



Homelessness – trends and projections

Homelessness is beginning to rise. As the impact of the economic downturn and the long term housing shortage take hold, advice services have seen greater demand for help from people having lost or under threat of losing their homes, and some official statistics also show an increase in the number of homeless people including a rise in street homelessness. Imminent cuts to affordable housing budgets, housing benefit, advice and other safety nets are likely to only make this problem worse. This briefing sets out the context for these developments by explaining how homelessness is defined and measured and setting out some of the most up to date figures and recent trends.

1. What is homelessness?

Many people only associate homelessness with sleeping on the streets, but the range and scale of the problem is larger than this. The majority of homeless people are families or single people who are not 'sleeping rough', but are living in insecure or temporary accommodation. Some may have no choice but to squat, or to stay on the sofas of relatives and friends. Others live in supported accommodation, such as hostels, or in temporary accommodation, such as bed and breakfast hotels, night shelters and refuges. For many, this means living in poor quality accommodation that is detrimental to their health and well-being.

Broadly speaking, the law defines somebody as being homeless if they do not have a legal right to occupy any accommodation, or if their accommodation is unsuitable to live in. This can cover a range of circumstances, including, but not restricted to, the following:

- having no accommodation at all, for example sleeping rough
- having accommodation that is not reasonable to live in, even in the short-term (eg, because it is of a very poor standard, you are threatened with violence or due to health reasons)
- having a legal right to accommodation that you cannot access (eg, if you have been illegally evicted), or
- living in accommodation you have no legal right to occupy (eg, having no option but to live in a squat or stay on the sofas or floors of friends or family).

2. How homelessness is measured

Total numbers of homeless people are very difficult to ascertain because of the transient nature of the homeless population and because the various forms of homelessness are counted in different, but sometimes overlapping ways or are not counted at all. However, there are various figures

available. Some statistics are snapshot figures that count numbers of people at a particular moment in time. Others are 'flow' figures which count people becoming homeless over a period of time.

In summary, the main sources of published statistics on homelessness are:

- Street counts of people sleeping rough
- Tracking systems for people sleeping rough in London and other major cities
- Data from local authorities on the number of people who apply to them as homeless
- Temporary accommodation statistics
- Repossessions statistics
- Local authority data on cases of prevention of homelessness
- Statistics from homelessness services about the numbers of clients they serve.

3. What do recent statistics show?

Rough sleeping – Street counts and estimates

Local authorities carry out annual street counts and estimates of rough sleepers. The most recent snapshot count of rough sleepers in England in 2010 was 1,247 people; a combined total of 440 from the 70 authorities that conducted a count and 807 from the 256 authorities that gave estimates. This was the first time that authorities had been asked to supply estimates where no count was carried out, meaning that this new methodology has produced a major increase from the previous years' figures. (Source: DCLG)

Rough sleeping in London - CHAIN Data

London has the most extensive and accurate data on rough sleepers and is therefore a good indicator of the national picture. Having remained broadly steady for some time, numbers of rough sleepers seen each year by outreach workers in London (from the CHAIN database administered by Broadway London) are now increasing:

Year	Number seen
2006/07	2,997
2007/08	3,017
2008/09	3,472
2009/10	3,673

CHAIN statistics also show a 20% increase in rough sleepers between the second and third quarters of 2010.

These figures are much higher than those for the overall street count as they count the number of rough sleepers seen over the whole year, rather than counted on one particular night. About a quarter of those seen sleeping rough are from central and eastern Europe.

Homelessness Hostels and Accommodation Projects

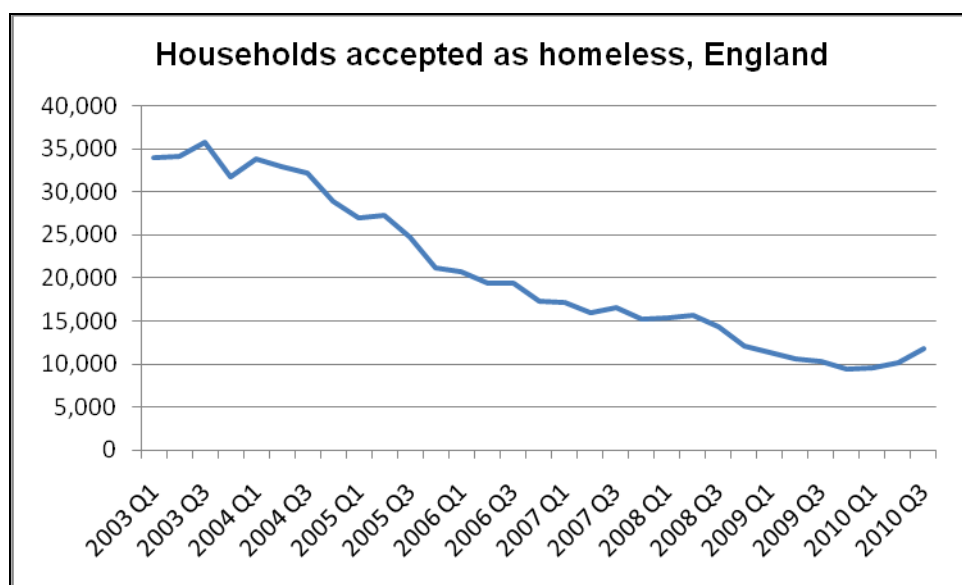
69,070 single homeless people, including rough sleepers, received support in hostels and other accommodation related services in 2009/10 (source: Supporting People Client Record Interim Data) and there are over 43,600 bedspaces for single homeless people in emergency hostels and supported accommodation projects in England (source: Homeless Links' Homeless UK database).

Acceptances

Local authorities have a duty to house some homeless people. Although at historically low levels, the number of people local authorities accept as homeless and in priority need appears to be on the rise again:

	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3
Households accepted as homeless and in priority need	10,360	9,430	9,590	10,100	11,840

Since acceptances peaked in 2003/04, they have until now been on a general downward trend, broken only by slight quarterly rises once or twice a year, but never in three consecutive quarters until now:

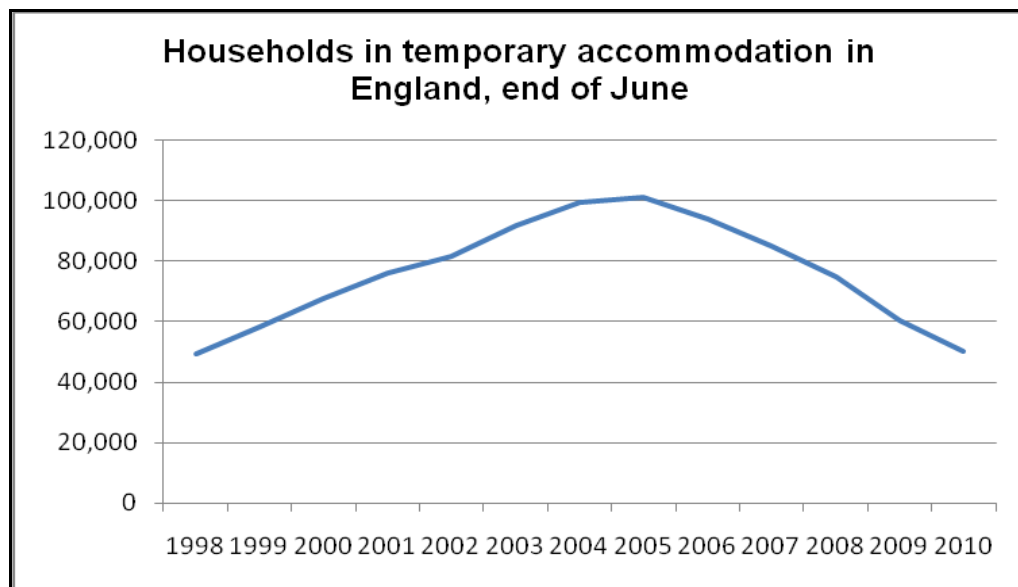


However, the acceptance figures do not by themselves tell the whole story. If an applicant doesn't have dependent children and is not deemed to be more vulnerable than other homeless people, they probably won't be entitled to housing. Local authorities should still provide them with advice and information; however, an undercover investigation for Crisis ([No one's priority: the treatment of single homeless people by local authority homelessness services](#)) has found that in practice this too often doesn't happen. Some people who approach their local authority for help are turned away

without any assistance and without their visit being recorded. It is very difficult therefore to know how many homeless people there are that are not being recorded in any official statistics at all.

Temporary Accommodation

Households experiencing or threatened with homelessness can be placed in temporary accommodation (TA) by their local authority while their application is processed, or while waiting for a suitable property to become available following an acceptance. The number of households in TA peaked at more than 100,000 in 2005; following this the then government set a target of halving this number by 2010. This target has now been achieved:



Homelessness Prevention

One reason for the sustained reduction in homelessness acceptances and the number of households in temporary accommodation has been the promotion of Housing Options interviews – as part of the homelessness prevention agenda – which take place outside of the statutory homelessness application system.

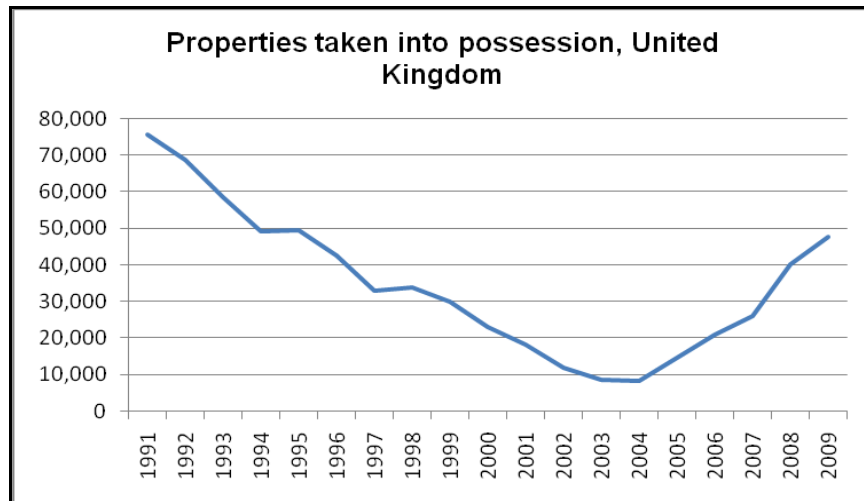
The 2009/10 dataset gives a total of 165,200 households going through the homelessness prevention route that year. This is more than four times the number of acceptances and 85 per cent more than the total number of decisions made under the statutory route in the same time period. Looking at the quarterly figures on homelessness prevention, the number of cases dealt with has increased each quarter throughout 2009/10:

Quarter	Cases of Prevention or relief
2009/10 Q1	36,730
2009/10 Q2	38,986
2009/10 Q3	39,230
2009/10 Q4	42,443

(Note that the figures in this table do not add up to the total quoted above as they only include those LAs which have reported in every quarter for consistency.)

Repossessions

Repossessions of mortgaged properties are at the highest levels since the mid-1990s:



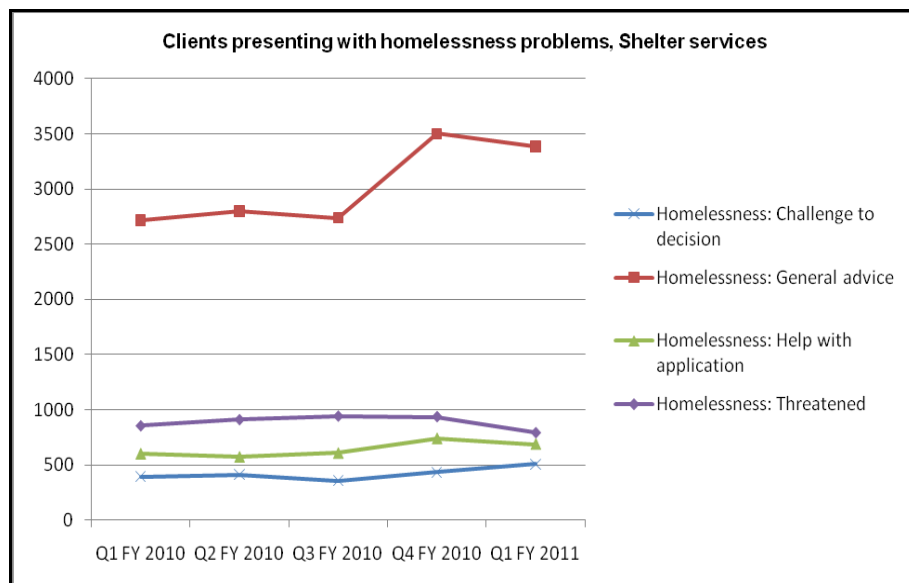
Despite this, a combination of low interest rates and lender forbearance has led to a sustained quarter-on-quarter decrease since the start of 2009:

Year, Quarter	2008				2009				2010		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Properties taken into possession	8,500	10,000	11,100	10,400	13,000	12,000	12,200	10,700	10,100	9,400	8,900

Source: Council of Mortgage Lenders

However, it is widely felt that when interest rates rise once more, then repossessions will rise also.

Shelter Advice Services



	Q1 FY 2010	Q2 FY 2010	Q3 FY 2010	Q4 FY 2010	Q1 FY 2011
Homelessness: Challenge to decision	394	411	358	432	505
Homelessness: General advice	2715	2797	2738	3500	3384
Homelessness: Help with application	602	574	608	737	688
Homelessness: Threatened	853	908	939	935	792

Shelter services have seen a big jump in demand for general advice on homelessness issues (Q3 to Q4, FY 2010). Demand for assistance with making applications or appealing decisions on them was also higher in Q1 FY 2011 than it was a year earlier.

Demand for other services

Citizens Advice Bureaux across England and Wales dealt with **14% more housing problems** in the three months July – September 2010 compared with the same period last year (a rise from 118,045 to 134,241).

In the second quarter of this financial year (2010/11) the overall rise in housing problems was fuelled by big increases in enquiries about homelessness, both actual and threatened. At the same time bureaux continued to deal with a big increase in rent arrears to private landlords.

- Actual or threatened homelessness problems rose 22% (from 20,289 to 24,720)
- Rent arrears to private landlords rose 19% (from 5,876 to 7,020)
- Problems with access to accommodation rose 20% (from 8,305 to 9,952)

Homeless Link's research on emergency accommodation identified that in 25% of local authority areas there is no emergency response available for those who become homeless and are not found in priority need.

4. Future trends

Local Housing Allowance reforms – impact on homelessness

The DWP's assessment of the impact of the proposed changes to LHA estimates that under the plans, every LHA claimant will lose out. While the average loss relating to the changes to be implemented in 2011 is estimated at £12/week, or £52/month, the impact will vary across different areas and different property sizes.

Recent research for Shelter by Cambridge Centre for Housing Policy and Research (CCHPR) found that:

- The cuts are likely to place up to 269,000 households into serious financial difficulty. Half of these households – up to 134,000 - will have to move or be evicted. 72,000 of these are families, equating to 129,000 children.
- Of these, 35,000 households are likely to approach their local authority for homelessness advice and assistance, and Local Authorities will be under a duty to provide temporary accommodation to 19,000.

Supporting People

The Supporting People (SP) funding stream pays for housing related support to vulnerable groups, including homeless people. As well as providing funding for supported housing, it helps prevent cycles of homelessness by providing help with maintaining tenancies and promoting independent living.

While in the spending review the Chancellor made a cut of 12% to SP funding over 4 years, on the ground local authorities are applying the cut which all local government finances saw of 28%. These cuts, combined with the removal of the ringfence of SP budgets, are causing growing concern amongst homeless service providers. Early evidence shows that some local authorities are planning on making drastic cuts to formerly SP funded projects, with Homeless Link currently hearing about cuts ranging from 10 – 25%, and even some as high as 67%. Cedars Road hostel in Lambeth, St Mungo's largest project, is threatened with closure.

Economic downturn

Historically, homelessness is a 'lagging indicator' following an economic downturn – meaning that it can be expected to rise for some years, independently of policy impacts.

For more details contact:

Shelter:

Public Affairs Team

0344 515 1182

public_affairs@shelter.org.uk
www.shelter.org.uk/parliament

Homeless Link:

Policy Team

0207 840 4430

jacqui.mccluskey@homelesslink.org.uk
www.homeless.org.uk

Crisis:

Katharine Sacks-Jones, Policy Manager

020 7426 5668

katharine.sacksjones@crisis.org.uk

St Mungo's:

Hazel Cheeseman, Public Affairs Manager

020 8762 5500

hazel.cheeseman@mungos.org

December 2010