

# Coronavirus: Housing rough sleepers

## National Housing Federation submission to Public Accounts Committee Inquiry

January 2021

### Summary

This submission addresses the following issues from the point of view of housing associations:

- the facts around the government's rehousing of rough sleepers during the coronavirus pandemic;
- the government's plans for solving rough sleeping in the longer term.

The pandemic has highlighted the need for secure, affordable homes, especially for those most affected by the crisis: low-paid key workers, rough sleepers, families in temporary accommodation and people in unsuitable, unsupported or overcrowded homes. It has also highlighted the need for support services, a robust welfare system that covers the cost of rent, and safeguards for employment.

Rough sleeping essentially ended overnight with the government's emergency accommodation measures during the first national lockdown. This shows what is possible with leadership and funding.

We must not undo the progress made so far. The impetus to accommodate rough sleepers should be accompanied by quickly available, ring-fenced funding to secure permanent homes and ongoing support for those rehoused and safeguard supported housing services to ensure that no-one returns to rough sleeping.

In the longer term, we need investment to build the social housing the country needs, alongside properly funded support services for wider homelessness prevention and benefits that cover the cost of rent.

## Introduction

- 1 The National Housing Federation (NHF) is the voice of housing associations in England, representing almost 800 housing associations providing homes for around six million people. We influence, campaign and engage on behalf of our members. We create an environment where housing associations can deliver their social mission.
- 2 The pandemic has highlighted the need for secure, affordable homes, especially for those most affected by the crisis: low-paid key workers, rough sleepers, families in temporary accommodation and people in unsuitable, unsupported or overcrowded homes. It has also highlighted the need for support services, a robust welfare system that covers the cost of rent, and safeguards for employment.
- 3 Housing associations play a key role in preventing and ending rough sleeping and homelessness, and have been heavily involved in alleviating rough sleeping and homelessness during the pandemic. They have cooperated with partners to help keep people secure at home and get the support they need, and rehouse rough sleepers. They are also well placed to assist with the next steps.
- 3 Rough sleeping essentially ended overnight with the government's emergency accommodation measures, which demonstrates what is possible with leadership and funding. This should continue, with quickly available, ring-fenced funding to secure permanent homes and ongoing support for those rehoused, and safeguard supported housing services.
- 4 In the longer term, we need investment to build the social housing the country needs, alongside properly funded support services for homelessness prevention and tenancy sustainment, and benefits that cover the cost of rent.

## NHF analysis of the committee's areas of interest

### The facts around the government's rehousing of rough sleepers during the coronavirus pandemic

- 5 The pandemic has put more people at risk of rough sleeping, many for the first time. April to June 2020 statistics showed 33% more rough sleeping in London than 2019, with 77% more new rough sleepers.<sup>1</sup> The Combined Homelessness and Information Network (CHAIN) figures revealed 47% more 16 to 25 year-olds sleeping rough in London between July and September 2020.<sup>2</sup>
- 6 Housing associations welcome the leadership shown by government to bring rough sleepers into self-contained provision, as part of 'Everybody In', and the accompanying funding. The requirement to house all rough sleepers demonstrated the government's commitment to protect them from coronavirus. Many housing associations joined the massive, life-saving<sup>3</sup> effort.
- 7 However, the local authority support funding was not ring-fenced. Given the range of challenges facing local authorities, not all have been able to give more funding to services supporting those accommodated. This means services providing support beyond normal provision may have done so without extra funding.
- 8 Nevertheless, we commend the continuation of the government's commitment to rough sleepers and the taskforce to advise local authorities and funding for move-on housing, including funding announced in the 2020 Spending Review.<sup>4</sup> This type of commitment to securing long-term housing, accompanied by support and proportionate funding, will be crucial to fulfilling the government's objective to end rough sleeping by 2024.
- 9 Housing providers have expressed concern about the long wait for the announced Rough Sleeper Accommodation Programme (RSAP) funding and

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<sup>1</sup> [GLA, Rough sleeping in London \(CHAIN reports\), August 2020](#)

<sup>2</sup> [GLA, Rough sleeping in London \(CHAIN reports\), September 2020](#)

<sup>3</sup> [Lewer, Dan, Isobel Braithwaite, Miriam Bullock, Max T Eyre, Peter J White, Robert W Aldridge et al., COVID-19 among people experiencing homelessness in England: a modelling study, September 23, 2020](#)

<sup>4</sup> [HMT, Policy paper: Spending Review 2020, December 2020](#)

the short timescales. Bidding was open for five weeks from July to August 2020. Housing associations reported local authorities were experiencing difficulty preparing bids in the time available. Allocations were announced in November 2020 and the completion deadline is March 2021.

- 10 We recommend the government open the next round of RSAP funding quickly, as further delays will make completion increasingly difficult. Housing associations will require funding unspent by March 2021 to roll over, to avoid lost projects. We also suggest the next rounds allow housing providers to be lead applicants, to avoid situations where bids cannot be made because of local authority time and staffing pressures.
- 11 'Everyone In' showed what can be achieved with resources, coordination and commitment. We should build on this success by ring-fencing funding dedicated to preventing rough sleeping and supporting people to stay housed.
- 12 We acknowledge the announcement of funding for self-contained accommodation provision for rough sleepers during winter,<sup>5</sup> guidance for safe night shelter opening,<sup>6</sup> the extra funding from the Protect Programme,<sup>7</sup> and the renewed instruction to local authorities to bring rough sleepers into accommodation under the third lockdown.<sup>8</sup> It is important that local authorities have adequate funding to ensure this accommodation is available throughout the pandemic and into the long term.
- 13 Housing associations will likely be involved in sourcing accommodation in partnership with local authorities. We are keen for this to be permanent accommodation, for new rough sleepers too, so that we can end homelessness sustainably. There should be support for housing providers and local authorities to work together.

## The government's plans for solving rough sleeping in the longer term

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<sup>5</sup> [MHCLG, Press release: Rough sleepers to be helped to keep safe this winter, 13 October 2020](#)

<sup>6</sup> [MHCLG, Guidance: COVID-19: provision of night shelters, 13 October 2020](#)

<sup>7</sup> [MHCLG, Press release: Jenrick launches 'Protect Programme': the next step in winter rough sleeping plan, 5 November 2020](#)

<sup>8</sup> [MHCLG, Press release: Extra covid protections for rough sleepers and renters, January 2021](#)

14 We welcome the steps the government has taken to support people to manage the effects of the pandemic, including changes to the welfare system, supporting residents in their homes and accommodating rough sleepers. The government should continue to focus on critical issues, including:

- Ensuring vital support services can continue, with access to testing, vaccination, PPE and staff.
- Focusing on homelessness prevention.
- Addressing homeless people's long-term housing and support needs.
- Ensuring the welfare system smoothly supports everyone affected by the pandemic to keep paying their rent and manage living costs.
- Supporting communities and the economy to recover, supporting people into work and investing in homes.

### Support provision and financial viability of services

15 Housing associations deliver over 70% of supported housing, including sheltered and extra care housing, homeless hostels, mental health step-down units and domestic abuse refuges. Housing-related support saves public money, avoiding hospital stays.<sup>9</sup> It avoids rent arrears and tenancy breakdown that could otherwise lead to rough sleeping, promotes employment which helps people meet housing costs and avoid rough sleeping, and allows vulnerable people to live healthier, more independent lives. Research shows public spending would fall by £370m if 40,000 people were prevented from experiencing a year of homelessness.<sup>10</sup>

16 The pandemic has demonstrated the critical need for housing-related support, particularly services for domestic abuse survivors, rough sleepers and people in mental health crisis. Supported housing providers have managed the impact of the pandemic extremely successfully, keeping vital services running and infection rates down. Providers have worked with local authorities, the care sector and the NHS to allow safe hospital discharge or move-on from temporary accommodation.

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<sup>9</sup> [Crisis, The plan to end homelessness, 2018](#); [St Mungo's, Ending rough sleeping: the role of supported housing, September 2017](#)  
[LGA, The impact of homelessness on health: a guide for local authorities, September 2017](#)

<sup>10</sup> Pleace, N. and Culhane, D. P. (2016) Better than cure? Testing the case for Enhancing Prevention of Single Homelessness in England. London: Crisis.

- 17 Housing associations have taken a range of exceptional measures to support and safeguard residents and service users through the crisis. To help keep infection rates down, they have delivered support outdoors or in locations where it is easier to social distance, trained staff in the proper use of PPE and prepared meals for residents to enable them to safely self-isolate. Many members have also increased the frequency of virtual welfare checks to address growing mental health concerns and provided residents with mobile phones and other IT equipment to reduce loneliness and isolation.
- 18 The support housing associations have provided to residents helps them manage and stay housed. Supporting people into employment and training through job coaching and skills development<sup>11</sup> and offering benefits and debt advice, including around Universal Credit, helps them pay their rent and bills. Housing associations are also supporting people with their mental health, which has been significantly affected by the crisis,<sup>12</sup> including support to cope with lockdown and the withdrawal of NHS services. This includes counselling and wellbeing checks. An increase in mental health needs can be linked to subsequent rent arrears,<sup>13</sup> so as well as taking pressure off community and acute mental health services, mental health support keeps people in their homes.
- 19 However, many providers have faced significant challenges during the pandemic. We conducted a survey of our members about the impact of the pandemic on supported housing.<sup>14</sup> The survey showed increased demand for support services, especially short-term services, highlighting their crucial importance for vulnerable groups.
- 20 The survey also highlighted that providers face greater financial pressures because of increased staffing costs, additional cleaning, purchasing PPE and higher security costs, alongside lost income from vacant properties. Even after the first lockdowns, homelessness services and supported and sheltered housing providers experienced an ongoing inability to let properties, given a

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<sup>11</sup> [NHF, How housing associations are supporting tenancy sustainment and income collection through the coronavirus crisis, August 2020](#)

<sup>12</sup> [NHF, Poor housing causing health problems for nearly a third of Brits during lockdown, July 2020](#)

<sup>13</sup> [Nikki Bond, Katie Evans, Merlyn Holkar \(2018\) Where the heart is: social housing, rent arrears and mental health. Money and Mental Health Policy Institute](#)

<sup>14</sup> [NHF, Briefing on the financial impact of the coronavirus crisis on supported housing providers, August 2020](#)

lack of referrals and personal reluctance to move in because of the perceived risk. Some supported housing services are concerned they will not receive their commissioned funding if their occupancy criteria are not met.

- 21 Without extra financial support to cover these losses (sometimes up to six months' rental income), there is a risk these services may close, reducing the supply of specialist accommodation and support to keep people off the streets. This would lead to increased public service and welfare costs.
- 22 In order to continue to keep vulnerable people safe over the winter, we need a commitment to meet the additional costs facing supported housing providers and increased resources to keep vital services open, including testing and vaccines. The government should address the long-term, chronic underfunding of support services.
- 23 Long-term investment in housing-related support services would ensure these services keep supporting people, and will contribute to the social and economic recovery from the pandemic. The government should ring-fence housing-related support and allocate £1.6bn<sup>15</sup> per year to English local authorities.
- 24 This investment should be alongside properly funded services for homelessness prevention and tenancy sustainment.

## Homelessness prevention

- 25 Figures show that 18,911 people have moved into settled or supported accommodation since the 'Everyone In' response began.<sup>16</sup> This is positive; however, there remain around 1.6 million people on the social housing waiting list<sup>17</sup> and 98,300 households in temporary accommodation in June 2020, including 127,240 children.<sup>18</sup> We have also seen a surge in domestic abuse,<sup>19</sup>

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<sup>15</sup> DCLG, Spending Review 2010: Equality Impact Assessment – Funding for the Supporting People Programme, December 2010, pp5 and 7

<sup>16</sup> [MHCLG, Covid-19 Emergency Accommodation Survey: September, October 2020](#)

<sup>17</sup> [NHF, People in housing need, A comprehensive analysis of the scale and shape of housing need in England today, 15 September 2020](#)

<sup>18</sup> [MHCLG, Statutory Homelessness April to June \(Q2\) 2020: England, 29 October 2020](#)

<sup>19</sup> [SCIE, Domestic violence and abuse: Safeguarding during the COVID-19 crisis, June 2020](#)

which has now become the second cause of homelessness.<sup>20</sup> As explored above, increasing numbers of young people are at risk of homelessness. This suggests there is an unmet need for homelessness prevention.

- 26 Ministry of Justice data shows that possession claims by English social landlords (including local authorities) dropped by 95% from Q3 in 2019/20 to Q3 this year (16,823 to 876). Possession orders dropped by 99.6% over the same period (12,868 to 51). The comparable figure for private landlords are 71% fewer possession claims (5,813 to 1,663) and 98.9% fewer possession orders (4,450 to 47). Repossessions by county court bailiffs halted entirely in Q2 and Q3 2020/21.<sup>21</sup> However, in the April-June 2020 homelessness statistics, the end of a private rented tenancy is still the third reason for applicants being owed an HRA duty.<sup>22</sup>
- 27 The impact on the economy<sup>23</sup> means a further spike in homelessness is a real risk. The Job Retention Scheme and Self Employment Income Support Scheme have clearly protected millions from the full impact of the pandemic, and the Kickstart Scheme will help young people. However, groups already vulnerable to homelessness, including people with mental health needs, single parents and disabled people,<sup>24</sup> are likely to see their finances hit hardest<sup>25</sup> and face redundancy at higher levels than other groups.<sup>26</sup> They may risk homelessness unless their income is secured.
- 28 Welcome homeless prevention funding announced in the 2020 Spending Review is targeted at local authorities with high numbers of homeless people, those at risk of homelessness, or those living in temporary accommodation.<sup>27</sup> It would be useful to target prevention funding at the causes of homelessness and rough sleeping explored above and below.

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<sup>20</sup> [MHCLG, Statutory Homelessness, April to June \(Q2\) 2020: England, 29 October 2020](#)

<sup>21</sup> [MOJ, Mortgage and landlord possession statistics: July to September 2020](#)

<sup>22</sup> [MHCLG, Statutory Homelessness, April to June \(Q2\) 2020: England, 29 October 2020](#)

<sup>23</sup> [House of Commons Library, Coronavirus: Economic impact, 22 October 2020](#)

<sup>24</sup> [MHCLG, Statutory Homelessness, January to March \(Q1\) 2020: England, August 2020](#); [MHCLG, Statutory Homelessness, April to June \(Q2\) 2020: England, 29 October 2020](#) ; [JRF, UK Poverty 2020/21, January 2021](#)

<sup>25</sup> [CPAG, Poverty in the Pandemic: The impact of coronavirus on low-income families and children, August 2020](#)

<sup>26</sup> [Citizens' Advice, An unequal crisis: Why workers need better enforcement of their rights, August 2020](#)

<sup>27</sup> [MHCLG, Press release: Government pledges further £310 million to tackle homelessness December 2020](#)



## Addressing homeless people's long-term housing and support needs

- 29 Other causes of homelessness will persist beyond the pandemic, including relationship breakdown,<sup>28</sup> family no longer able to accommodate and leaving institutions without housing.<sup>29</sup> To prevent these situations leading to homelessness, the government should invest in support services like tenancy sustainment, floating support, legal and benefits advice, opportunities to access or retain employment, family mediation and prison and hospital resettlement. These will be critical to preventing homelessness in the wake of the pandemic.
- 30 The systems change funding through the £46m Changing Futures programme will help people experiencing multiple disadvantage and its focus on multiagency working is welcome. However, the fund is available for a limited period. By investing £1.6bn per year in housing-related support, and ring-fencing this money, the government can ensure that support is put on a firm footing. It will save money on public services and temporary accommodation,<sup>30</sup> support good public health outcomes and help end homelessness.
- 31 The government's highest single funding commitment to affordable housing in a decade is welcome.<sup>31</sup> However, more investment is needed if we are to build the 145,000 affordable homes per year, including 90,000 for social rent, needed to meet real housing need,<sup>32</sup> and stop people risking homelessness or being stuck in temporary accommodation. The availability of affordable housing as a key element in preventing homelessness was also highlighted in

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<sup>28</sup> [Homeless Link, Policy Briefing, Preventing youth homelessness after COVID-19: lessons and opportunities from the crisis](#)

<sup>29</sup> [London Prisons Mission, Safe Homes for Women Leaving Prison, October 2020;](#) [Nacro, A Justice System Fit for the Future: Lessons from the Coronavirus Pandemic to Build a Fairer and Effective Path to Resettlement, August 2020](#)

<sup>30</sup> [Frontier Economics, Financial benefits of investment in specialist housing for vulnerable and older people, September 2010](#)

<sup>31</sup> [MHCLG, Press release: Jenrick unveils huge £12 billion boost for affordable homes](#)

<sup>32</sup> [Bramley, G. \(2018\) Housing supply requirements across Great Britain: for low-income households and homeless people](#)

the government's review of the Homelessness Reduction Act – prepared before the pandemic but all the more relevant now.<sup>33</sup>

- 32 Moreover, our research shows that around 3.8 million households have a housing need that would be best met by social rented housing.<sup>34</sup> By investing in social rent and housing-related support, the government can extend its commitment to support anyone at risk of homelessness into sustainable, affordable housing beyond the RSAP.

## Welfare

- 33 The pandemic has put enormous financial strain on residents, with Universal Credit (UC) claims and unemployment at the highest levels in years. 23% of working-age social renters in employment in February 2020 are now furloughed, have lost hours and pay or have lost their job.<sup>35</sup> We welcome the steps the government is taking to support incomes and ensure timely UC payments. We recognise the value of a system that can tolerate such a huge increase in claims and acknowledge the Department for Work and Pensions (DWP) staff efforts in processing claims and making rapid changes.
- 34 The government also increased the standard UC and Working Tax Credit payment by £20 per week in the April economic stimulus package. This has helped people manage the loss of work and additional costs associated with the pandemic, but it's due to end in April 2021. This money will still be vital beyond April and we urge the government to retain this payment. Joseph Rowntree Foundation modelling indicates that if the increase ends in April, 16 million households will face an overnight income loss equivalent to £1,040 a year, with those on the lowest incomes and families with children being the hardest hit. They also estimate 700,000 more people will be pulled into poverty, including 300,000 children.<sup>36</sup>
- 35 According to our monthly member survey on rent arrears and UC, the number of tenants claiming UC increased from 16% of all general needs tenancies in

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<sup>33</sup> [MHCLG, Homelessness Reduction Act 2017: government response to the call for evidence, 25 September 2020](#)

<sup>34</sup> [NHF, People in housing need, A comprehensive analysis of the scale and shape of housing need in England today, 15 September 2020](#)

<sup>35</sup> [Resolution Foundation, Coping with housing costs, six months on..., 30 October 2020](#)

<sup>36</sup> [JRF, Autumn Budget: keep doing the right thing and keep the £20 lifeline, 9 September 2020](#)

Q1 2019/20 to 24.1% in April 2020, with an indication that this is still rising. Our data also shows an increase in the percentage of tenants in arrears and the overall level of arrears. This pattern is consistent with what social landlords would expect to see with an increase in UC claims. UC claimants remain almost twice as likely to be in arrears than other tenants (just over 60% versus just under 36%). They are also in significantly higher levels of arrears. Tenants struggle to maintain rent payments during the five-week wait,<sup>37</sup> so social landlords tend to see a correlation between the start of a UC claim and arrears. The DWP should ensure people have enough to live on at the start of their UC claim.

- 36 People whose income drops will rely on benefits to meet their immediate living costs. We must strengthen the welfare system so people can stay safe and meet daily costs, and ultimately avoid rough sleeping by staying housed because they can meet their housing costs. The government has introduced important changes in the benefit rules including for carers, people self-isolating and the self-employed. However, gaps remain, some of which particularly affect tenants. Some families impacted by the household benefit cap have seen no increase in their income to help with the pandemic. Tenants who lost their job at the start of the pandemic may now be impacted by the cap if they are still out of work, or only working a few hours a week, many months later. The DWP should suspend the household benefit cap.

## Employment support

- 37 At the start of the pandemic, we joined housing, employment and youth organisations, the public, charitable and private sectors and mayors and parliamentarians to call for a government Opportunity Guarantee, so that everyone who is unemployed will have the help they need to get into work, with investment in employment support, education, training and jobs.<sup>38</sup> Being linked with employment helps people avoid rough sleeping.<sup>39</sup>
- 38 The government has published details of the Kickstart Scheme. Over 100 social landlords have responded and are keen to offer young people high-quality employment. However, housing associations have raised concerns that they are unable to refer and select their residents for the scheme.

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<sup>37</sup> [NHF, No Time to Wait, 19 June 2020](#)

<sup>38</sup> [Communities that Work, Opportunity Guarantee](#)

<sup>39</sup> [Homeless Link, Making the difference to end rough sleeping: A handbook for day centres, 2015](#)

39 To support employment, the government should:

- Bring together national departments and local housing partners to design and mobilise a response to the Chancellor's Plan for Jobs.
- Ensure employment support meets need across communities and enables social housing to deliver in partnership.
- Use the UK Shared Prosperity Fund to leverage long-term employment support for vulnerable households, in partnership with social housing.