Briefing for Westminster Hall Debate on Homelessness & Rough Sleeping
Wednesday 18th December 2013

Homeless Link is the national membership charity for organisations working directly with homeless people in England. With over 500 members, we work to make services for homeless people better and campaign for policy change that will help end homelessness.

**Scale of Homelessness**

Homelessness and rough sleeping are significant problems across England. 2,309 rough sleepers were counted or estimated by local authorities to be out on any one night in 2012. This was up 6% from 2011 (2,181) and 31% from 2010 (1,768). 3 Over the past three years the number of statutory homelessness acceptances has increased by 34%. While we welcome the latest statistics showing a levelling off of homeless applications, these figures do not take into account the extent of hidden homelessness, for example, the thousands of individuals who squat, sofa-surf, live in insecure and dangerous accommodation, etc. It is estimated that 185,000 adults experience homelessness each year in England, and that 2.31m households contain a concealed single person seeking their own accommodation.

However, of additional concern is the increase in the number of people becoming homeless when they lose their private tenancies, suggesting that their housing is becoming increasingly insecure and not enough is being done to prevent homelessness. Over 1 in 4 households accepted as homeless had lost their last home because of the end of an assured short-hold tenancy in Quarter 3 2013 - an increase of 53% on Quarter 3 2011.

In addition, with the impact of welfare reform changes still to hit along with the continued chronic shortage in the supply of affordable accommodation there is a real risk that homelessness will rise.

To ensure that effective responses are in place to limit the damage that homelessness causes and effectively support people out of homelessness, it is critical that all steps are taken to ensure investment in homelessness support and services is sustained.

**Needs of Homeless People**

Being homeless makes it harder for people to find a job, stay healthy and maintain relationships. It can increase an individual’s chances of taking drugs or excessive use of alcohol or experiencing physical or mental health problems. Homelessness damages people’s lives and is costly for communities.

Homeless people with a long and sustained history of homelessness are likely to have multiple and complex needs:

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2 Statutory homelessness is where local authorities have defined a household as homeless within the terms of the homelessness legislation. Where they are found to be in priority need and not intentionally homeless then local authorities will have a duty to offer accommodation. This can include families with dependent children, pregnant women and adults who are assessed as vulnerable. In practice, single homeless people are rarely found to be in priority need and have limited protection, with local authorities having a duty to provide them with ‘advice and assistance’ only. Since 2012 the percentage of households accepted as statutorily homeless has increased by 13%.
3 The Homelessness Monitor::England 2013, Fitzpatrick S et al, Crisis, December 2013
4 Ibid.
● 82% of homeless people have one or more physical health need
● 45% have a long-term mental health need
● 52% of homeless people use drugs
● 75% consume alcohol and 20% drink alcohol at harmful levels
● 44% use drugs or alcohol to help them cope with their mental health problems.
● It is also estimated that 60% of adults living in hostels in England have a personality disorder and have experienced complex trauma, compared to 10% in the general population.  

The Value of Homelessness Services

Homelessness services provide support to over 40,000 homeless people each year. Every day these services help people move out of homelessness and into long-term independence for the benefit of the individual and society as a whole.

Homelessness and housing-related support services deliver cost savings to public service budgets and better outcomes for vulnerable people. They improve health, reduce re-offending, support people into education, training and employment, reduce inequalities and social costs and represent good value for money. The more services can support people to move away from homelessness and towards independent living, the more they can reduce their expensive use of public services, and so be more cost efficient.

The most comprehensive evaluation of housing-related support services estimated that investing £1.6 billion annually in housing-related support generates net savings of £3.4 billion to public spending. Without the support from homelessness services, more people would end up sleeping rough and it has been estimated that a single rough sleeper costs £35,000 a year in crime, emergency health and social care services alone.

In 2012, 72% of service users in supported homelessness accommodation were helped to move into long-term accommodation; 76% achieved greater independence as a result of their tenancy; 81% who wanted support to find employment achieved their goal.

Protecting the most vulnerable and sustaining the services that support them

To deliver services to vulnerable people, homelessness services rely on public money. Over 90% of hostels and second-stage accommodation receive housing-related support funding (otherwise known as Supporting People funding) from their local authority, and it is the primary funding source for three-quarters of these services.

Since 2009, with the removal of the ring-fence, councils have been able to decide how to spend the available funding without an explicit requirement to provide the same level of support to the vulnerably housed. For local authorities with reducing budgets and increasing pressures from having to prioritise and fulfil their statutory responsibilities, housing-related support is often seen as an easy cut to make. As single homeless people have very limited statutory protection (local Authorities have a duty to only advise and assist – and evidence shows this is of a poor standard in many areas), this group and the services that support them are particularly at risk.

Homeless Link’s Survey of Needs and Provision (SNAP) identifies some key trends around the provision of services for homeless people. Our last survey published in April 2013 found that:

6 Communities and Local Government and Mental Health Development Unit, Meeting the Psychological and Emotional Needs of Homeless People, Mental Health Good Practice Notes, May 2010.
8 Evidence from a study of Cambridge rough sleepers and analysis of Supporting People.
http://homeless.org.uk/sites/default/files/SNAP%202013%20Final%20180413_2.pdf
10 Ibid
• nearly half of homelessness projects (47%) saw a reduction in funding this year
• on average, projects lost 17% of their funding
• the extent of cuts ranged from 25% to 40%.

Increasingly we are gathering evidence that funding for single homeless people is being reduced disproportionately compared to other vulnerable groups. These cuts to funding of homelessness services are happening at a time of continued high need and demand.

In addition, research we carried out in January 2013, found that whilst many agencies had absorbed funding cuts so far, they were reaching the edge of financial viability. We found significant business acumen as homelessness agencies tried to do all they could to remain open – increasing staff hours and case-loads, reducing wages, cutting management posts, re-structuring – but even larger and successful organisations told us that they would struggle to take any more cuts.

For these reasons, we are extremely concerned about the alarmingly high level of cuts that some local authorities have implemented or are planning to implement. The following are some examples that we know about:

**Derby**
In January 2013 Derby City Council approved 87% of cuts to its housing-related support budget over two years to 2014-15. Local intelligence suggests there as a result of these cuts there are a number of negative impacts in the area including:

• Increase in numbers of people drinking on the streets
• Significant rise in the number of people sleeping rough on the streets
• Services have to offer lower levels of support and as a result move on is restricted and there are fewer vacancies in projects
• Clients are approaching with higher needs and are often more chaotic
• Clients have increased anxiety levels and poorer mental health
• Tenancies for vulnerable people are not lasting because support is not being provided alongside the start-up of a tenancy anymore and consequently bonds are being lost
• Private landlords are said to be withdrawing from working with vulnerable people from VCS services

**Worcestershire**
Worcestershire County Council is currently consulting on proposed cuts of around 55% to homelessness services. There are proposed cuts of 100% to supported accommodation services for ex-offenders.

**Nottinghamshire**
Nottinghamshire County Council is currently consulting on budget plan proposals which will mean a reduction in funding for housing-related support of around 85% and as a consequence the following services are at risk of closure:

• all emergency accommodation for homeless people - in Mansfield, Newark, Worksop and in Gedling (Gedling’s facility supports homeless people in Broxtowe, Gedling and Rushcliffe Borough). This includes three hostels developed under the Places of Change hostels improvement programme.
• all specialist supported housing to help people with drug and alcohol problems and those leaving prison

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11 Who is supporting people now? Experiences of local authority commissioning after *Supporting People*, January 2013, Homeless Link
• all supported move-on flats that help sustainable resettlement
• almost all support services which assist vulnerable people in their own homes, including all crisis and homelessness prevention work.

**Oxfordshire**
Local intelligence suggests that Oxfordshire County Council is proposing a reduction in its housing-related support budget (i.e. hostels, supported housing, floating support) by 38% - equating to around £1.5m.

**Torbay**
Torbay council are currently consulting on proposed cuts to their housing-related support budget of around 72%. This includes proposed cuts of:
• 55% to a young people support and accommodation service
• 48% to an assessment centre for homeless people with complex needs including poor mental and physical health including support for rough sleepers and 24 units of accommodation
• 100% for 25 units of accommodation for people in drug treatment or with alcohol issues.
• 100% to floating support service which aims to prevent homelessness and support those in crisis.

**County Councils and District Councils**
There is a major conflict in two tier authorities where the responsibility for housing and homelessness is with the District Council but the County Council is allocated the funding for housing-related support (Supporting People funding). The control of the funding then does not sit with the responsible body and has led to the situation where disproportionate cuts are being made to homelessness services. We believe there is a strong case for the housing-related support funding being directly allocated to District Councils by central Government, as is the Homelessness Prevention Grant. This would address the current inequity and be a fairer process providing the funding directly to the District Councils who are responsible for the provision of housing and homelessness services.

**Local Connection**
In an effort to reduce costs many local authorities are starting to apply more stringent local connection rules to many different kinds of benefits including local welfare assistance schemes, council tax benefit (a five year residency criteria in one area), access to housing, etc. Homeless people are a very mobile group and many people may seek to move to find employment, however, they may be at risk of becoming excluded from local services despite the fact that they will have been born in a neighbouring district. People who need to move areas for safety reasons, such as women fleeing domestic abuse, also risk losing out.

**Public Support for Greater Action on Homelessness**
In response to the cuts to homelessness services, Homeless Link launched, Pay It Forward, which aims to help Councillors understand the value of their investment in homelessness services, the support of their community and gain recognition for positive action – [www.homeless.org.uk/PIF](http://www.homeless.org.uk/PIF).

In making decisions about reducing funding, we are concerned that decision-makers in local authorities are not considering the longer-term implications of those cuts on their areas and the risk of increased homelessness as a result. We recognise that local authorities are facing tough financial times but protecting homelessness services makes long-term social, moral and economic sense for individuals affected by homelessness, their communities and it is supported by the wider public.

Our public polling found that the public supports investment in tackling homelessness.
• 89% of people agreed that people experiencing homelessness should be given help to get their lives back on track.
• 79% agreed that councils should do more to help people who are homeless or at risk of losing their Homeless Link.
• 76% agree stopping people becoming homeless benefits their community.
• 74% agree investment in tackling homelessness is a sensible use of public money.

Role of Central Government
With funding to support homeless people reducing, it is even more important that safety nets exist. Housing-related support has been rolled into the Formula Grant, and the Homelessness Prevention Grant is now part of the Business Rates Retention scheme, so there is little visibility of these safeguards against homelessness. To ensure that local communities can hold their local authorities to account for spending decisions and to be able to identify central government investment in homelessness prevention and we believe central Government should:

• Sustain levels of funding for housing-related support (previously Supporting People) at current levels and ensure the central allocation to the housing-related support element of the formula grant is visible and identifiable.
• Sustain levels of Homeless Prevention Grant at the current level to ensure continuing capacity to prevent and tackle homelessness in the face of upward pressure and that this is maintained as an identifiable amount within the Business Rates Retention scheme.
• Take a whole sector view to ensure that a sector with historical and complex financing arrangements is not put at financial risk by the combination of the requirement to make local savings and the national welfare reform changes.
• Assess the impact of new local connection schemes.

In addition:
• There is a key role for national Government in developing a national strategy for the future provision and funding of supported accommodation services. Otherwise, we are at risk of seeing local homelessness services closed resulting in increased homelessness, which is damaging and costly to the individual, communities and society as a whole.
• This requires Government to continue to invest in developing a range of innovative accommodation solutions for homeless people building on the success of the previous Hostels Capital Improvement Programme and the Homeless Change Programme but seeking to go beyond only hostel provision. While modest, the recent capital investment for hostel accommodation is welcome, but sources of ongoing revenue costs are required to sustain any new accommodation which is developed.
• Central Government should retain a clear responsibility for vulnerable homeless people and provide direction, leadership and national action on reducing homelessness. Localism needs to have safeguards in place to protect the most vulnerable. National Government should give a strong message to local authorities that they should not disproportionately cut services to homeless people and do all they can to sustain and protect these services.

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