience of the welfare system as well as other factors such as housing affordability or relationship breakdown. On 5 February 2019, James Brokenshire said that this research would assist the development of "a predictive model of homelessness and rough sleeping in the long term."<sup>112</sup>

The Alma reports were published on 25 March 2019:

[Causes of homelessness and rough sleeping: rapid evidence assessment](#)

[Causes of homelessness and rough sleeping: review of models of homelessness](#)

[Causes of homelessness and rough sleeping: feasibility study](#)

The then Minister, Heather Wheeler, was questioned about the findings during the HCLG Select Committee's one-off evidence session on the Homelessness Reduction Act, she said:

The report is massive. It is very, very, very technical. It proved, or rather it showed—sadly, I think we already knew this, but it showed it—that there are multiple reasons why people end up in homelessness situations and they are complex reasons. No one particular thing came out of it. The report brought together a large body of pre-existing evidence of the causes of homelessness. The research indicated that structural factors were more important in explaining family homelessness and individual factors were more likely to contribute to reasons for people sleeping rough. It is what we sort of knew already, but it is a very hefty tome.<sup>113</sup>

She referred to the review's findings on the impact of the LHA freeze:

Interestingly, in that technical review, the welfare changes did not show up as being part of a major contributor to ongoing homelessness, so from that point of view the answer was no.

<sup>111</sup> [CLG Select Committee, Third Report of 2016-17, Homelessness, HC 40](#), August 2016, para 36

<sup>112</sup> [Written question – 212132](#), 5 February 2019

<sup>113</sup> [HC 2089](#), Q97, 23 April 2019

Equally, I think we have had the conversation before— and if it was not you I apologise—where there is the top-up arrangement available by the council to assist, which goes above the LHA rate.<sup>114</sup>

Jeremy Swain, Deputy Director of the Homelessness and Rough Sleeping division at MHCLG, enlarged upon the LHA freeze:

I would be in denial if I was going to say that the local housing allowance does not come back quite often as a major issue. There is a freeze on local housing allowance until 2020. It will be very much looked into during the spending review. In the meantime, there are ways in which we are trying to mitigate any impact there might be, including through the private rented sector access fund we have set up, which local authorities have applied for. That is a £20 million pot of money. We are very pleased to have made those allocations recently.<sup>115</sup>

On 30 August 2019, the Director General of Housing and Building Safety at MHCLG, Jeremy Pocklington, [wrote](#) to the chair of the Committee of Public Accounts, Meg Hillier, to update her on progress following the publication of Alma's research. Briefly, the DWP and MHCLG are working together on a programme of research and analysis which will lead to the development of a predictive model of homelessness trends which will enable the appraisal of future policy changes on levels of homelessness.<sup>116</sup>

On 13 January 2020 the Government confirmed the lifting of the freeze on LHA rates. The intention was to increase LHA rates from April 2020 by inflation (1.7%).<sup>117</sup> However, in response to the Covid-19 outbreak, the Government announced a further increase in support through LHA:

As well as keeping people in work, and supporting those who lose their jobs or work for themselves, our plan for jobs and incomes will help keep a roof over your head.

I'm announcing today nearly £1bn pounds of support for renters by increasing the generosity of housing benefit and Universal Credit, so that the local housing allowance will cover at least 30% of market rents in your area.<sup>118</sup>

Budget 2020 announced additional exemptions from the Shared Accommodation Rate (SAR) for Universal Credit and Housing Benefit claimants "to protect those at risk of homelessness." The changes will enable rough sleepers aged 16-24, care leavers up to the age of 25, and victims of domestic abuse and human trafficking "to live on their own, supporting their recovery from homelessness."<sup>119</sup>

## 5.5 Funding to tackle homelessness

In September 2017, the National Audit Office summarised the financial support aimed at tackling homelessness up to 2020:

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<sup>114</sup> Ibid., Q127

<sup>115</sup> Ibid., Q131

<sup>116</sup> [Letter from Jeremy Pocklington to Meg Hillier MP](#), 30 August 2019

<sup>117</sup> [DWP Press Release](#), 13 January 2020

<sup>118</sup> HM Treasury Press Release, 20 March 2020

<sup>119</sup> [HC 121](#), March 2002, para 1.190

The Department is distributing homelessness funding of £754 million between April 2016 and March 2020 through a combination of the local government financial settlements, new burdens funding, and a grant to replace the temporary accommodation management fee previously paid by the Department for Work & Pensions. In addition, it has developed a £50 million Homelessness Prevention Programme to encourage innovative approaches by local authorities to homelessness prevention.<sup>120</sup>

As previously noted, in October 2017 it was confirmed that £72.7 million would be distributed to authorities between 2017/18 and 2019/20 in respect of the new duties introduced by the *Homelessness Reduction Act 2017*.<sup>121</sup> In 2020/21 authorities are receiving an additional £63 million through the Homelessness Reduction Grant.<sup>122</sup>

October 2018 saw the launch of [bidding guidance](#) for a £20 million Private Rented Sector Access Fund. This fund is aimed at relieving rough sleeping, but may also assist with homelessness prevention/relief work and reducing the use of temporary accommodation for households who would otherwise be owed a full rehousing duty under the *Housing Act 1996*:

The Private Rented Sector Access Fund compliments existing government action to tackle homelessness and rough sleeping. It sits alongside our £1.2billion funding programme to tackle homelessness, and the Homelessness Reduction Act, the most ambitious legislative reform in decades, to ensure more people receive the help they need, at an earlier stage.<sup>123</sup>

Responding to this announcement, the LGA said:

... if we're to truly tackle homelessness in this country, we need to be moving much further, much faster. With the loss of a private rented tenancy the leading cause of homelessness, it's essential that those on the sharp end of our housing crisis are given as much support as possible.

Councils need urgent action to support them in their fight against homelessness, **which is why the Government should devolve all homelessness funding to councils so that they can address the issues around homelessness in their local area.**<sup>124</sup>

On 23 December 2019, the Government announced funding of £260 million for local authority homelessness services:

Of the money announced today, the first £200 million comes from the Flexible Homelessness Support Grant, introduced in 2017, to lead to a radical change in the way councils were providing support to those at risk of homelessness.

The remaining funding, the £63 million Homelessness Reduction Grant, will go to councils to fulfil their duties under the

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<sup>120</sup> NAO, [HC 308](#), September 2017, para 19

<sup>121</sup> DCLG, [Homelessness Reduction Act new burdens funding](#), 16 October 2017

<sup>122</sup> [Homelessness: Written question – HL2256, 19 March 2020](#)

<sup>123</sup> MHCLG, [£20 million Private Rented Sector Access Fund](#), October 2018

<sup>124</sup> [LGA response to homelessness funding announcement](#), 10 October 2018

Homelessness Reduction Act, which came into force last year, to help homeless households into accommodation.<sup>125</sup>

Local authority expenditure on temporary accommodation (TA) has attracted specific attention. In August 2018, *Inside Housing* reported on the results of Freedom of Information requests received from 290 English authorities which showed that they spent £937 million<sup>126</sup> on TA for homeless households in the financial year 2017/18. Costs were estimated to have risen by 56% between 2013/14 and 2017/18.<sup>127</sup>

More recent analysis by the Local Government Association reports that “Rising levels of homelessness and the increasing cost of using expensive bed and breakfast accommodation to place families have plunged more than two-thirds of all council homelessness services in England into the red”. The shortage of affordable housing and the gap between rents and Housing Benefit mean that households are spending longer in expensive TA.<sup>128</sup> The LGA responded to the March 2020 Crisis report [A Foot In The Door: Experiences of the Homelessness Reduction Act](#)<sup>129</sup> saying:

Councils are doing what they can to support all people who face the tragedy of being homeless, and we fully support this report’s call for more affordable housing.

Homelessness services, which face a funding gap of more than £400 million by 2025, are under extreme pressure as a result of rising demand driven by a severe shortage of social housing.

Councils want to work with government to be able to prevent homelessness before it happens, but as a result of unprecedented funding pressures, they are becoming increasingly limited in what they can do. More than two thirds of council homelessness services are now being forced to spend more than they budgeted for on homelessness.

In this week’s Budget we want the Government to give councils the power to set their own Right to Buy discounts and to keep sales receipts in full, as well as restoring Local Housing Allowance rates to cover at least the lowest third of market rents.

It is also important that government invests in homelessness prevention and gives councils the funding and powers they need to prevent homelessness and get back to building the affordable homes the country needs.<sup>130</sup>

Section 4.1 refers to research by the LSE for London Councils (September 2019) which highlighted particular funding pressures on London authorities (pp32-33).<sup>131</sup>

<sup>125</sup> [MHCLG Press Release](#), 23 December 2019

<sup>126</sup> This refers to gross spend and does not take account of money recouped in the form of Housing Benefit.

<sup>127</sup> *Inside Housing*, “The cost of homelessness: council spend on temporary accommodation revealed,” 31 August 2018 [subscription required]

<sup>128</sup> LGA, [Over two-thirds of council homelessness services pushed into the red](#), 29 January 2020

<sup>129</sup> Boobis, S., Sutton-Hamilton, C., and Albanese, F. (2020) ‘[A foot in the door’ Experiences of the Homelessness Reduction Act](#). London: Crisis

<sup>130</sup> [LGA Press Release](#), 10 March 2020

<sup>131</sup> London Councils, [The Cost of Homelessness Services in London](#), 11 October 2019

During the HCLG Committee's one-off evidence session on the HRA 2017, the then Minister was asked about "key asks you are making to ensure sustainable cross-departmental solutions to the causes of homelessness" in relation to the forthcoming spending review. She provided the following response:

We are trying to do even more innovative things than you might expect. In effect, I would like to be working up a joint bid with the MoJ about all prisoner releases and homelessness across the whole country, and, on the NHS side, about issues over nobody leaving hospital without that care plan and without somewhere to go. That would be working on a joint bid with health. Equally, there will be a joint bid with DWP, with the job centre particularly. We really are trying to—to use that dreadful phrase—think outside the box and put to the Treasury these very long-term, innovative ways of dealing with this, where all these different sections come into play, so the whole of the jigsaw can come together.<sup>132</sup>

### Value for money?

The NAO's report, [Homelessness \(2017\)](#), considered whether DCLG (now MHCLG) was achieving value for money in its administration of homelessness policy. Specifically, the NAO examined whether:

...the Department should show that it has understood the causes and costs of homelessness, that it is using this understanding to drive the effective use of its resources, and is leading government efforts to tackle homelessness effectively.<sup>133</sup>

Overall, the NAO concluded that the Government's approach to tackling homelessness could not demonstrate value for money:

Although it is the government department with responsibility for tackling homelessness, during its increase in recent years the Department took a light touch approach to working with local authorities. It is difficult to understand why the Department persisted with this approach in the face of such a visibly growing problem. It is only now beginning to put in place the measures that will allow it to maximise the effectiveness of the resources it directs at homelessness. There remain gaps in its approach and it has not, for example, sought to evaluate the majority of funding provided to prevent and tackle homelessness. The Department's recent performance in reducing homelessness therefore cannot be considered value for money.<sup>134</sup>

The NAO's report included four recommendations for Government:

- a. The Department should develop and publish a strategy that sets out how it will achieve its objectives relating to homelessness. This should set out the reduction in homelessness it is aiming to achieve and the contribution it expects from different programmes across government.
- b. The Department should work with local authorities to establish how they are making use of measures to tackle homelessness, in order to gain a full understanding of effectiveness and share best practice.

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<sup>132</sup> [HC 2089](#), Q134, 23 April 2019

<sup>133</sup> NAO, [HC 308](#), September 2017, para 6

<sup>134</sup> *Ibid.*, para 24

- c. The Department should work with local authorities to ensure that they are making the most effective use of temporary accommodation. This work should include enabling local authorities to increase their use of the innovative short-term solutions that they are taking.
- d. The government, led by the Department and the Department for Work & Pensions, should develop a much better understanding of the interactions between local housing markets and welfare reform in order to evaluate fully the causes of homelessness.<sup>135</sup>

Subsequently, the Public Accounts Committee (PAC) considered the NAO's findings – the PAC's [report](#) (December 2017) described the extent of homelessness across England as “a national crisis” and made several recommendations including:

- The publication of a cross-government strategy for reducing homelessness with clear targets and actions.
- A call for DCLG to report back by the end of the year on progress in reducing homelessness across all measures.
- A call for DCLG to report back on work with the DWP to consider the impact of welfare reform on homelessness.
- Steps to eliminate the use of non-decent temporary accommodation.
- Report back on how new “genuinely affordable” housing will be matched to areas of housing need and how the impact of this on reducing homelessness is being monitored.
- Report back on how new homelessness data is improving estimates of the cost of homelessness; the extent of homelessness; its impact on individuals; and the effectiveness of local services.<sup>136</sup>

The [Government's response](#) was published in March 2018. A commitment was made to publishing a cross-government strategy for reducing homelessness. The Rough Sleeping and Homelessness Reduction Taskforce chaired by the Housing Secretary, initially focused on measures to reduce rough sleeping:

To allow changes to homelessness prevention to become embedded following implementation of the Homelessness Reduction Act in April 2018, **the Taskforce will then seek to develop a broader strategy to ensure progress is made on wider issues relating to all forms of homelessness and homelessness prevention.**<sup>137</sup>

The [Rough Sleeping Strategy](#) was published in August 2018.<sup>138</sup> The intention was to “develop a broader strategy to ensure progress is made on wider issues relating to all forms of homelessness and homelessness prevention” once the Homelessness Reduction Act measures have bedded in.<sup>139</sup>

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<sup>135</sup> Ibid., p11

<sup>136</sup> HC 462, [Homeless Households](#), 20 December 2017

<sup>137</sup> [Cm 9575, March 2018](#), p29

<sup>138</sup> MHCLG, [Rough Sleeping Strategy](#), CM 9685, August 2018

<sup>139</sup> [Cm 9575, March 2018](#), p30

The [Ministry reported back to the PAC](#) in December 2018 on reductions achieved across all measures of homelessness.<sup>140</sup> As previously noted, the Ministry and DWP jointly commissioned a feasibility study into the wider causes of homelessness.<sup>141</sup>

On eliminating the use of non-decent temporary accommodation, the Ministry agreed and said:

To support the implementation of the Homelessness Reduction Act, the Department has set up a team of advisors who will work directly with local authorities – the Homelessness Advice and Support Team (HAST). An initial priority for these advisors has been providing targeted support for local authorities who have families in Bed and Breakfast accommodation beyond the statutory limit of 6 weeks. This work is already underway, and has included targeted visits, as well as a workshop involving authorities who use Bed and Breakfast to share best practice and experiences from authorities who have successfully tackled the problem. The HAST's work will continue for an initial period of two years.

[...]

In April 2017, the Department introduced the Flexible Homelessness Support Grant, which gives local authorities more control and flexibility in managing homelessness pressures. Funding for 2017-18 and 2018-19 is a total of £402 million. Unlike the DWP Temporary Accommodation Management Fee, which was a reactive payment that could only be used for particular types of temporary accommodation, the new grant is upfront funding, which can be used flexibly as part of councils' resourcing for their homelessness strategies including more cost-effective ways of sourcing temporary accommodation.

£25 million of this Grant has been retained for London, where the issue is most acute, to look at improving collaboration on temporary accommodation between boroughs to increase the quality of temporary accommodation in the Capital and deliver greater efficiency in procurement. In April 2017, the Department commissioned a joint study, with London Councils and the Greater London Authority, to consider options. The Department is currently considering the recommendations, which it expects to take forward this year. The Department will report back on progress to the Committee by December 2018.<sup>142</sup>

The Government agreed that its new data system, H-CLIC, should help in estimating the wider costs of homelessness to public services.<sup>143</sup>

## 5.6 Are other measures needed?

In [Everybody in: a plan to end homelessness in Great Britain](#) (June 2018), Crisis argued for wide-ranging measures to ensure that people rarely lose their home and when they do there is a speedy solution. The Crisis recommendations included:

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<sup>140</sup> [MHCLG correspondence with PAC on homelessness](#), 20 December 2018.

<sup>141</sup> *Ibid.*, p31

<sup>142</sup> *Ibid.*, pp31-32

<sup>143</sup> *Ibid.*, p33

- Building 100,500 new social homes each year for the next 15 years to meet the needs of homeless people and people on low incomes – including those at risk of homelessness.
- Housing Benefit that covers the cost of housing and reflects projected rent rises.
- Enabling everyone to access help, including abolishing priority need in England and Wales; ensuring that a lack of a local connection is never a barrier to support; and introducing robust regulation and monitoring of how key bodies support people facing homelessness.
- Funding of Critical Time Interventions, an evidence-based approach that helps people move quickly into their own home.
- A strategic approach by government working across all relevant government departments, at a local and national level, on a shared long-term vision of how to make it a reality.<sup>144</sup>

The May Government responded to a PQ on what assessment had been made of the validity of the findings in [Everybody in: a plan to end homelessness in Great Britain](#) on 28 June 2018:

I welcome Crisis's report and Government shares the broad ambition it sets out. That is why we have committed to halving rough sleeping by 2022 and ending it by 2027. As part of this we have established the Rough Sleeping Advisory Panel and a cross-Government Ministerial Taskforce to support the development and implementation of the Rough Sleeping Strategy. Crisis sit on the Advisory Panel and supported the work to put forward a number of recommendations for the Rough Sleeping Strategy.

I will continue to consider the findings outlined within the report ahead of the publication of the Rough Sleeping Strategy. My Department will also continue to work with Crisis once the strategy has been published and remain committed to tackling both rough sleeping and broader issues of homelessness as highlighted in the report.<sup>145</sup>

In July 2018, the Local Government Information Unit (LGiu) launched a [Homelessness Commission](#) to develop recommendations for councils in tackling homelessness, spreading best practice and producing expert evidence, as well as making “firm demands of central government for the resources, powers and infrastructure that will enable them to do so.”<sup>146</sup> The Commission’s [Final Report](#) was published in June 2019<sup>147</sup>, its recommendations included:

- A sustainable housing and homelessness strategy, with adequate funding.
- Local variation of the Local Housing Allowance.
- Minimum three-year terms for private rented tenancies to promote security and stability.

<sup>144</sup> Downie, M., Gousy, H., Basran, J., Jacob, R., Rowe, S., Hancock, C., Albanese, F., Pritchard, R., Nightingale, K. and Davies, T. (2018) [Everybody in: a plan to end homelessness in Great Britain](#). London: Crisis

<sup>145</sup> [Written question – 155359, 28 June 2018](#)

<sup>146</sup> LGiu launch local government Homelessness Commission, 6 July 2018

<sup>147</sup> [LGiu Homelessness Commission 2019: Final Report](#), June 2019



- A homelessness prevention toolkit designed around the needs of local government.<sup>148</sup>

[A Foot In The Door: Experiences of the Homelessness Reduction Act](#) (Crisis, March 2020) contains the following recommendations:

- Investment in LHA rates so that they cover at least the cheapest third of rents (realigning back to the 30th percentile).
- Investment in social housing and a national target of an additional 90,000 social homes each year for the next 15 years – In England.
- Introduce a statutory code of practice to raise the standards of local authority homelessness services across the country.
- A duty to prevent homelessness should be placed on all relevant public bodies including the Ministry of Justice, the Department for Work and Pensions, the Department of Health and Social Care, the Home Office and the Department for Education.
- Strengthening the code of guidance to ensure the HRA works to its full potential.
- Introduce national provision of private rented access schemes across England including a national rent deposit guarantee scheme.
- The Government must continue to invest in homelessness services to ensure a sharper focus and investment in prevention measures, and evidenced based, housing-led solutions to meet its target of ending rough sleeping by 2024 and end all forms of homelessness.<sup>149</sup>

## The impact of Covid-19

The housing sector is facing some immediate challenges as a result of the Covid-19 outbreak; there are some indications that these challenges may impact on providers' ability to meet their statutory obligations to homeless people once the crisis passes.

Local authorities and housing associations have been restricted in their ability to let properties resulting in an increased number of voids and an associated loss of rental income. The National Housing Federation's submission to the HCLG Committee's inquiry into the impact of Covid-19 on homelessness identifies particular funding issues due to voids in sheltered and supported housing:

Without extra support to use these voids to house other groups or without extra financial support to cover the losses incurred from empty voids (in some cases up to 6 months' rental income), some services may need to close, reducing the overall supply of specialist accommodation and support to keep people off the streets. It would also lead to increased costs in healthcare, policing, social care, housing and welfare.<sup>150</sup>

There is potential for an increase in homeless applications once restrictions are lifted, for example from victims of domestic abuse,

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<sup>148</sup> Ibid., pp27-29

<sup>149</sup> Boobis, S., Sutton-Hamilton, C., and Albanese, F. (2020) '[A foot in the door' Experiences of the Homelessness Reduction Act](#). London: Crisis

<sup>150</sup> [NHF Submission in response to the HCLG Committee Inquiry](#), May 2020

hospital and prison discharges. The NHF is calling for future planning to focus on homelessness prevention measures:

Future planning must therefore include not only those people who are currently accommodated but also those at risk of homelessness. Homelessness prevention measures such as increased supply of affordable housing, benefits that cover the cost of renting, tenancy sustainment, legal advice and family mediation will be more important than ever.

Successful multiagency working, systems change and increased funding have come about because of the crisis – this is something we should work hard to retain once it is over. The drive to provide safe accommodation for everyone should continue beyond the crisis.<sup>151</sup>

The sector has highlighted the need for additional support for social rented housing:

Gavin Smart, chief executive of the CIH, said: “It’s clear that one outcome from the coronavirus-related economic crisis, after household incomes and savings have been decimated, will be an even greater need for homes that are genuinely affordable. Social landlords’ finances will also be depleted, and higher levels of investment and levels of grant will be vital to build the new homes that will be required.”<sup>152</sup>

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<sup>151</sup> Ibid.

<sup>152</sup> Inside Housing, “Social housing grant will need to rise due to coronavirus outbreak”, 30 March 2020 [subscription required]

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