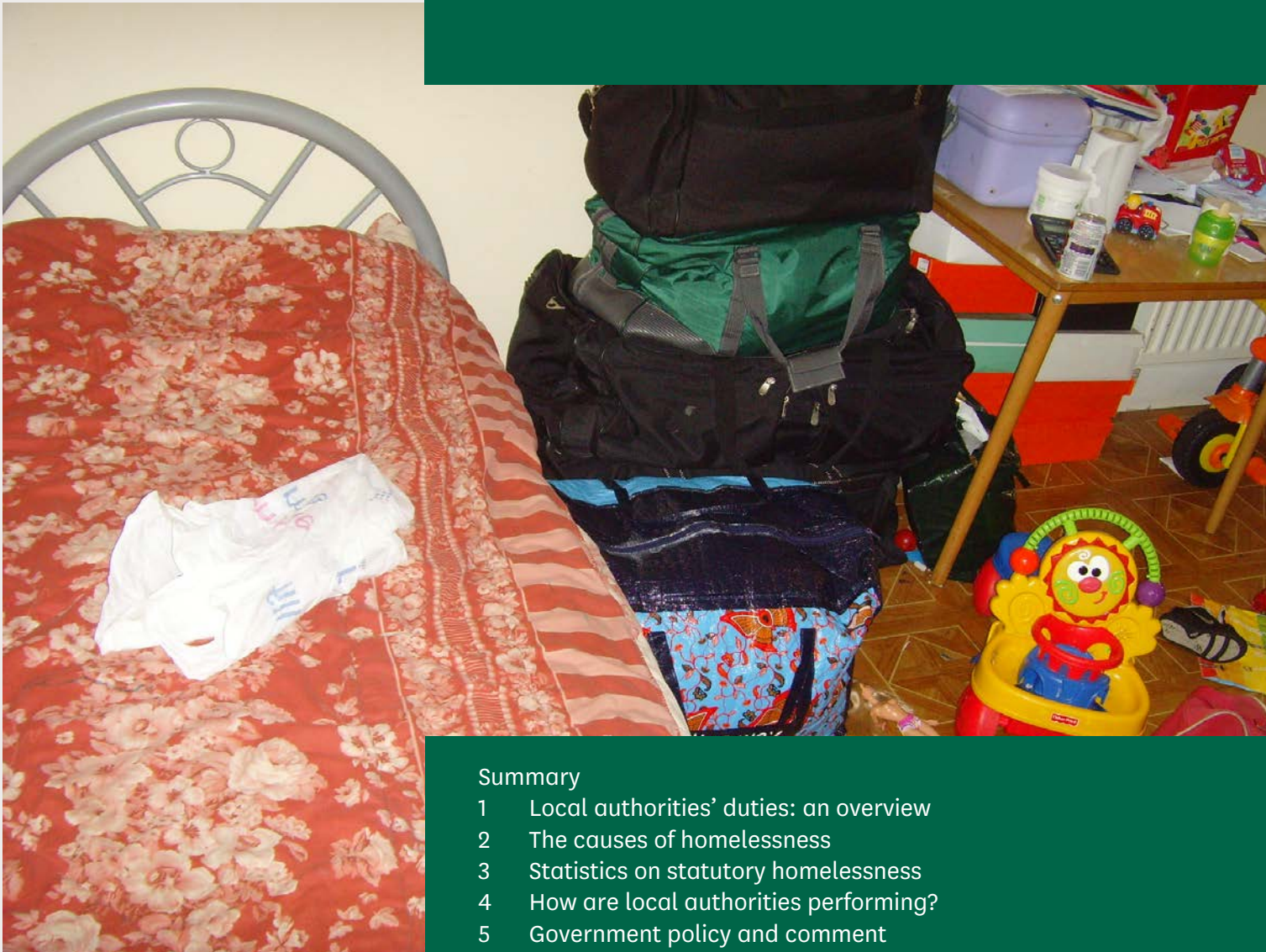


By ,
Wendy Wilson ,
Cassie Barton

29 October 2021

Statutory homelessness (England)



Summary

- 1 Local authorities' duties: an overview
- 2 The causes of homelessness
- 3 Statistics on statutory homelessness
- 4 How are local authorities performing?
- 5 Government policy and comment

Image Credits

Cover page image copyright: Hamed's house by BBC World Service. Licensed under CC BY-NC 2.0 / image cropped.

Disclaimer

The Commons Library does not intend the information in our research publications and briefings to address the specific circumstances of any particular individual. We have published it to support the work of MPs. You should not rely upon it as legal or professional advice, or as a substitute for it. We do not accept any liability whatsoever for any errors, omissions or misstatements contained herein. You should consult a suitably qualified professional if you require specific advice or information. Read our briefing [‘Legal help: where to go and how to pay’](#) for further information about sources of legal advice and help. This information is provided subject to the conditions of the Open Parliament Licence.

Feedback

Every effort is made to ensure that the information contained in these publicly available briefings is correct at the time of publication. Readers should be aware however that briefings are not necessarily updated to reflect subsequent changes.

If you have any comments on our briefings please email papers@parliament.uk. Please note that authors are not always able to engage in discussions with members of the public who express opinions about the content of our research, although we will carefully consider and correct any factual errors.

You can read our feedback and complaints policy and our editorial policy at commonslibrary.parliament.uk. If you have general questions about the work of the House of Commons email hcenquiries@parliament.uk.

Contents

Summary	5
1 Local authorities' duties: an overview	7
1.1 Duties owed to homeless applicants	7
1.2 Homelessness strategies	11
2 The causes of homelessness	12
2.1 The end of an assured shorthold tenancy (AST)	15
2.2 Housing Benefit and Universal Credit	17
2.3 Government research into the causes of homelessness	21
3 Statistics on statutory homelessness	23
3.1 Where do statutory homelessness statistics come from?	23
3.2 Statistics for 2020/21	24
Prevention and relief duties	24
Main duty acceptances	26
Background of households applying for help	27
How are homelessness duties ended?	32
Households in temporary accommodation	33
3.3 Other estimates of homelessness	34
4 How are local authorities performing?	35
4.1 Meeting their homelessness duties	35
The impact of the Homelessness Reduction Act (HRA) 2017	36
Outcome of the Government response to the call for evidence (September 2020)	40
4.2 Use of private rented & out of borough placements	42
4.3 Homeless young people	43
4.4 Access to housing association tenancies	47
5 Government policy and comment	49

5.1	Increasing affordable housing supply	49
5.2	A commitment to reduce homelessness	52
5.3	Insecure private rented sector tenancies	52
5.4	Welfare reform	53
5.5	Funding to tackle homelessness	57
	Value for money?	60
5.6	Are other measures needed?	63

Summary

Local authorities in England have a statutory 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. This paper explains trends in statutory homelessness and the Government’s approach.

Trends in statutory homelessness over 2020/21

In the 2020/21 financial year, local authorities recorded around 282,000 homelessness prevention or relief duties owed to households following an initial assessment. About 119,000 of these were prevention duties while around 149,000 were relief duties.

The Covid-19 pandemic had an impact on the homelessness work carried out by local authorities; this is reflected in the statistics for 2020/21.

The number of households owed a prevention duty was around one-fifth lower in 2020/21 than the year before. This is likely to be due to Government action to prevent evictions during the pandemic. The number of households becoming homeless due to the end of an Assured Shorthold Tenancy (AST) in the private rented sector fell by 41%.

The number of households owed a homelessness relief duty was 6% higher than in 2019/20. The largest rise in relief duties came in the April-June 2020 period, when the number of relief duties owed were 17% higher than a year previously.

Much of this rise was due to the ‘Everyone In’ programme which tasked local authorities with accommodating people at risk of rough sleeping. The majority of households owed a homelessness relief duty were single adults (without children); this group was the primary driver behind the increase in cases.

Longer term trends

Statutory homelessness started to rise in 2010/11 for the first time since 2003/04. This is attributed to several factors, of which the most important is identified as a continuing shortfall in the delivery of new affordable housing relative to levels of need. Housing Benefit reforms are 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](#).

A commitment to tackle homelessness

The Government is putting tackling homelessness and rough sleeping “firmly at the heart” of its agenda. The focus is on implementing the Homelessness Reduction Act 2017 and supporting the delivery of more affordable homes. [The Public Accounts Committee](#) (2017), said the Act would help, but needed to be matched by “a renewed focus across government” to tackle supply and affordability of decent housing.

Local authorities received increased funding over 2020/21 to tackle homelessness during the pandemic – there was a particular focus on protecting rough sleepers. The Autumn Budget and Spending Review 2021 confirmed an increase in spending over pre-pandemic levels to tackle rough sleeping and homelessness:

SR21 provides £639 million resource funding by 2024-25, a cash increase of 85% compared to 2019-20. This brings total funding to £1.9 billion resource and £109 million capital investment over SR21.

Calls for additional measures

The Government’s [Evaluation of the Implementation of the Homelessness Reduction Act: Final Report](#) (September 2020) recorded successes alongside recommendations to improve ongoing implementation (see section 4.1 of this paper).

Calls from the sector include:

- A sustainable and fully funded housing and homelessness strategy.
- A substantially expanded programme to deliver new homes at social rents.
- A reformed welfare system “[that provides renters with the security of knowing that they can afford their homes](#)”.

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. 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 additional duties on authorities in England to:

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

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

Eligibility is determined in relation to an applicant's immigration status.¹

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."²

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;

¹ MHCLG, [Homelessness Code of Guidance for Local Authorities](#), chapter 7

² MHCLG, [Homelessness Code of Guidance for Local Authorities](#), para 31

- 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 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.

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

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.**”³

The Code of Guidance says:

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.⁴

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 \(England\)](#).⁵

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

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

Authorities only have an absolute duty to secure accommodation for households who assessed as 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

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

⁴ [Homelessness Code of Guidance](#), para 11.2

⁵ [Applying as homeless from an assured shorthold tenancy \(England\)](#), Commons Library briefing (CBPO6856), July 2020 (Library papers may be regularly updated, the date cited is correct at the time of writing).

- 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 (but see below)

On 2 May 2020, Robert Jenrick, then-Secretary of State, confirmed that amendments to the Domestic Abuse Bill 2019-21 would ensure 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.⁶

The relevant provisions came into force on 5 July 2021.⁷ The new priority need category means councils should no longer assess whether someone at risk of domestic abuse is also vulnerable in order to access assistance:

a person who is homeless as a result of that person being a victim of domestic abuse.

References to ‘domestic violence’ throughout the 1996 Act and 2002 Order have been replaced with ‘domestic abuse’.⁸

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

⁶ PoliticsHome, [Coronavirus: Communities Secretary vows priority council housing for people fleeing domestic abuse](#), 2 May 2020

⁷ Section 78 of the Domestic Abuse Act 2021.

⁸ MHCLG, [More support for victims of domestic abuse at risk of homelessness](#), 5 July 2021

discharged. The Localism Act 2011⁹ enables authorities (since 9 November 2012) to discharge their duty to homeless households by offering a suitable tenancy in private rented housing.

Local authorities have **discretion** to consider whether a homeless applicant/household has a local connection with the district. Most authorities 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;¹⁰
- a duty to formulate and publish a homelessness strategy based on these reviews;¹¹
- keep the strategy under review; and
- consult other local or public authorities, or voluntary organisations before adopting or modifying the strategy.¹²

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

⁹ Localism Act 2011 (Commencement No.2 and Transitional Provisions) (England) Order 2012

¹⁰ Section 1(1) of the 2002 Act

¹¹ Section 1(4) of the 2002 Act. All authorities have been required to publish a homelessness strategy since 1 April 2017.

¹² 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.¹³

- 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.¹⁴

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.”¹⁵ 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 new social housing.

Shelter’s evidence to the Communities and Local Government Select Committee’s inquiry into homelessness over 2015-16 argued for the

¹³ DCLG, [Fixing our Broken Housing Market](#), Cm 9352, February 2017, p7

¹⁴ IPPR, [What more can be done to build the homes we need?, June 2017](#)

¹⁵ National Housing Federation (NHF) Press Release, England short of 4 million homes, 18 May 2018

development of 250,000 new homes a year of which 30% should be at a low rent.¹⁶

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 noted that homelessness triggered by evictions from the social rented sector “continue to account for only a very small proportion of statutory homelessness acceptances”.¹⁷ However, few local authority respondents thought their existing social housing stock was “commensurate with homelessness needs” and “many were at least equally concerned about the problematic profile of the local social housing stock portfolio, mismatched to need.”¹⁸

- **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](#) noted 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 deteriorated.¹⁹

Between October 2018 and March 2019, the LGiU²⁰ 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.²¹

¹⁶ [Shelter’s written evidence submitted to the CLG Select Committee’s 2016-17 inquiry into homelessness \(HOI 94, paras 23-24\)](#)

¹⁷ Suzanne Fitzpatrick; Hal Pawson; Glen Bramley; Beth Watts; Jenny Wood; Mark Stephens & Janice Blenkinsopp, [The homelessness monitor: England 2019](#), May 2019, p25

¹⁸ [The Homelessness monitor: England 2019 – key findings](#), Crisis, May 2019

¹⁹ Suzanne Fitzpatrick; Hal Pawson; Glen Bramley; Beth Watts; Jenny Wood; Mark Stephens & Janice Blenkinsopp, [The homelessness monitor: England 2019](#), May 2019, p11

²⁰ Local Government Information Unit.

²¹ [LGiU Homelessness Commission 2019: Final Report](#), June 2019, p7 [requires login to view]

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.²²

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

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 a 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.²³

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.

²² DCLG, [Making every contact count: A joint approach to preventing homelessness](#), August 2012, paras 17-20

²³ 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.

2.1

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.²⁴

Evictions from most residential tenancies were banned between 26 March and 20 September 2020 in response to the Covid-19 outbreak.

The trend can be seen in statistics on the reason for homelessness amongst households 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%.²⁵ In the period from January to March 2020, 20% of households owed a prevention or relief duty were homeless or at risk of homelessness due to the end of an AST.²⁶ 4,740 households were owed a prevention duty due to the service of a section 21 notice.²⁷ Section 3.2 has further statistics.

[The Homelessness Monitor: England 2021](#), which covers the period of the Covid-19 pandemic, noted Government action to suspend evictions from social and private rented tenancies, alongside raising LHA rates, “was identified by 87% of councils as very important in preventing and minimising homelessness.”²⁸

Quarterly homelessness statistics covering April to June 2021 record a 62% increase in the number of households approaching Housing Options due to the end of an AST at the prevention stage when compared to the same quarter in 2020. This likely reflects the lifting of restrictions on possession claims in September 2020.²⁹ The bulletin notes “this remains below April to June 2019 before COVID-19, where 11,440 households owed a prevention duty cited this was due to the end of private rented AST.”

Prior to this, [The homelessness monitor: England 2019](#) had recorded a fall in homelessness due to AST evictions:

...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

²⁴ 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](#).

²⁵ MHCLG, [Acceptances and decisions live tables: Table 774](#), 12 September 2019

²⁶ MHCLG, [Initial assessments tables: Table A2](#), 20 August 2020

²⁷ MHCLG, [Initial assessments tables: Table A1](#), 20 August 2020

²⁸ [The Homelessness Monitor: England 2021 – key findings](#), Crisis, 1 March 2021

²⁹ Department for Levelling Up, Housing and Communities (DLUHC), [Statutory Homelessness April to June 2021: England](#), 28 October 2021, p2

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.³⁰

On 15 April 2019, then-Secretary of State, James Brokenshire, announced 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.³¹

Progress in taking forward the commitment to abolish section 21 evictions is covered in section 5.3 of this paper.

The Residential Landlords Association³² disputes the charge that section 21 is a cause of homelessness. The organisation has published several pieces of research to demonstrate the rise in homelessness from the PRS is linked more closely to rent arrears caused by welfare reform, such as restrictions in the Local Housing Allowance (LHA) and the roll-out of Universal Credit.³³ Library briefing paper: [The end of 'no fault' section 21 evictions](#) provides more information.³⁴

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.³⁵ Section 4.1 of this paper discusses evidence on the impact of these provisions.

³⁰ Suzanne Fitzpatrick; Hal Pawson; Glen Bramley; Beth Watts; Jenny Wood; Mark Stephens & Janice Blenkinsopp, [The homelessness monitor: England 2019](#), May 2019, p17

³¹ [MHCLG Press Release](#), 15 April 2019

³² Now merged with the National Landlords Association to form the National Residential Landlords Association (NRLA).

³³ 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

³⁴ [The end of 'no fault' section 21 evictions](#). Commons Library briefing (CBP-8658), 29 July 2021, (The date cited reflects the most recent update at the time of writing).

³⁵ See [Applying as homeless from an assured shorthold tenancy \(England\)](#). Commons Library briefing (CBP-6856), 9 July 2020 (The date cited reflects the most recent update at the time of writing).

2.2

Housing Benefit and Universal Credit

Reductions in the amount of Local Housing Allowance (LHA)³⁶ payable since April 2011 (and further Housing Benefit changes implemented in January 2012, April 2013 and April 2016) are identified as having had an adverse impact on levels of homelessness and the ability of local authorities to use private rented accommodation to discharge their duties to homeless households.³⁷ 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 2018.³⁸
- Local Housing Allowance rates were frozen for four years from 2016 with some provision for rents in the most expensive areas. This meant 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 2020.³⁹ In response to the Covid-19 outbreak, the Government announced an 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

³⁶ LHA is the benefit claimed by most PRS tenants to assist with rent payments.

³⁷ For more information see: [The rent safety net: changes since 2010](#), Commons Library briefing (CBP-5638), 17 August 2021.

³⁸ For more information see: [Housing cost element of Universal Credit: withdrawing entitlement from 18-21-year olds](#), Commons Library briefing (CBP-6473), 28 December 2018.

³⁹ [DWP Press Release](#), 13 January 2020

that the local housing allowance will cover at least 30% of market rents in your area.⁴⁰

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

On 25 November 2020, the Government confirmed LHA rates would be maintained in cash terms in 2021/22:

I can confirm that the increase to Local Housing Allowance rates in April this year will be maintained in cash terms in 2021/22. The assumption in the forecast is that rates will remain at these levels in future years, subject to the Secretary of State reviewing annually in the usual way.⁴¹

- The Housing Benefit (Abolition of the Family Premium and limiting backdating) (Amendment) Regulations 2015 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).⁴²

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,

⁴⁰ HM Treasury Press Release, 20 March 2020

⁴¹ [Written Ministerial Statement](#), 25 November 2020

⁴² DCLG Statistical Release, 23 March 2017, [Statutory homelessness and homelessness prevention and relief: October to December 2016](#)

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.

[...]

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 2012.⁴³

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.⁴⁴

⁴³ NAO, [HC 308](#), September 2017, paras 11 & 13

⁴⁴ [The Homelessness Monitor: England 2019 – key findings](#), Crisis, May 2019

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.⁴⁵

The increase in LHA rates announced in response to the Covid-19 outbreak was widely welcomed. As previously noted, [The Homelessness Monitor: England 2021](#) recorded this as one of the “very important” measures in preventing and minimising homelessness during the pandemic.⁴⁶

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).”⁴⁷

As previously noted, the Government has refrozen LHA rates at their 2020/21 level:

The assumption in the forecast is that rates will remain at these levels in future years, subject to the Secretary of State reviewing annually in the usual way.⁴⁸

The [Office for Budgetary Responsibility](#) (OBR) said:

It has now decided that rates will be frozen in cash terms from 2021-22 onwards. This means the £1 billion cost of the measure in 2020-21 declines to £0.3 billion by 2025-26 (and that LHA rates will fall back below the 30th percentile of local rents over time).⁴⁹

[The Policy Costings document](#) accompanying the Autumn Budget and Spending Review 2021 confirmed LHA rates would be frozen at 2020/21 levels in 2022/23:

⁴⁵ Crisis, [Cover the Cost: Restoring Local Housing Allowance Rates to reduce homelessness](#), August 2019, pp4-5

⁴⁶ [The Homelessness Monitor: England 2021 – key findings](#), Crisis, 1 March 2021

⁴⁷ Charlesworth Z; Fell B (Dr); Macor F: [Evidencing the link between the Local Housing Allowance freeze and homelessness](#), 5 February 2020, LGA

⁴⁸ [Written Ministerial Statement](#), 25 November 2020

⁴⁹ OBR, [Economic and Fiscal Outlook, CP 318](#), November 2020, p179

The forecast default is that Local Housing Allowance rates for 2022-23 will be maintained at the elevated cash rates agreed for 2020/21. This will be confirmed at the uprating review.⁵⁰

Section 5.4 of this paper has more on welfare reform and homelessness.

2.3 Government research into the causes of homelessness

On 14 January 2019, Heather Wheeler, then-Minister for Homelessness at MHCLG, responded to a parliamentary question 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.⁵¹

On 5 February 2019, James Brokenshire said 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.”⁵²

Alma's reports were published on 25 March 2019:

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

⁵⁰ [Autumn Budget and Spending Review 2021 Policy Costings](#), HM Treasury, October 2021, p65

⁵¹ [PQ 206869 \[Homelessness\], 14 January 2019.](#)

⁵² [PQ 213232 \[Homelessness: Social Security Benefits\], 5 February 2019.](#)

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

Commenting on the findings, 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, 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.⁵³

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.⁵⁴

⁵³ [PQ 241435 \[Universal Credit: Croydon\], 10 April 2019.](#)

⁵⁴ Letter from Jeremy Pocklington to Meg Hillier MP, 30 August 2019

3

Statistics on statutory homelessness

1 Summary

- 268,560 households were owed an initial duty to either prevent or relieve homelessness under the HRA in 2020/21.
- Homelessness prevention duties fell after the start of the Covid-19 pandemic, probably due to government action to prevent evictions. Homelessness relief duties rose slightly.
- Around three-quarters of households owed a relief duty in 2020/21 were single adults applying alone. One-fifth were households with children.
- Just over half of households owed a prevention duty were single adults, while around 38% were households with children.
- There are ethnic disparities in homelessness. 10% of homelessness duties were owed to households with a Black applicant, while Black people make up 4% of England's population.
- Of all households owed a duty in 2019/20, 69% had their cases resolved with accommodation secured or a main duty owed by March 2021.

MHCLG publishes quarterly statistics on local authorities' homelessness duties. The figures include decisions made on applicant households, the background of those households, and how local authorities have discharged their duties.

This briefing focuses on activity over the year between April 2020 and March 2021. Statistical releases are published quarterly by MHCLG:

- MHCLG's [quarterly statutory homelessness release](#) explains national trends in activity.
- Data for individual local authorities is available from MHCLG's [live tables on homelessness](#).

3.1

Where do statutory homelessness statistics come from?

As explained in section 1 of this paper, the HRA, with effect from April 2018, created new duties for local authorities in addition to pre-existing duties under Part 7 of the Housing Act 1996. This necessitated a change in how

homelessness statistics are reported. When the Act came into force, local authorities started to submit case-level homelessness data to MHCLG using a system called H-CLIC.

A [June 2018 note from MHCLG](#) set out the department's plans for H-CLIC and its impact on published statistics. H-CLIC is intended to eventually provide information about individual people in each household (currently, only household-level data is published) as well as detailed information about the background of applicants and their support needs.⁵⁵

An evaluation of the implementation of the HRA, commissioned by MHCLG, found that 29% of local authorities reported difficulties with adopting the new H-CLIC system. This figure comes from a survey carried out in the summer of 2019. The research also found:

These difficulties were reflected in the local authorities having a high volume of errors identified by MHCLG in their quarter one H-CLIC returns. However, these had reduced over time as senior and frontline staff became more familiar with the new requirements. For example, one said they had 360 errors in their first quarter return, 180 in their second, and less than ten in their third.⁵⁶

The evaluation also identified two types of cases where prevention and relief activities were less likely to be recorded. Longer-term prevention cases, where the applicant is not at risk of homelessness within 56 days, were unlikely to be recorded. Likewise, cases receiving support through routes other than the local authority's housing options team were not consistently recorded in all local authorities.⁵⁷

MHCLG's quarterly releases often have data missing for some local authorities. In these cases, the national total includes estimates for those local authorities based on past trends.

3.2

Statistics for 2020/21

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). The H-CLIC system requires local authorities to record the outcome of their initial decision on homelessness applicants, ie whether they are owed a prevention or relief duty.

⁵⁵ MHCLG, [Changes to MHCLG's statutory homelessness statistics](#), 27 June 2018

⁵⁶ MHCLG, [Evaluation of the Implementation of the Homelessness Reduction Act: Final Report, 16 March 2020 \(publicly available 25 September 2020\)](#)

⁵⁷ Ibid.

The table below shows the outcome of **initial decisions** made by local authorities in 2020/21. A total of 282,240 decisions were recorded, of which 268,560 resulted in a homelessness duty being owed (95% of the total).

Initial decisions on applications for homelessness assistance			
England, 2020/21			
Decision	Number of households	% of all decisions	% change on previous year
Homelessness duty owed	268,560		-7%
Prevention duty	119,400	42.3% 	-20%
Relief duty	149,160	52.8% 	+6%
Neither duty owed	23,190	8.2% 	-14%
Total decisions	282,240		-8%

Source: MHCLG, [Statutory homelessness live tables](#), Table A1. 9 September 2021

The pattern of duties owed changed at the end of 2019/20 and the start of 2020/21 as a consequence of the Covid-19 outbreak.

The chart overleaf shows the number of households owed prevention and relief duties in each quarter over the past two years. In the April-June 2020 quarter, the number of households owed a prevention duty fell by almost a third compared with a year previously, while the number owed a relief duty was 17% higher. Throughout 2020/21, the number of households owed a prevention duty in each quarter has remained lower than in the previous year. The number of relief duties owed returned to a similar level to 2019/20 by the last quarter of 2020/21.

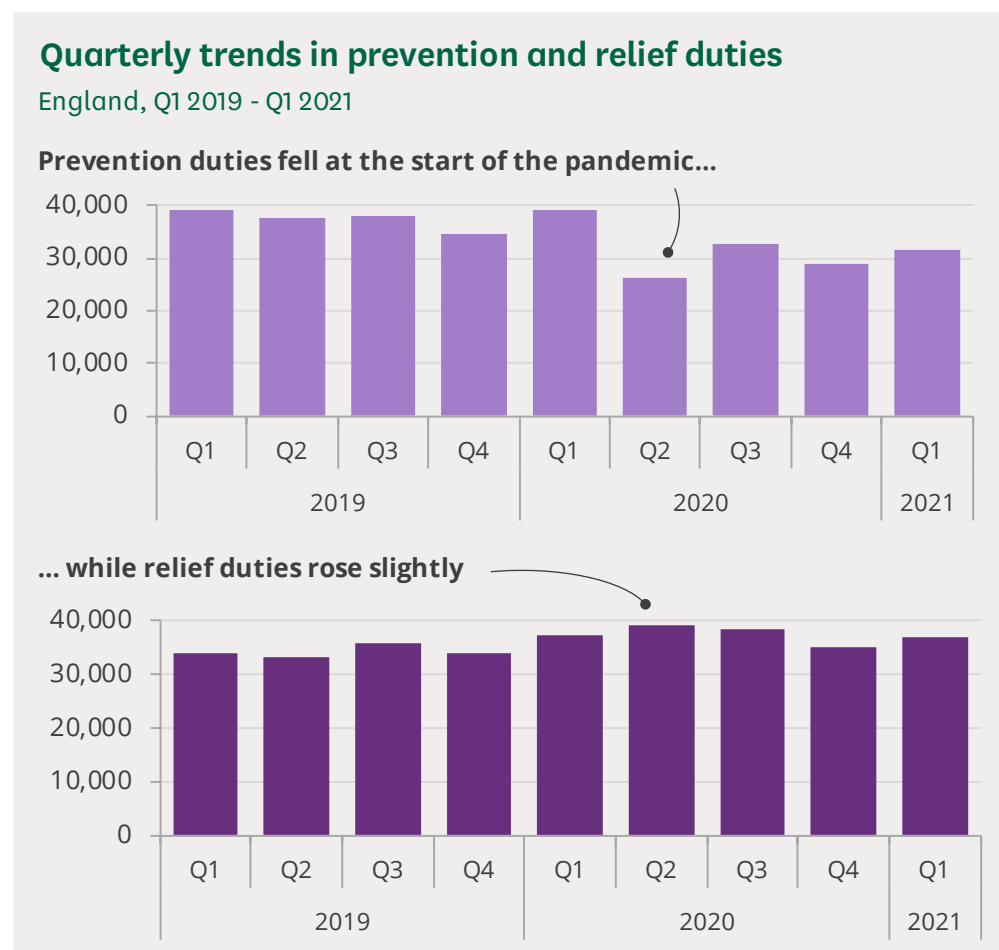
Government action to prevent evictions is likely to have reduced the number of households owed a prevention duty due to a tenancy ending throughout 2020/21. Instructions to local authorities to provide housing for rough sleepers will have increased the number of people owed a relief duty.⁵⁸

In its 2020/21 statistical release, MHCLG notes demographic differences in the households owed prevention and relief duties:

April to June (Q2) 2020 saw the peak of the impact of COVID-19 on statutory homelessness data. The number of households owed a prevention duty fell 29.9% compared to the same quarter in the previous year [...] This fall was driven by households with children, which fell 42.5% in the same period. In contrast, the number of households owed a relief duty increased 16.9% from the same quarter in the previous year, linked to the Everyone In campaign and

⁵⁸ MHCLG, [Statutory homelessness in England: financial year 2020-21](#), 9 September 2021, p5

driven by the 29.7% increase in single households (households without children) owed a relief duty over the same period.⁵⁹



Source: MHCLG, [Statutory homelessness live tables](#), Table A1. 9 September 2021

Main duty acceptances

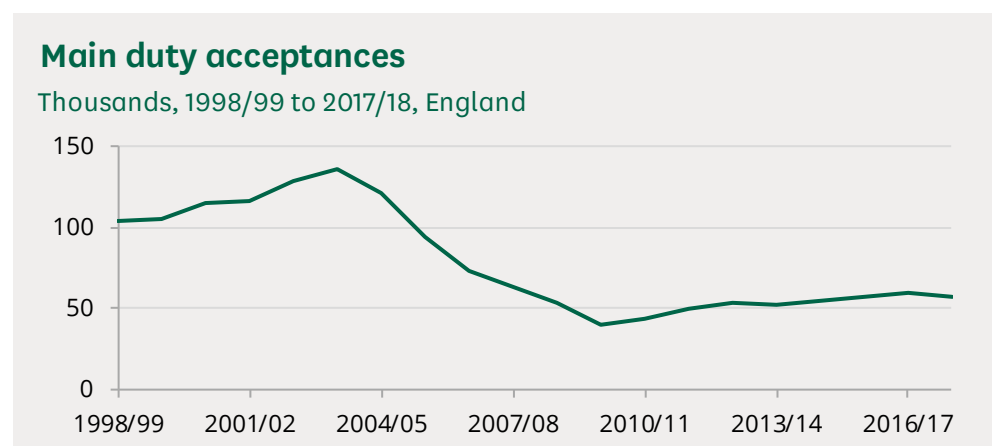
Local authorities have a statutory duty to secure suitable accommodation for households who are unintentionally homeless and in a priority need category, as set out in the Housing Act 1996 (see section 1). This is sometimes referred to as a ‘main duty’. Main duty decisions are not taken until after the duties determined at initial decision have elapsed.

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%.

⁵⁹ Ibid.

Historical statistics on main duty acceptances up to April 2018 can be downloaded from [the landing page for this briefing paper](#).

Statutory homelessness (England)



Source: MHCLG, [Statutory homelessness live tables](#), Table MD1. 9 September 2021

Pre-April 2018 figures are not fully comparable with post-April 2018 figures due to the new 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 a main duty only arises if a household meets the criteria and hasn't had their homelessness relieved during this period. MHCLG explains:

Despite more households being owed an initial prevention or relief duty, including priority needs groups such as households with children, there are fewer main duty acceptances as more households are receiving assistance at an earlier stage, through prevention and relief duties.⁶⁰

A total of 30,500 households were assessed as being owed a main duty in 2018/19, the first year in which the HRA was in force. This rose to 40,350 in 2019/20, before falling slightly to 39,210 in 2020/21.⁶¹

Background of households applying for help

MHCLG also publishes data on the background of households owed a prevention or relief duty. Some of this data is published for financial years only, rather than quarterly. This section describes trends in 2020/21. All figures refer to households counted at their initial assessment (ie households moving from a prevention to a relief duty are only counted once).

Household type and gender

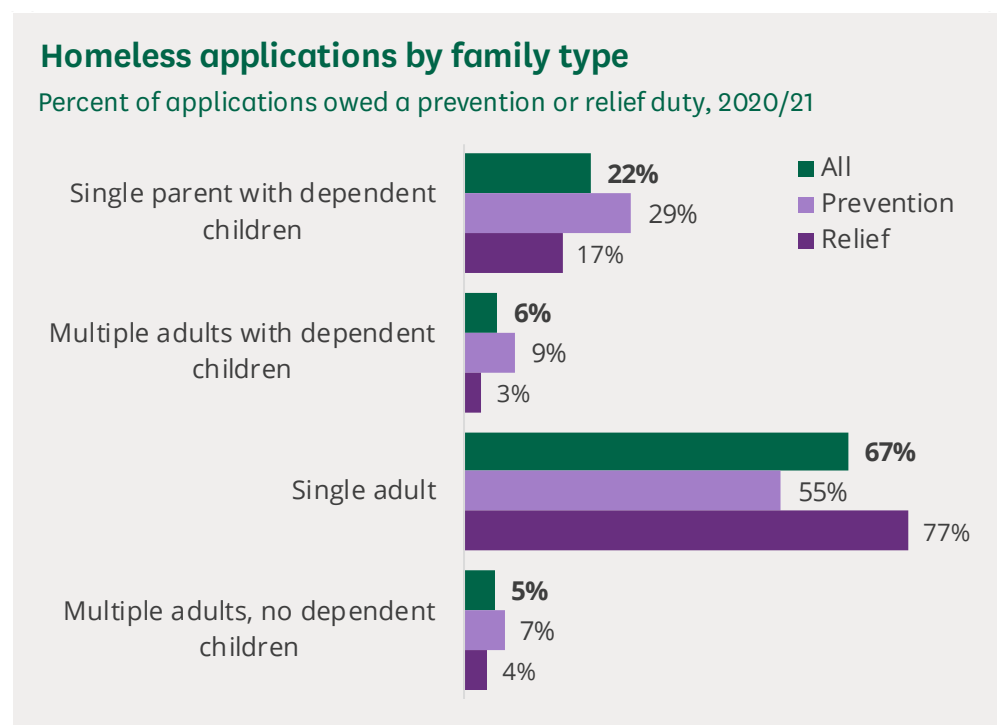
The chart below shows the structure of households owed a prevention duty or relief duty during 2020/21. Single adults made up 67% of all households owed a duty (around 179,030 people). Single parents with dependent children made

⁶⁰ MHCLG, [Statutory homelessness live tables](#), Table MD1. 9 September 2021.

⁶¹ Ibid.

up 22% (around 59,350 households), and other families with dependent children made up 6% (around 15,770 households).

Relief duties were primarily owed to single adult households. 71% of relief duties were owed to single adults, while 20% were owed to families with children. Families with children were more likely to be owed prevention duties, accounting for 38% of all prevention duties owed.



Source: [Statutory homelessness live tables](#), Tables A5P and A5R, 9 September 2021.

The majority of single adults owed a duty were male. 66% were male (124,040 men) compared with 33% female (59,770 women). By contrast, the majority of single parents were women: 89%, (52,800) single-parent applicants were women, while 10% were men (6,120). Statistics on gender are only published for single-adult households, so we don't know the overall gender breakdown of people owed a homelessness duty.⁶²

Ethnicity and nationality

The chart below breaks down households owed a prevention or relief duty by the ethnic group of the lead applicant (ie the person making the application for the household) in England overall and in London. For comparison, the proportion of the individual population belonging to each ethnic group is also shown.

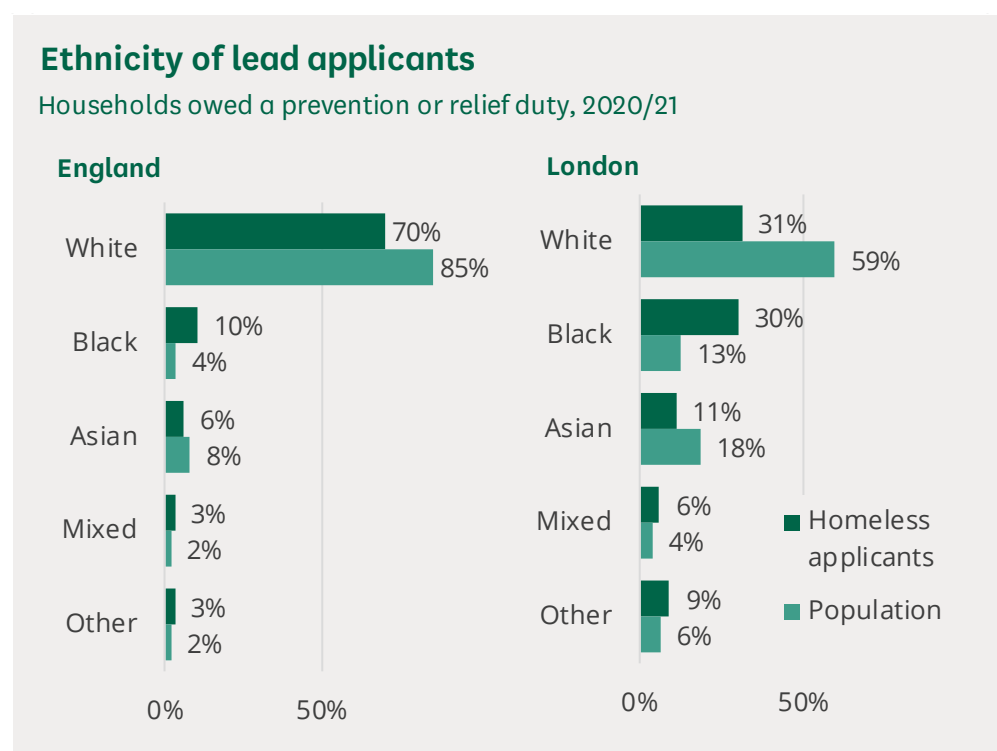
Across England, White applicants are under-represented relative to the general population and Black applicants are over-represented. 10% of

⁶² MHCLG, [Statutory homelessness in England: Financial year 2020-21](#), Detailed local-authority level tables A5P and A5R, 9 September 2021

applications owed a prevention or relief duty were from Black lead applicants, while Black people make up 4% of England’s population. Asian applicants are also under-represented as a group, while applicants from Mixed or other backgrounds are also slightly over-represented.

This trend is more pronounced in London. Black applicants accounted for 30% of applications owed a prevention or relief duty, while making up 13% of London’s population.

Outside of London, Black people make up around 5% of applicants owed a prevention or relief duty, and around 2% of the population. White people make up around 79% of applicants and 90% of the population.



Source: [Statutory homelessness live tables](#), Table A8, 9 September 2021.

MHCLG also publishes data on the nationality of applicants. 86% of lead applicants owed a prevention or a relief duty were UK nationals. 3% were nationals of A8 countries, A2 countries or Croatia.⁶³ 2% were nationals of other European Economic Area countries; 6% were from non-EAA countries. 2% did not have a nationality recorded, and less than 1% were Irish nationals.⁶⁴

⁶³ The A8 countries are Czechia, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia. The A2 countries are Bulgaria and Romania.

⁶⁴ MHCLG, [Statutory homelessness in England: Financial year 2020-21](#), Detailed local-authority level table A9, 9 September 2021

Age

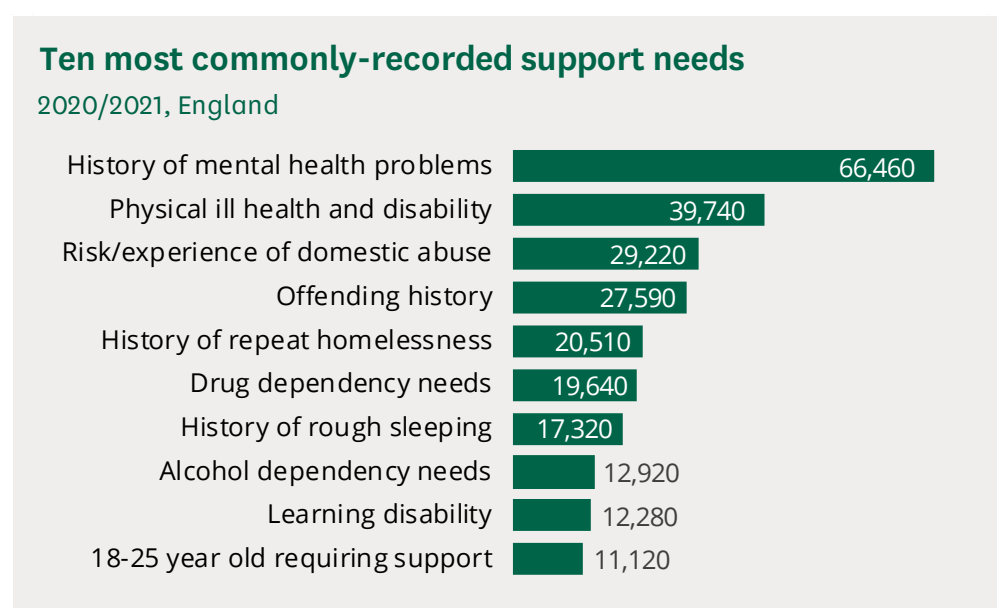
Applicants owed a prevention or relief duty were relatively young. Most lead applicants (78%) were aged under 45. 23% were aged under 25, with 1%, or around 2,630 applicants, aged 16-17. Almost a third (32%) of applicants were aged 25-34. 22% of applicants were aged 45 or over, with 3% aged 65 or over.⁶⁵

Employment status

39% of lead applicants were registered unemployed at the time of their application. 22% were in work (12% in full-time work and 10% in part-time work). 14% were not working due to a long-term illness or disability and 11% were otherwise economically inactive (retired, students, or not seeking work). 4% were not registered as unemployed but seeking work. The remainder were classed as 'other' or 'not known'.⁶⁶

Support needs

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



Source: [Statutory homelessness live tables](#), Table A3, 9 September 2021.

During 2020/21, 135,790 households were identified as having support needs – 51% of all households assessed as owed a prevention or relief duty. Because households can have more than one support need, there were 296,880 support needs identified: an average of 2.2 per household. The chart above

⁶⁵ MHCLG, [Statutory homelessness in England: Financial year 2020-21](#), Detailed local-authority level table A6, 1 October 2020

⁶⁶ MHCLG, [Statutory homelessness in England: Financial year 2019-20](#), Detailed local-authority level table A10, 1 October 2020

shows the ten most commonly-reported support needs. ‘History of mental health problems’ was the most common.

Reason for loss of last settled home

The table below shows the reason recorded for households losing their last settled home in 2020/21. Common reasons were family and friends no longer able or willing to accommodate the household (32%), the end of an Assured Shorthold Tenancy (AST) in the private rented sector (13%), and domestic abuse (25%).

Reasons for loss of last settled home		
Households owed a prevention or relief duty, 2020/21, England		
	Number of households	% of total
Family/friends can no longer accommodate	86,820	32%
End of an Assured Shorthold Tenancy	33,960	13%
<i>Landlord wishing to sell/re-let</i>	15,670	6%
<i>Rent arrears</i>	7,460	3%
<i>Other reasons</i>	10,860	4%
Domestic abuse or other violence	39,570	15%
<i>Domestic abuse</i>	31,180	12%
<i>Other violence/harrassment</i>	8,390	3%
Non-violent relationship breakdown	24,160	9%
End of a social rented tenancy	7,800	3%
<i>Rent arrears</i>	4,160	2%
<i>Other reasons</i>	3,630	1%
Other	76,290	28%
Total	268,560	100%

Source: [Statutory homelessness live tables](#), Table A2, 9 September 2021.

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 end of an AST accounted for 11% of all cases in 2009/10, rising to a peak of 31% in 2015/16, before falling to 27% in 2017/18.

The proportion of households homeless due to the end of an AST fell substantially between 2019/20 and 2020/21. In 2019/20, 20% of acceptances were due to the end of an AST – around 57,970 cases. In 2020/21, the number fell to 33,950 cases, or 13% of the total. This is a reduction of around 41%. The

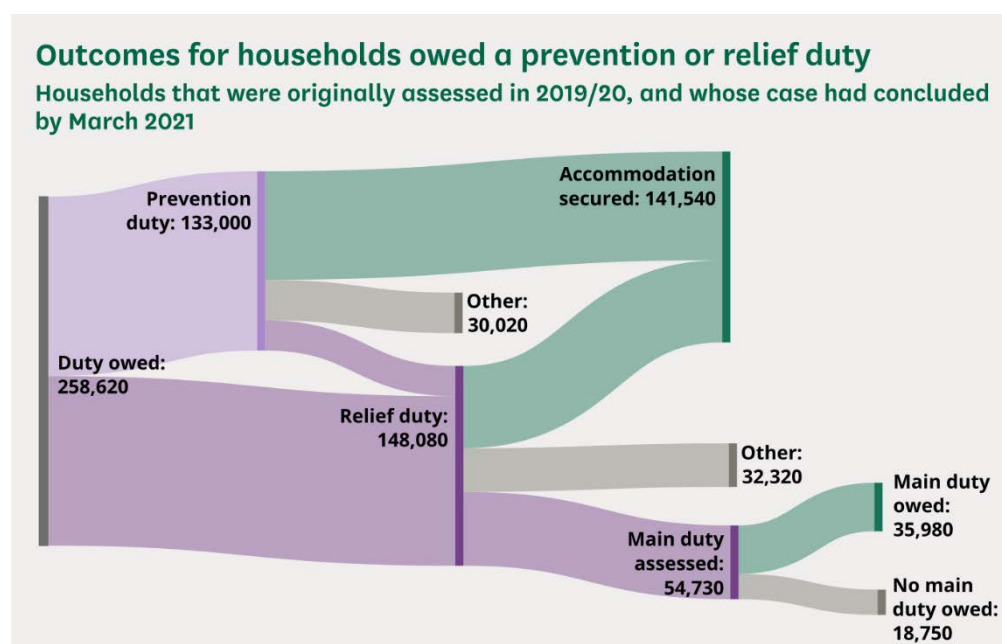
fall is likely to reflect measures taken by the government to prevent evictions during the Covid-19 outbreak.⁶⁷

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

How are homelessness duties ended?

MHCLG has published longer-term data on the outcomes of households that were initially owed a prevention or a relief duty in 2019/20. The figures cover households whose cases had either closed or resulted in a main duty decision by the end of March 2021.

The flow diagram below shows the progress of these households.



Source: MHCLG, [Statutory Homelessness in England: financial year 2020-21](#), Flows table F1, 9 September 2021.

A slight majority (51%) of households were initially owed a prevention duty, while 49% were owed a relief duty.

Out of all the households owed a prevention duty, 61% had their duty ended with accommodation secured and 39% did not. 17% went on to become homeless and were owed a relief duty. 23% had their duty end because of ‘another’ reason (eg refusal to co-operate, application withdrawn).

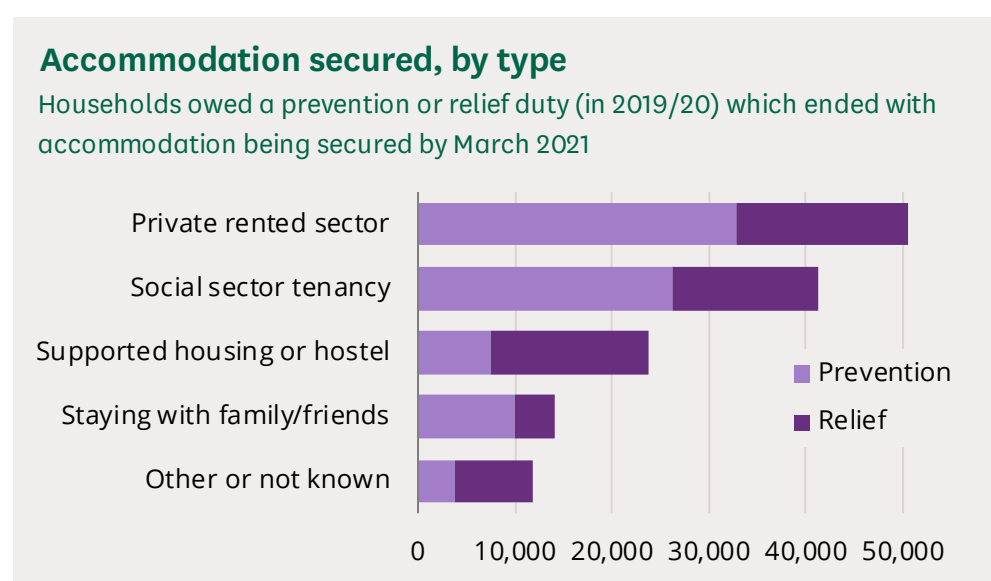
Accommodation was secured for 41% of households owed a relief duty (including some of those initially owed a prevention duty). 22% of households had their duty ended for ‘other’ reasons. The remaining 37% were still homeless after their relief duty expired, and were therefore owed a main duty assessment.

⁶⁷ For background see: [Coronavirus: Support for landlords](#), Commons Library briefing (CBP-8867), September 2021 (publication dates are subject to change when papers are updated).

Around two-thirds of main duty assessments resulted in the household being owed a main rehousing duty. Most of the remainder were found to be homeless, but were either intentionally homeless or not in a priority need group.

Overall, 69% of cases eventually ended either with some form of accommodation secured or a main duty owed. 66% of cases where the household was at some point owed a relief duty ended in this way.

The chart below shows the type of housing secured for households whose duty ended with accommodation secured (not including households owed a main rehousing duty). These figures include households that were supported to remain in their current accommodation. The private rented sector was the most common option, accounting for 36% of all duties ended.



Source: MHCLG, [Statutory Homelessness in England: financial year 2020-21](#), Flows table F1, 9 September 2021.

Households in temporary accommodation

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

There were 95,450 households in temporary accommodation at the end of March 2021, 4% higher than the same date a year previously. These households included 119,830 children, 7% lower than a year previously.

The number of households in temporary accommodation has been rising year-on-year since late 2011. The number of households in temporary accommodation in March 2021 was almost double the number a decade previously.

The Commons Library briefing [Households in temporary accommodation \(England\)](#) provides more detailed statistics on trends in temporary accommodation.

3.3

Other estimates of homelessness

Organisations such as Shelter and Crisis have 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.

Crisis has carried out research with Heriot-Watt University to define ‘core homelessness’ and estimate its extent, based on available data.

Crisis’ [2021 Homelessness monitor](#) publication estimated that around 220,000 households or individuals experienced core homelessness in England in 2019. Around half of these cases (110,000) involved sofa surfing, followed by people/households in homeless hostels (42,000), in “unsuitable” temporary accommodation (19,000), and other unconventional accommodation such as cars and boats (19,000).

Crisis estimate that the level of core homelessness dropped to around 200,000 in 2020, mostly due to the ‘Everyone In’ programme aimed at accommodating people at risk of rough sleeping during the Covid-19 outbreak.⁶⁸

These estimates are based on datasets which can sometimes only indirectly measure the concepts looked at. By necessity, they involve a degree of value judgement about what counts as ‘suitable’ temporary accommodation.

⁶⁸ Crisis, [The Homelessness Monitor: England 2021 Executive Summary](#), 1 March 2021

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, eg 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.⁶⁹

Around 15% of new rough sleepers seen in London over 2020/21 had contacted a local authority for assistance before first being seen sleeping rough.

These findings are reinforced by data gathered using the Combined Homelessness and Information Network (CHAIN) in London. Over 2020/21, 1,147 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 29% of all new rough sleepers for whom this information was recorded and 15% of all new rough sleepers seen in that year.⁷⁰

The move to a Housing Options approach by local authorities was generally welcomed as generating positive outcomes in terms of prevention work, but concerns were raised around its use to reduce the number of homeless acceptances amongst households in priority need. The CLG Select Committee

⁶⁹ [The Homelessness legislation: an independent review of the legal duties owed to homeless people](#), April 2016, p14

⁷⁰ [CHAIN Annual Report, Greater London April 2020 to March 2021](#), June 2021, p13

highlighted the difficulties applicants can face in trying to trigger a 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.⁷¹

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.⁷²

The impact of the Homelessness Reduction Act (HRA) 2017

The Homelessness Reduction Act 2017 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 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 the Act was doing some things it had been designed to do. Most authorities were in agreement about the purpose and benefit of the provisions and felt it was “enabling them to deliver more person-centred services to people who come in.”⁷³ 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.⁷⁴

Deborah Garvie, Policy Manager at Shelter, gave evidence based on a survey of advisers across England. She said, overall, authorities were implementing the process required of them, but in areas with limited options for securing

⁷¹ Communities and Local Government Select Committee, [Homelessness](#), 18 August 2016, HC 40 2016-17, para 40

⁷² See: Inside Housing, “Councils failing to accept the homeless”, 25 February 2011 (subscription required] and [Nearly Legal: Housing Law News and Comment](#), 5 June 2016

⁷³ Housing, Communities and Local Government Committee, Oral evidence: [Homelessness Reduction Act—One Year On](#), HC 2089, 23 April 2019, Q2

⁷⁴ Ibid.

affordable rented housing the HRA was not delivering on the relief of homelessness.⁷⁵

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.⁷⁶

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

- Professional triage on first contact.
- Specialist staff to work within their specialism, eg 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, eg 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 referred to work commissioned by London Councils from the LSE:

...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.⁷⁷

Councillor Morris of the LGA said the funding had enabled some “really good work across the country” but the average funding gap was around £155,180, representing 93% of HRA funding at that time.⁷⁸ She noted that predicted

⁷⁵ Ibid.

⁷⁶ Ibid., Q6

⁷⁷ Ibid., Q27

⁷⁸ Ibid.

reductions in the use of temporary accommodation and associated costs had not come to pass.⁷⁹

The LGiU Local Government Homelessness Commission's work on homelessness prevention from the perspective of local government, which reported in June 2019,⁸⁰ considered the impact of the HRA. The Commission's Final Report recorded evidence of an improved assessment process which had "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.⁸¹

The LSE research commissioned by London Councils and 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](#).⁸² London Councils summarised the main findings:

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).

⁷⁹ Ibid., Q29

⁸⁰ [LGiU Homelessness Commission 2019: Final Report](#), June 2019 [login required]

⁸¹ Ibid., p11

⁸² Scanlon K; Whitehead C: [The Cost of Homelessness Services in London](#), LSE London, September 2019

If current trends continue, the total cost of London's homelessness services will increase to over £1 billion a year 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.⁸³

Jeremy Swain, Deputy Director of the Homelessness and Rough Sleeping division at MHCLG, told HCLG Committee that the level of new burdens funding would be looked at as part of the Government's HRA review.⁸⁴

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 Government response](#) was published on 25 September 2020. Alongside it the Government published the [Evaluation of the Implementation of the Homelessness Reduction Act: Final Report](#) (see below).

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 were recorded, but amongst the key findings Crisis observed:

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.⁸⁵

The report also contained 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 were recorded, particularly in the assessment and assistance provided to single homeless applicants.⁸⁶ But barriers to assistance still exist and the number of households in temporary accommodation has not reduced. Shelter concluded:

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.⁸⁷

⁸³ [London Councils Press Release](#), 11 October 2019

⁸⁴ Housing, Communities and Local Government Committee, [Oral evidence: Homelessness Reduction Act—One Year On](#), HC 2089, Q84, 23 April 2019

⁸⁵ Boobis, S., Sutton-Hamilton, C., and Albanese, F. (2020) '[A foot in the door' Experiences of the Homelessness Reduction Act](#). London: Crisis

⁸⁶ These people were frequently turned away as 'not in priority need'.

⁸⁷ Shelter, [Caught in the Act: a review of the new homelessness legislation](#), April 2020, p5

In July 2020 the Local Government and Social Care Ombudsman published a report setting out lessons councils can learn based on the first 50 cases investigated under the HRA:

Problems identified in the new report include councils delaying helping people and difficulties in issuing Personalised Housing Plans – the documents which set out what has been agreed between the homeless person and local authority to address the problem. The Ombudsman also found simple communication issues, with people left unsure about the next steps they need to take, or not being told about their rights to challenge a council’s decision.⁸⁸

The LGA responded saying “significant and ongoing” funding challenges have limited councils’ ability to deliver the Act and prevent homelessness.⁸⁹

Outcome of the Government response to the call for evidence (September 2020)

As noted above, [the Government response](#)⁹⁰ together with the [Evaluation of the Implementation of the Homelessness Reduction Act: Final Report](#) were published on 25 September 2020.⁹¹ This report was commissioned by MHCLG from ICF Consulting Services Ltd with Kantar Public and Heriot-Watt University. As with previous assessments summarised in this paper, successes were recorded alongside recommendations for ongoing implementation. Amongst the detailed findings, the authors noted:

- Assessments and personalised plans are being delivered by authorities but there were mixed views on impact. This was mirrored in the views of service users.
- The extended prevention duty was assessed as most effective in delivering more positive outcomes for service users. Clients with complex needs can present challenges for tenancy retention work.
- In contrast, the effectiveness of relief duty was seen as variable with much depending on the local supply of affordable housing.
- Examples of improved advice and information services were identified.
- The transition to H-CLIC data reporting had been a “difficult process”. Authorities see potential for the information gathered to inform design and delivery of services but “there was little evidence so far of it being actively used for this purpose.”

⁸⁸ Local Government and Social Care Ombudsman, [Home Truths: how well are councils implementing the Homelessness Reduction Act?](#) July 2020

⁸⁹ [LGA Press Release](#), 15 July 2020

⁹⁰ MHCLG, [Homelessness Reduction Act 2017: government response to the call for evidence](#), 25 September 2020

⁹¹ MHCLG, [Evaluation of the Implementation of the Homelessness Reduction Act: Final Report, 16 March 2020 \(publicly available 25 September 2020\)](#)

- Challenges for authorities implementing the HRA included:
 - Insufficient access to affordable housing, particularly in London.
 - An increased administrative burden.
 - Meeting the H-CLIC data requirements.
 - Uncertainties over future funding.
- Not all the bodies subject to the duty to refer were seen as having implemented this effectively. Jobcentres and probation services were the most successful with adult and children’s social services and health providers referring fewer people. The report contains suggestions for more work in this area.
- While many service users described positive experiences of local authority homelessness services, there was evidence of the ethos of the HRA not being universally embedded amongst all staff in all areas. Scope for improvement in communication with service users over the progress of their cases was identified.

The authors made several recommendations for MHCLG to consider, including:

- The extension of New Burdens funding and an update of the allocations approach.
- Maintain or enhance the Homelessness Housing Advice and Support Team (HAST).
- Additional tools and guidance to support the use of H-CLIC data by local authorities (benefits realisation).
- National promotion of the duty to refer and further review of its scope with the possibility of reformulation as a “duty to collaborate”.

Recommendations for authorities included:

- Additional training to reinforce culture change and strengthen casework.
- Obtain and use service users’ feedback.
- Consider more senior staff recruitment – this is linked to improving capacity to deal with more complex aspects of the Act.
- Review/reflect on homelessness service expenditure with a view to refining services.
- Feedback to public authorities on their use of the duty to refer.

There was a further recommendation for other national government departments and agencies to “introduce national guidelines and monitoring arrangements around the Duty to Refer.”

[The Government response](#) contained a series of commitments, including:

- An awareness raising exercise around the new duties.
- A post-implementation review of new burdens funding to “fully understand the impact of the new duties on local authorities”. There was an expectation that the results would be published in autumn 2020.
- Promotion of the duty to refer at a national level to the relevant public bodies and monitoring how it is being implemented via H-CLIC returns. Action taken by various departments in relation to the duty to refer is summarised in paragraphs 64-72 of the Government response. There was a further commitment to explore how to improve joint working, including consideration of extending the duty to other agencies.
- Additional guidance on personalised plans will be considered as will sharing best practice in this area.⁹²

4.2

Use of private rented & out of borough placements

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

Measures to enable local authorities to discharge their duty to 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 2012.⁹³

Housing organisations questioned whether it was inappropriate to discharge duties towards homeless households by offering a private rented tenancy at a time when homeless applications arising from evictions in the sector were rising.⁹⁴ 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 to apply where a homeless household is rehoused in a private tenancy.

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 must have regard when discharging (ending) their duties to homeless households by using private rented accommodation.⁹⁵ The statutory

⁹² MHCLG, [Homelessness Reduction Act 2017: government response to the call for evidence](#), 25 September 2020

⁹³ Localism Act 2011 (Commencement No.2 and Transitional Provisions) (England) Order 2012, (S.I. 2012/2599)

⁹⁴ See section 2 of this paper.

⁹⁵ This guidance is archived - the relevant guidance can be found in chapter 17 of the [Homelessness Code of Guidance](#).

guidance says the 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 the local area.

Local authorities, particularly in London, also use temporary accommodation in other areas to help fulfil 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.⁹⁶

26,250 households were placed in another local authority area at the end of June 2021, representing 27.2% of all households placed in temporary accommodation. 83% of these placements were by London authorities.⁹⁷

Section 208(1) of the 1996 Act requires authorities, when discharging their housing functions under Part 7, in so far as is reasonably practicable, to 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.⁹⁸

4.3 Homeless young people

Numerous reports have identified particular issues faced by homeless young people when seeking to access local authority assistance. 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

⁹⁶ Inside Housing, "Councils left in dark over homeless placements," 15 November 2013 [subscription required]

⁹⁷ Department for Levelling Up, Housing and Communities (DLUHC), [Statutory Homelessness April to June 2021: England](#), 28 October 2021, p6

⁹⁸ [HC Deb 5 November 2018 cc1212-3](#)

which they are entitled.⁹⁹ These findings were reinforced by the Children's Society's report [Getting the house in order](#) (March 2015).¹⁰⁰

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.¹⁰¹

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:

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.¹⁰²

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

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.

[...]

⁹⁹ Law Centres Network, [Supporting homeless 16 and 17 year olds](#), February 2013

¹⁰⁰ Children's Society, [Getting the house in order](#), March 2015

¹⁰¹ Centrepoint, [Making homeless young people count: The scale of youth homelessness in the UK](#), November 2018, p4

¹⁰² *Ibid.*, p13

Data published should include specific data on youth homelessness to ensure that the needs of this group can be effectively addressed.¹⁰³

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 parliamentary question on tackling homelessness amongst under-25s on 5 March 2020:

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 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.¹⁰⁴

¹⁰³ *Ibid.*, p23

¹⁰⁴ [PQ 15119 \[Homelessness: Young People\], 5 March 2020.](#)

October 2020 saw publication of [Joint housing protocols for care leavers: good practice advice](#) which is aimed at ensuring that those leaving care move smoothly into independent living.¹⁰⁵

Budget 2020 announced some additional exemptions from the [Shared Accommodation Rate](#) (SAR) which affects Housing Benefit/Universal Credit claimants in the private rented sector under age 35. 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.”¹⁰⁶ The new exemptions for care leavers and former hostel residents were implemented from 31 May 2021¹⁰⁷, the remaining changes will be implemented in October 2022.¹⁰⁸

Centrepoint published research focusing on youth homelessness during the pandemic in May 2021 which recorded failures over 2019/20 similar those to identified in 2018:

Centrepoint’s Youth Homelessness Databank showed that in the financial year 2019/20, more than 121,000 young people across the UK sought help because they were homeless or at risk of homelessness.

However, only 72 per cent of those young people received an initial assessment under the Homelessness Reduction Act, and only 40 per cent had their homelessness successfully prevented or relieved.¹⁰⁹

However, the authors saw grounds for hope, noting frontline services had “shown incredible determination and innovation, always putting the needs of young people first” during the pandemic, while young people had shown “great resilience”.¹¹⁰ The authors listed five recommendations for Government action to tackle youth homelessness:

1. The Ministry for Housing, Communities and Local Government should provide long term funding for youth specific accommodation across the country, including specialist emergency accommodation for young people at risk of rough sleeping.
2. MHCLG should produce a centralised directory of housing options and homelessness services for each local authority, accessible through Gov.uk. This should include an up to date telephone number, email and physical address which can be easily found and accessed.

¹⁰⁵ MHCLG & DfE, [Joint housing protocols for care leavers: good practice advice](#), October 2020

¹⁰⁶ Budget 2020, [HC 121](#), March 2020, para 1.190

¹⁰⁷ [PQ 12104 \[Local Housing Allowance: Shared Housing\], 16 June 2021](#).

¹⁰⁸ HM Treasury, [Autumn Budget and Spending Review 2021 Policy Costings](#), October 2021, p15

¹⁰⁹ Centrepoint, [A year like no other: Youth homelessness during the COVID pandemic](#), May 2021, p4

¹¹⁰ *Ibid.*, p23

3. The Department for Work and Pensions (DWP) should ensure that Universal Credit (UC) personal allowance rates cover the real cost of living. In the short-term, this should include making the temporary uplift to UC permanent, extending this increase to legacy benefits, and committing to a long-term linking of benefit levels to real living costs. In the longer-term, DWP should consider raising the personal allowance rates for young people living independently to match the rate that over-25s receive to reflect the fact they face the same living costs.
4. The DWP should remove barriers to employment faced by young people living in supported accommodation, through raising the applicable amount within housing benefit or extending work allowances to vulnerable young people through UC.
5. MHCLG and the DWP should urgently put together a package of support for tenants who have accrued rent arrears due to COVID-19, through grants, loans and the use of existing measures such as Discretionary Housing Payments (DHPs).¹¹¹

4.4 Access to housing association tenancies

[The homelessness monitor: England 2019](#) recorded 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.¹¹²

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

¹¹¹ Ibid.

¹¹² Suzanne Fitzpatrick; Hal Pawson; Glen Bramley; Beth Watts; Jenny Wood; Mark Stephens & Janice Blenkinsopp, [The homelessness monitor: England 2019](#), May 2019, p12

...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.¹¹³

In September 2019, the Local Government Association and National Housing Federation published [Housing Associations and councils working together to end homelessness](#). The report reflected on how they could work in partnership to tackle the challenge of homelessness. For example, associations are not subject to the ‘duty to refer’¹¹⁴ but the NHF has developed a housing association offer called “the commitment to refer.”¹¹⁵ Over 200 associations were reported to have signed up to this commitment at the end of December 2018.¹¹⁶

¹¹³ Ibid.

¹¹⁴ See section 1.1 of this paper.

¹¹⁵ [NHF Guidance on the Commitment to Refer](#), January 2020

¹¹⁶ Inside Housing, “Sign up to the commitment to refer on homelessness,” 20 December 2018 [subscription required]

5 Government policy and comment

5.1 Increasing affordable housing supply

One of the main 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”¹¹⁷ and build “at least a million more homes over this Parliament.”¹¹⁸

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

[Stimulating housing supply - Government initiatives \(England\)](#) (CBP-6416)

[Tackling the under-supply of housing in England](#) (CBP-7671)

[What is affordable housing?](#) (CBP-7747)

[Social rented housing \(England\): past trends and prospects](#) (CBP-8963)

Funding for the Affordable Homes Programme was increased to £9.1 billion following the Autumn Budget 2017. There was an increased focus on delivering a supply of housing at social rents. For example, the Autumn 2017 Budget announced councils in areas with high affordability pressures would be able to bid for increases in their borrowing caps from 2019/20.¹¹⁹ This was followed by Theresa May announcing that council borrowing caps would be lifted to support more housebuilding.¹²⁰

The then-Chancellor announced the lifting of borrowing caps with effect from 29 October 2018 during the 2018 Budget.¹²¹ Local authorities welcomed this but also called for the ability to retain 100% of 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 housing. Under current arrangements councils are only able to retain a third of receipts from the sale of homes. Local authorities have lost

¹¹⁷ [Conservative Party Manifesto 2019](#), p31

¹¹⁸ [Queen’s Speech Background Briefing Notes](#), 19 December 2019, p48

¹¹⁹ [Autumn Budget, HC 587](#), November 2017, para 5.23

¹²⁰ [Prime Minister’s Conference Speech](#), 3 October 2018

¹²¹ [HMT, HC 1629, 2018 Budget](#), para 4.56

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.¹²²

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.¹²³

The Spending Review 2020 (November 2020) confirmed the £12.2 billion AHP 2021-26.

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.¹²⁴

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.¹²⁵

[Bidding information for the AHP 2021-2026](#) was issued on 10 September 2020. It's envisaged that half the funding will be focused on routes into home ownership while half will deliver homes for social and affordable rent. The Government has said 180,000 new affordable homes will

¹²² [Local Government Association Briefing for Lords Debate 31 January 2019](#).

¹²³ [MHCLG Press Release](#), 14 March 2019

¹²⁴ [Budget 2020, HC 121](#), March 2020, para 2.91

¹²⁵ [Shelter Press Release](#), 13 March 2020

be delivered “should economic conditions allow” of which 32,000 are expected to be for social rent.¹²⁶

Commentators have questioned the balance of the programme. The Chartered Institute of Housing said:

Whilst investment in lower-cost home-ownership is a legitimate government ambition it must not come at the expense of providing social rented homes, across the country, for those that need them the most.

Our analysis shows that government’s investment in housing is already disproportionately stacked in favour of home ownership and while we need more homes of all kinds, we particularly need homes at lower ‘social’ rents. There is a strong economic case for government to invest in this area as part of post-pandemic package to kick-start the economy and put homes at the heart of recovery and we’ll be making that point to the Treasury in our comprehensive spending review submission.¹²⁷

Commenting on the Autumn Budget and Spending Review 2021, which confirmed the AHP of £11.5 billion, the CIH said:

More broadly, when we have a pressing need for more homes and especially the most affordable for social rent (100,000 across the UK as CIH set out in our [submission](#)), the absence of new investment for social housing today is disappointing. [Research](#) recently published by CIH and Centre for Homelessness Impact revealed how much more investment into more social homes could save in the long term.¹²⁸

The research referred to above found that £572m in Housing Benefit and the housing element of Universal Credit could be saved each year if councils could substitute social rented accommodation for the 73,700 private rented lettings currently used for temporary accommodation.¹²⁹

[The Government response](#) to the call for evidence on the impact of the HRA, said “The government will consider separately the points raised around affordable housing supply”.¹³⁰

¹²⁶ [MHCLG Press Release](#), 31 August 2021

¹²⁷ [CIH Press Release](#), 8 September 2020

¹²⁸ [CIH responds to Autumn Budget and Spending Review 2021](#), 27 October 2021

¹²⁹ Perry J; Lister S; CIH: [Housing for people on low incomes – how do we make the best use of government subsidies in England?](#) October 2021

¹³⁰ MHCLG, [Homelessness Reduction Act 2017: government response to the call for evidence](#), 25 September 2020

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.¹³¹ 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.¹³²

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](#) (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.¹³³

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.

The Committee’s [report](#) was published on 18 August 2016. The Committee concluded, in light of the shortage of social housing, the private rented sector is an “essential means to help people escape and avoid homelessness.”¹³⁴ However, they went on to highlight financial barriers to access and said “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

¹³¹ [MHCLG Press Release](#), 23 December 2019

¹³² *Ibid.*

¹³³ Committee of Public Accounts, [Homeless Households](#), 20 December 2017, HC 462 2017-19, p3

¹³⁴ Communities and Local Government Committee, [Homelessness](#), 18 August 2016, HC 40 2016-17, para 21

longer Assured Shorthold Tenancies which allow tenants to leave early without penalty.¹³⁵

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.¹³⁶ The outcome was published on 15 April 2019¹³⁷ - the then-Secretary of State, James Brokenshire, announced 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.¹³⁸

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 to "Abolish the use of 'no fault' evictions by removing section 21 of the Housing Act 1988 and reforming the grounds for possession."¹³⁹

[The 2021 Queen's Speech](#) announced an intention to publish the Government response to the 2019 consultation exercise and provide details of a full reform package in a White Paper "later this year".

The Government has been pressed on timing. The [response to the Housing Communities and Local Government Select Committee's interim report](#) on protecting rough sleepers and renters (June 2020), repeated the commitment to abolish section 21 but emphasised the need to take forward reforms in "a considered manner."

On 3 March 2021 the Housing Minister, Christopher Pincher, said the Renters' Reform Bill will be brought forward "[once the urgencies of responding to the pandemic have passed](#)."¹⁴⁰

5.4

Welfare reform

Numerous reports have identified welfare reform, and changes to Housing Benefit/Local Housing Allowance entitlement, as a contributing factor to homelessness (see section 2.2). The CLG Committee's 2015-16 homelessness

¹³⁵ Ibid.

¹³⁶ MHCLG, [Overcoming the barriers to longer tenancies in the private rented sector](#), 2 July 2018

¹³⁷ MHCLG, [Overcoming the barriers to longer tenancies in the private rented sector: summary of responses and government response](#), 15 April 2019

¹³⁸ [MHCLG Press Release](#), 15 April 2019

¹³⁹ [Queen's Speech Background Briefing Notes](#), 19 December 2019

¹⁴⁰ For more information see: [The end of 'no fault' section 21 evictions](#), Commons Library briefing (CBP-8658), 29 July 2021, (The date cited reflects the most recent update at the time of writing).

inquiry found “The impact of the welfare reforms of recent years have increased pressure on levels of homelessness.”¹⁴¹

As noted in section 2.2, 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 this research would assist the development of “a predictive model of homelessness and rough sleeping in the long term.”¹⁴²

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.¹⁴³

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. 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.¹⁴⁴

¹⁴¹ Communities and Local Government Committee, [Homelessness](#), 18 August 2016, HC 40 2016-17, para 36

¹⁴² [PQ 213232 \[Homelessness: Social Security Benefits\], 5 February 2019.](#)

¹⁴³ Housing, Communities and Local Government Committee, [Oral evidence: Homelessness Reduction Act—One Year On](#), HC 2089, Q97, 23 April 2019

¹⁴⁴ *Ibid.*, Q127

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.¹⁴⁵

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.¹⁴⁶

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%).¹⁴⁷ However, in response to the Covid-19 outbreak, the Government announced a further increase in support through LHA:

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.¹⁴⁸

LHA rates have been maintained in cash terms over 2021/22. The National Residential Landlords Association criticised this measure:

The NRLA is warning that the announcement represents a kick in the teeth for those renters and landlords struggling with the consequence of rent arrears through no fault of their own.

The current rate was set in April to help renters whose incomes had been affected by the pandemic to meet the cost of their rents. A recent analysis by the Joseph Rowntree Foundation suggests that five per cent (200,000) households in the private rented sector are in arrears. 30 per cent of all private rented households are worried about paying their rent in the next three months, compared to 19 per cent immediately pre-COVID-19.

¹⁴⁵ *Ibid.*, Q131

¹⁴⁶ Letter from Jeremy Pocklington to Meg Hillier MP, 30 August 2019

¹⁴⁷ [DWP Press Release](#), 13 January 2020

¹⁴⁸ HM Treasury Press Release, 20 March 2020

The vast majority of private landlords have done everything they can to support struggling tenants. However, given that most landlords are individuals and not property tycoons, it will become increasingly difficult to keep affected tenancies going without adequate financial support to pay off rent arrears.¹⁴⁹

HCLG Committee called for a review of the decision to freeze rates in cash terms.¹⁵⁰

A further freeze over 2022/23 has been confirmed. [The Policy Costings document](#) accompanying the Autumn Budget and Spending Review 2021 notes an intention to freeze LHA rates at 2020/21 levels in 2022/23.

The [Office for National Statistics' \(ONS\) experimental price index for privately rented homes in the UK](#) recorded a 1.3% increase in rents paid by private tenants in the UK in the 12 months up to September 2021.

[The Homelessness Monitor: England 2021](#) identifies a number of longer-term measures which, according to the authors, would have a significant impact on projected levels of core homelessness, of which raising LHA rates is one.¹⁵¹

During the pandemic a coalition of bodies including Shelter, the NRLA, the Association of Residential Landlords (ARLA), Propertymark, Crisis, Citizens Advice and Generation Rent, have issued a series of press notices in which they have called for changes to the welfare system. For example, on 18 February 2021, ahead of the Budget, the bodies called for:

...a welfare system that provides renters with the security of knowing that they can afford their homes. The pandemic has shown how vital this is to providing security at a time of crisis. The Government increased Universal Credit and Housing Benefit because it recognised that the system was not doing enough to support people in the first place, yet it has chosen to freeze Housing Benefit rates again from April and is considering cutting Universal Credit at the same time. It cannot be right that these measures could be pulled away from renters during continued economic uncertainty.¹⁵²

Housing organisations were highly critical of the decision to withdraw the Universal Credit uplift, arguing this would leave renters less able to cover rent payments which are not met in full by LHA.¹⁵³

¹⁴⁹ NRLA, [Sunak cuts housing support](#), 25 November 2020

¹⁵⁰ Housing, Communities and Local Government Committee, [Protecting the homeless and the private rented sector: MHCLG's response to Covid-19](#), 31 March 2021, HC 1329 2019-21, paras 94-95

¹⁵¹ [The Homelessness Monitor: England 2021 – key findings](#), Crisis, 1 March 2021

¹⁵² Joint Press Release, [Chancellor must act to tackle rent debt crisis](#), 18 February 2021

¹⁵³ [Campaigners say 700,000 Universal Credit claimants cannot cover their rent](#), 24 February 2021; [70% increase in renters on Universal Credit struggling in severe arrears - Crisis responds](#), 13 October 2021

Section 5.5 (below) provides information on one-off funding of £65 million in 2021/22 which authorities can use to assist people who cannot cover their rent and who are at risk of homelessness.

5.5 Funding to tackle homelessness

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

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.¹⁵⁴

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 2017.¹⁵⁵

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 Homelessness Reduction Act, which came into force last year, to help homeless households into accommodation.¹⁵⁶

Spending Review 2020 (25 November 2020) announced additional funding, mainly to support a reduction in rough sleeping:

SR20 also provides £254 million of additional resource funding, including £103 million announced earlier this year for accommodation and substance misuse, to support rough sleepers and those at risk of homelessness during Covid-19. This takes total resource funding in 2021-22 to £676 million, a 60 per cent cash increase compared to SR19. This additional funding will support frontline services through the Rough Sleeping Initiative and enable

¹⁵⁴ NAO, [HC 308](#), September 2017, para 19

¹⁵⁵ DCLG, [Homelessness Reduction Act new burdens funding](#), 16 October 2017

¹⁵⁶ [MHCLG Press Release](#), 23 December 2019

local authorities to fund their statutory duties to prevent homelessness. The government will also provide new funding to support prison leavers at risk of homelessness into private rental tenancies and will commit £87 million of capital funding in 2021-22 primarily to support the delivery of long-term accommodation for rough sleepers.¹⁵⁷

The LGA welcomed the additional funding and went on:

As we fight a second wave of coronavirus, we would also urge the Government to temporarily remove the No Recourse to Public Funds condition, which would reduce public health risks and ease the pressure on homelessness services by enabling vulnerable people to access welfare benefits, who are currently unable to do so because of their immigration status.

In the longer-term, it is also important that there is a shift towards investing in homelessness prevention services. With council housing waiting lists set to potentially nearly double as a result of COVID-19, we are calling for councils to be given powers to kickstart a post-pandemic building boom of 100,000 new social homes for rent each year, including reform of Right to Buy.¹⁵⁸

Homelessness Prevention Grant for local authorities was uplifted in 2021/22 and on 25 October 2021 a further £65 million was announced as an “exceptional one-off payment” to “support local authorities to help vulnerable households with rent arrears to reduce the risk of them being evicted and becoming homeless, including helping households to find a new home where necessary.”¹⁵⁹ The [written statement](#) said:

The investment builds on the £310 million in funding already available to local authorities through the homelessness prevention grant—a £47 million uplift on last year to help fully enforce the Homelessness Reduction Act 2017—which is part of the overall investment of more than £750 million this year to tackle homelessness and rough sleeping.¹⁶⁰

The Autumn Budget and Spending Review 2021 confirmed an increase in spending over pre-pandemic levels to tackle rough sleeping and homelessness:

SR21 provides £639 million resource funding by 2024-25, a cash increase of 85% compared to 2019-20. This brings total funding to £1.9 billion resource and £109 million capital investment over SR21.¹⁶¹

¹⁵⁷ [CP330, Spending Review 2020](#), 25 November 2020, para 6.58

¹⁵⁸ [LGA responds to Spending Review rough sleeping and homelessness funding](#), 25 November 2020

¹⁵⁹ [HCWS352](#), 25 October 2021

¹⁶⁰ *Ibid.*

¹⁶¹ HM Treasury, [Autumn Budget and Spending Review 2021](#), HC 822, October 2021, para 4.50

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 million¹⁶² on TA for homeless households in the financial year 2017/18. Costs were estimated to have risen by 56% between 2013/14 and 2017/18.¹⁶³

Pre-pandemic analysis by the Local Government Association reported 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, were identified as reasons why households were spending longer in expensive TA.¹⁶⁴

The LGA responded to the March 2020 Crisis report [A Foot In The Door: Experiences of the Homelessness Reduction Act](#)¹⁶⁵ 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

¹⁶² This refers to gross spend and does not take account of money recouped in the form of Housing Benefit.

¹⁶³ Inside Housing, “The cost of homelessness: council spend on temporary accommodation revealed,” 31 August 2018 [subscription required]

¹⁶⁴ LGA, [Over two-thirds of council homelessness services pushed into the red](#), 29 January 2020

¹⁶⁵ Boobis, S., Sutton-Hamilton, C., and Albanese, F. (2020) ‘[A foot in the door’ Experiences of the Homelessness Reduction Act](#). London: Crisis

prevent homelessness and get back to building the affordable homes the country needs.¹⁶⁶

The Government has committed to a post-implementation review of new burdens funding to fully understand the impact of the HRA duties on local authorities

Section 4.1 refers to research by the LSE for London Councils (September 2019) which highlighted particular funding pressures on London authorities.¹⁶⁷ The [Evaluation of the Implementation of the Homelessness Reduction Act: Final Report](#) recommended MHCLG should:

Extend New Burdens funding and update the allocation approach as the existing model has been insufficient to mitigate additional costs from large caseload increases (or account for the complexity of cases).¹⁶⁸

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.¹⁶⁹

Value for money?

The NAO's report, [Homelessness](#) (2017), considered whether DCLG (now DLUHC) 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.¹⁷⁰

¹⁶⁶ LGA Press Release, 10 March 2020

¹⁶⁷ London Councils, [The Cost of Homelessness Services in London](#), 11 October 2019

¹⁶⁸ MHCLG, [Evaluation of the Implementation of the Homelessness Reduction Act: Final Report, 16 March 2020 \(publicly available 25 September 2020\), Executive Summary viii](#)

¹⁶⁹ Housing, Communities and Local Government Committee, [Oral evidence: Homelessness Reduction Act—One Year On](#), HC 2089, Q134, 23 April 2019

¹⁷⁰ NAO, [HC 308](#), September 2017, para 6

Overall, the NAO concluded 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.¹⁷¹

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.
- 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.¹⁷²

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:

¹⁷¹ Ibid., para 24

¹⁷² Ibid., p11

- 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.¹⁷³

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.¹⁷⁴

The [Rough Sleeping Strategy](#) was published in August 2018.¹⁷⁵ 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.¹⁷⁶

The [Ministry reported back to the PAC](#) in December 2018 on reductions achieved across all measures of homelessness.¹⁷⁷ As previously noted, the Ministry and DWP jointly commissioned a feasibility study into the wider causes of homelessness.¹⁷⁸

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

¹⁷³ Committee of Public Accounts, [Homeless Households](#), 20 December 2017, HC 462 2017-19

¹⁷⁴ [Cm 9575, March 2018](#), p29

¹⁷⁵ MHCLG, [Rough Sleeping Strategy](#), CM 9685, August 2018

¹⁷⁶ [Cm 9575, March 2018](#), p30

¹⁷⁷ [MHCLG correspondence with PAC on homelessness](#), 20 December 2018.

¹⁷⁸ *Ibid.*, p31

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 2018.¹⁷⁹

The Government agreed that its new data system, H-CLIC, should help in estimating the wider costs of homelessness to public services.¹⁸⁰

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:

¹⁷⁹ Ibid., pp31-32

¹⁸⁰ 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.¹⁸¹

The May Government responded to a parliamentary question 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.¹⁸²

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.”¹⁸³ The

¹⁸¹ 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

¹⁸² [PQ 155939 \[Homelessness\], 28 June 2018](#).

¹⁸³ LGiu launch local government Homelessness Commission, 6 July 2018

Commission's [Final Report](#) was published in June 2019¹⁸⁴, 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.
- A homelessness prevention toolkit designed around the needs of local government.¹⁸⁵

[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.¹⁸⁶

¹⁸⁴ [LGiU Homelessness Commission 2019: Final Report](#), June 2019 [login required]

¹⁸⁵ *Ibid.*, pp27-29

¹⁸⁶ Boobis, S., Sutton-Hamilton, C., and Albanese, F. (2020) '[A foot in the door](#)' [Experiences of the Homelessness Reduction Act](#). London: Crisis

The House of Commons Library is a research and information service based in the UK Parliament. Our impartial analysis, statistical research and resources help MPs and their staff scrutinise legislation, develop policy, and support constituents.

Our published material is available to everyone on commonslibrary.parliament.uk.

Get our latest research delivered straight to your inbox. Subscribe at commonslibrary.parliament.uk/subscribe or scan the code below:



 commonslibrary.parliament.uk

 [@commonslibrary](https://twitter.com/commonslibrary)