

Research shows young people to bear brunt of rising homelessness

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More people are becoming homeless in England as the impacts of cuts to housing benefit start to bite against the backdrop of the continuing economic downturn – with young people and families with children first in the firing line, new research has revealed.

The *Homelessness Monitor* is a major five-year independent study into the impact of the economic downturn and policy developments on homelessness across the UK. This is the second year of the study to be published by homelessness charity Crisis and undertaken by researchers from the University of York and Heriot-Watt University.

This new independent analysis highlights how homelessness in all its forms is continuing to rise in England. Reforms to welfare and housing, particularly cuts to housing benefit, are already having an impact and combined with the continuing economic downturn, making more people vulnerable to homelessness. The report also says there is much worse to come, particularly for young people and families with children.

Leslie Morphy, Chief Executive of Crisis, said: "The research is clear; young people are bearing a disproportionate burden of the cuts, yet the Coalition seems set to increase the pressure by abolishing housing benefit for under-25s. If we carry on, rising rates of homelessness will accelerate – a disaster for those affected and bad for us all."

So far, *The Homelessness Monitor: England*, has been released, with Scotland, Wales and Northern Ireland to follow.



Professor Steve Wilcox, from York's Centre for Housing Policy (CHP), played a key role in the research. He said: "This report shows the growing impact of the continuing economic downturn and austerity measures on low income households in the housing market. The greatest concerns are about the impact of welfare reforms on both younger people, and larger families."

The research was led by Professor Suzanne Fitzpatrick from Heriot-Watt University, a former Director of CHP. She said: "When we put all the evidence together for the *Homelessness Monitor* the conclusion was clear: the strain of the <u>economic downturn</u>, combined with radical welfare cuts and growing housing market pressures, means increasing numbers of people are going to become homeless. As the buffers that have traditionally saved people from homelessness are dismantled we expect to see this increase accelerate – particularly with families and younger people who are being hardest hit."

Key findings of the research:

- Visible forms of homelessness are continuing to rise sharply. Nationally in England, the number of people sleeping rough has risen 23% over the past year in London the figure is even more dramatic at 43% an increase more dramatic than anything seen since the 90s. Since 2009 there has been a 34% increase in households accepted as homeless by their local council each quarter. Temporary accommodation placements have also risen, with B&B hotel placements almost doubling over the past two years, with an even greater increase for families with children.
- Hidden homelessness is rising including people forced to live in concealed, overcrowded and shared households – since before the current recession, reflecting mainly housing access and demographic pressures. Overcrowding has increased markedly



- since 2003, from 2.4% to 3% of all households some 670,000 households in England.
- Almost all aspects of the coalition government's welfare reforms have problematic implications for homelessness. The research is clear that the welfare safety net is what breaks the direct link between unemployment or low income and homelessness.
- The impact of the caps on Local Housing Allowance is already apparent, for example the numbers of claimants in central London boroughs securing private rental accommodation has declined appreciably. Agencies report that rehousing single homeless people into private tenancies is now virtually impossible in central London and difficult even in outer London. Where private tenancies are still secured clients are having to meet a growing gap between their rent and benefit payments. Deepening cuts to benefits, especially the national cap on benefits for out-of-work households, and the gradual unwinding of the transitional arrangements for existing tenants, will have a dramatic impact on homelessness levels with widespread concern London boroughs will have to "export" homeless families to private rented accommodation in cheaper parts of the country.
- Young people have been particularly badly affected by the combined impact of benefit cuts and rising unemployment. They will be worst affected by the weakening in the housing safety net in England, and if housing benefit for under-25s is removed, as the Prime Minister has suggested, there will be a very serious rise in youth homelessness.
- The reforms in the Localism Act (2011) (in England) together with the cuts to Housing Benefit and dwindling stock of social housing will undermine the protective national 'housing settlement' that historically poorer households in the UK have relied to a greater degree than in many other countries. The removal of security of tenure for new tenants and rents at up to 80% of market level will in time weaken the sector's safety net



function and may impact negatively on community stability and work incentives. The local restriction of social housing eligibility risks excluding marginalised groups, particularly young people, from the sector.

- New local authority powers to discharge their duty towards statutory homeless households (mainly families) by securing fixed-term tenancies of as little as 12 months in the private sector raise concern on the quality, appropriateness and security of the accommodation offered to vulnerable households. In combination with the benefit caps, almost all homeless families in the capital rehoused in this way will only be able to offered a private tenancy in another part of the country.
- The private rented sector is increasingly important as both a solution to homelessness, and as a cause of homelessness. Private renting has nearly doubled over the past decade, with demand soaring as fewer first-time buyers can get on the housing ladder and others cannot access social housing. The extent to which the private rented sector can be used to house those who are homeless and/or on low incomes is heavily dependent on housing benefit and will therefore be fundamentally shaped by the Government's welfare reforms.
- Homelessness is growing most rapidly in London and the more pressurised South of England and increases are less apparent in the weaker housing market of the Northern regions where rents and houses are cheaper. There is also considerable regional diversity in the causes of homelessness homelessness resulting from termination of private tenancies (Assured Shorthold Tenancies) rose by 103% across England in the two years to 2011/12, yet by 156% in London and 126% in the East of England but only by 11% in the North East.
- Over the past decade Scotland has gradually expanded its statutory protection for homeless people so that by end of this year virtually all will be entitled to settled housing. This



expansion in rights led to an initial surge in homelessness applications to Scottish local authorities, but these dropped by 19% over the past year because of more pro-active prevention policies by councils (a move that happened much earlier in England and Wales and also led to a big reduction in statutory homelessness numbers there). Both repeat statutory homelessness and rough sleeping have declined in Scotland, probably because single homeless people are now entitled to more help from their local authority. While Scotland has a bigger social rented sector than England, there are major concerns about the impact of welfare reform on homelessness levels in Scotland - particularly the new 'under-occupation penalty' for social tenants claiming housing benefit.

 The increasing risk of homelessness is heavily concentrated on the poorest and most disadvantaged, who lack the financial and/or social 'equity' that enables most people to deal with work or relationship crises without becoming homeless, which contrasts with media narratives about 'middle class homelessness'.

In response to today's figures and the concerns raised in the research, Crisis is calling on the Government to:

- Withdraw suggestions that housing benefit could be ended for all under 25s, which could lead to tens of thousands of young people becoming homeless
- Reverse the other cuts to housing benefit and reconsider the household benefit cap and the application of stringent benefit sanctions to vulnerable homeless people
- Invest substantially in new social and affordable housing
- Ensure tackling homelessness in all its forms remains a national priority with a clear set of minimum standards and protections



and is not left to a localism-driven postcode lottery

• Reform the private rented sector to improve standards, increase access and empower tenants.

More information: www.crisis.org.uk/data/files/p ... ExecutiveSummary.pdf

Provided by University of York

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