

## **The Future of Homelessness?**

### **The external environment and its impact on homelessness**

Briefing paper on the Future of Homelessness as part of the London Housing Foundation's IMPACT programme

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## **Introduction**

Homelessness has a particular place in public consciousness and in social policy. People can see the worst manifestations of homelessness in rough sleeping and street living. We appreciate that homelessness could happen to any of us. We can all imagine what it must be like to sleep rough or live in a B&B with young children. Recent government policy has been no less immune to the impact of homelessness – rough sleeping has had a high priority within the government’s social exclusion agenda, particularly in the early years of the Labour government.

This briefing is the first of a series commissioned by the London Housing Foundation in response to the major policy initiatives and changes that have happened in tackling homelessness in general over the last decade and in particular since 1997.

It is part of the wider IMPACT programme that the London Housing Foundation has set up to help strengthen the homelessness sector in London in response to the major changes in the political and social environment of the past few years. The briefings are being complemented by a series of seminars where participants will have a chance to explore in more detail some of the issues raised in this briefing as well as to investigate a range of other, developing issues pertinent to the future of homelessness.

The research for the briefing has been twofold. We have carried out a wide-ranging series of qualitative interviews with nearly 50 people who are involved in homelessness from a whole range of perspectives. They included key figures from homelessness agencies, local authorities, central government and sector bodies as well as informed commentators and homeless people (see Appendix 1 for a full list). The second part of the research has been an examination of the figures and existing documentation for homelessness. These two strands of research have been woven into our narrative. We have included direct (anonymous) quotes from those we interviewed as appropriate

Our approach in this briefing has been to identify some of the changes and trends in the political arena and the socio-economic environment and to analyse their implications for homelessness. Our final section draws out what we believe are some of the most important issues arising out of our analysis of the external environment.

It is important to emphasise that this is a briefing aimed at stimulating debate and understanding. In the time and space available we have not been able to do justice to an incredibly complex situation, but in highlighting what we consider to be the key issues for agencies, we hope we have provided a constructive contribution.

## **The political landscape**

*'Homelessness is the extreme expression of social exclusion, so anything designed to have an impact on social exclusion could impact on homelessness.'* (sector body)

In this section we have tried to identify some of the recent key political initiatives that have impacted on homeless single people or families. However, this briefing is not about the history of homelessness; it is about the future. The developments we have identified as being particularly relevant to the future of homelessness are developments in central government (the RSI, RSU, Homelessness Directorate including the B&B unit) and legislation and regulation which impact particularly on local government (Homelessness Act 2002, changes in priority need, and Supporting People).

### **The 1997 election of a Labour Government**

Over the last three decades varying political agendas have been critical in shaping homelessness and the homelessness sector. However, with the election of a Labour Government in 1997 came a new approach to social exclusion in general and homelessness in particular.

The number of initiatives designed to tackle social exclusion launched by the Labour Government is breathtaking. Through its investment in areas such as Sure Start, Quality Protects, Connexions, the Social Exclusion Unit and the Neighbourhood Renewal Unit the government has moved the agenda away from quick fixes and is endeavouring instead to provide long-term solutions with an emphasis on prevention.

The impact of those political changes pertinent to homelessness has yet to be felt in full (Supporting People goes live in April 2003, the Homelessness Act 2002 was enacted in February 2002, the additional statutory care requirements came into force on 31<sup>st</sup> July 2002 and the Homelessness Directorate came into being in April 2002). However, it has already resulted in a completely different political climate in which homelessness agencies must operate.

Up until 1997, the homelessness agencies were tackling government indifference (or even hostility) to homelessness at the political and legislative level (with the exception of the Rough Sleepers Initiative (RSI)). Now there is an entire government department dedicated to homelessness, and significant legislation is about to come into force in a number of areas. Homelessness agencies have gone from struggling to get homelessness onto the political agenda to having to keep up with the pace of change.

There have been two key threads in the Labour Government's approach to tackling homelessness. First is the increased focus within central government (and the funding to go with it), and second is the legislative and regulatory changes that will increase the roles and responsibilities of local government. Until now much of the impact on agencies tackling homelessness has resulted from changes within central government, but in the future, events at the local government level will become much more important.

## Key Thread 1: Focus on homelessness within central government

### Rough Sleepers Unit

One year after the Labour Government came to power in 1997 it created the Rough Sleepers Unit (RSU). In many ways the RSU built on the work of the Rough Sleepers Initiative and was equally focused on reducing rough sleeping.

In 1999 the RSU put forward its very detailed action plan, *Coming in from the Cold*, to tackle rough sleeping. By 2001 it had met its 3-year target to reduce the number of rough sleepers in England by two-thirds: from 1,850 in 1998 to 532 in 2001. It also cited some other achievements: extra hostel places; the creation of Contact & Assessment Teams (CAT) & Tenancy Sustainment Teams; enhanced drug, alcohol and mental health services and the establishment of the homelessness training unit. (1)

The fact that this was a Prime Ministerial target (and therefore high profile and high pressure) could account for the feeling within the homelessness sector that the approach of the RSU was centralised and highly focused, even to the point of being ruthless (see box 1 below).

#### Box 1: What they said about the RSU

*'In 1998, the RSU stole the moral high ground and said, "Talk to us about this [homelessness] now," and very much turned the whole thing into a government programme. The idea was that we were no longer a creative strategy, but a way of carrying out the government strategy.'* (homelessness agency)

*'With the RSU focus over recent years, small and specialist organisations may have felt excluded from the government agenda on homelessness, especially when working with women and BME communities, who are less likely to sleep rough. We have felt an impact on sustainability and lack of autonomy as government dictates the agenda.'* (homelessness agency)

*'Because of the RSU there has been a major co-operation change. It has made everyone work together in a common plan of action.'* (homelessness agency)

*'For central government, the RSU is a very good model – you have people with experience in homelessness working with voluntary groups to achieve set goals.'* (independent commentator)

*'You just have to look at the success of the [RSU's] programme. This active interventionist approach is a model for how to tackle other homelessness projects.'* (independent commentator)

*'Rough sleeping is the most extreme form of homelessness, which is a very good argument for focusing on that group. If it hadn't been that focused, it wouldn't have had the same effect.'* (independent commentator)

*'The RSU has focused on rough sleeping, so it has not tackled real homelessness.'* (sector body)

*'Any long reflection on the RSU is a waste of time as it's happened now – I'm more interested in the new relationships with local authorities.'* (homelessness agency)

### The Homelessness Directorate and the B&B Unit

Once the RSU's targets were met, the political emphasis shifted from rough sleeping in particular, to homelessness in general with the creation in 2001 of a Bed and Breakfast Unit.

The Bed and Breakfast Unit is designed to ensure *'that no homeless family with children has to live in a B&B hotel except in an emergency'* beyond March 2004. Although there is a concern that the push to get families into more independent forms of accommodation will result in the negligence of single homeless people, as Box 2 shows it is generally

agreed that the B&B unit is an important step toward preventing future homelessness and social exclusion. (2) (3)

The B&B Unit (along with the RSU and the Homelessness Policy team) was then subsumed into the Homelessness Directorate when the latter was launched in 2002. It is a new unit whose objective is to *'assist local authorities in tackling homelessness'*. With a budget of £125 million (£65 million was added during March to the DTLR's budgeted £60 million for 2002/03), the Homelessness Directorate's objectives include the development of new and more strategic approaches to tackle homelessness and a reduction in the use of B&Bs for homeless families with children.

**Box 2: What they said about the Homelessness Directorate and the B&B Unit**

*'We basically got everything we asked for (a decent budget, a Homelessness Directorate with a leader from the sector), and now we have to deliver – it's much easier to snipe from the sidelines.'* (homelessness agency)

*'The Homelessness Directorate should be focusing on where there is need for innovation and improvement of services. For example, we recommended better services in hostels.'* (independent commentator)

*'More than a roof' is the government strategy as it stands – we're unlikely to do anything else. We were honest about what we don't know, and when we fill the gaps, we'll publish that information. Now we're trying to work with the local authorities to help them improve their services.'* (central government)

*'The problem with having a national policy is that the needs in each area are so diverse. You need to have a broad umbrella policy and then devolve that down to the regions, and then to the local authorities.'* (sector body)

*'B&B Unit... about bloody time.'* (homelessness agency)

*'The B&B unit is definitely needed. They need to provide incentives for local authorities.'* (homelessness agency)

*'If you're talking about prevention – get people with children out of B&B's'* (independent commentator)

*'The big push is to get families out of B&B's. This approach makes sense – it means you are dealing with younger people who have more options ahead.'* (housing association)

*'I worry about the B&B initiative, as it just moves people on to other temporary housing.'* (independent commentator)

**Key Thread 2: Regulatory and legislative changes that increase the roles and responsibility of local government**

**Homelessness Act 2002**

The Homelessness Act 2002 passed into law early in 2002. It amended parts of the Housing Act 1996 and aims to ensure that those who come into contact with the statutory homelessness services receive a more comprehensive and streamlined service. Three changes have been heralded as most significant: first, local authorities will be required to produce homelessness strategies; second, local authorities now have an indefinite duty to house those who are unintentionally homeless and in priority need and may also house those who are unintentionally homeless and not in priority need; third, local authorities are bound to provide a greater level of advice and assistance to those with no statutory right to housing. In particular the Act requires local authorities to address prevention and to adopt a comprehensive multi-agency approach. (4)

In order to deliver effective homelessness strategies, local authorities are required to assess the supply, demand and efficacy of all the homelessness-related services within their jurisdiction. They must analyse the current and future needs of homeless and potentially homeless people (broken down by gender, ethnicity, etc) and plot the most common routes into homelessness. They must then evaluate the relevant local services and identify any service gaps. This will eventuate in an action programme for implementing the resulting strategy. (4)

(Note: In the first of the IMPACT seminars in January 2003 we will examine how local authorities are responding to the Homelessness Act, Supporting People and changes in priority need and the effects that these changes will have on their relationship with homelessness agencies).

(For a comprehensive and interactive look at the Homelessness Act 2002 and changes in priority need, see [www.homelessnessact.org.uk/index.cfm](http://www.homelessnessact.org.uk/index.cfm)).

### **Regulations to extend priority need categories**

These came into force on 31<sup>st</sup> July 2002. The priority need categories were extended to include:

- 16 and 17-year olds
- People deemed vulnerable as a result of having been in care
- People fleeing violence
- People who are vulnerable due to an institutionalised past

These categories reflect the background vulnerabilities that are common to rough sleepers and other homeless people. (5)

These changes to priority need should provide a safety net for some of society's most vulnerable members and give agencies tackling homelessness and housing advice services a leg to stand on when advocating for a client. The various views of what the Homelessness Act and the additional care duties might mean in practice are discussed in the section on key issues.

### **Supporting People**

With an estimated budget of £800 million, Supporting People is set to be a complete overhaul of the way that support is provided in relation to tenure. It is a way of separating support from housing and identifying need at a local level in order to make support services more accessible and transparent. Developed through a partnership of housing and social services, Supporting People puts yet another ball in the local authorities' court, requiring them to review existing services (reviews must be completed by April 2006), identify gaps in service provision and set service standards. The overarching aim of Supporting People is to improve the freedom and autonomy of vulnerable people by supporting them in the most independent form of accommodation for their circumstances (for example, helping them live in a specialised scheme rather than an institution or in their own homes rather than in a specialised scheme). (6) (7)

### **Analysis: The impact of political change**

While the RSU and rough sleeping have taken much of the media and political focus in the last couple of years, the real impact on homelessness in the years to come will result from what is happening at the local authority level.

Three out of the four major changes in the political arena will place additional statutory duties on local authorities. While the fourth major change (the Homelessness Directorate) does not directly add statutory requirements, one of its main objectives is to help 'local authorities tackle homelessness', so inevitably much of the Directorate's work will be done through local authorities.

Homelessness is not the only additional responsibility (statutory and non-statutory) that local authorities have to worry about – far from it. Changes within other statutory requirements (Quality Protects, Best Value, the DDA and the Human Rights Act, to name but a few that impact directly and indirectly) will also absorb much of their time and energy. Other issues, such as long-term care of the elderly, child protection and limited budgets, will also increase pressure.

Homelessness is not the only central government social exclusion initiative that requires local authorities to do more. For example, the Neighbourhood Renewal Unit and the New Deal for Communities both hinge on local authority partnerships. The panoply of pressure on local authorities will only make it harder for them to give the management and financial resources to homelessness that match their statutory duties (and one of the homelessness agencies' roles must be to make sure that they do!).

Alongside the need to lobby local authorities, opportunities for homelessness agencies are also developing within the wider social exclusion agenda: getting prevention of homelessness onto neighbourhood action plans; utilizing the opportunities for employment training; or developing specific Sure Start programmes to prevent family breakdown and teenage runaways. As local authorities grapple with their new statutory responsibilities, homelessness agencies too are facing an uncertain world, and they will need to be highly flexible if they are to make the most of the opportunities open to them. One of the consistent themes that emerged from our interviews was excitement about the potential of the changes in the political landscape – but nervousness or cynicism about how they would turn out in reality.

The raft of political, social and economic changes that affect homelessness will have dramatically different impacts on local and central government. While the impact on local government is to make its work much harder and more complex, the impact on central government, particularly the Homelessness Directorate, appears to require it to adopt a fundamental change in style from the way the RSU operated.

With the heavy emphasis on local strategies and local action, there will be a greater need for central government to monitor whether local authorities are delivering. This means that the Homelessness Directorate will need to increasingly move away from direct intervention (except in specific circumstances) to help local authorities succeed in their aims (as is its objective!).

This means that there will probably be less funding from central government (and more from local government) for agencies tackling homelessness. More importantly, the Homelessness Directorate will need to become increasingly effective both at helping local authorities to learn from each other and to replicate good ideas and at spotting and drawing attention to poor performance. It will need to make sure that all the different activities aimed at reducing homelessness are working together to maximise their impact. In particular we foresee that the Homelessness Directorate needs to develop its role to:

- Drive the development of the national homelessness strategy and how it is played out at the local level

- Work with a range of partners to develop new ways to measure homelessness beyond rough sleeping and to monitor the numbers of homeless people over time
- Lobby within government to try and get a clearer integration of homelessness as an issue (prevention and remedial action) into programmes such as Neighbourhood Renewal, New Deal for Communities and the Children's Fund and emphasise anew that homelessness is a social exclusion issue
- Ensure that effective evaluation is standard within the practices of homelessness agencies and local authorities.

There is much to suggest that change in this direction is already happening, but there remains much to do, and homelessness agencies, being those with the greatest practical experience, have an important role to play as lobbyists, campaigners, innovators and demonstrators of what is possible.

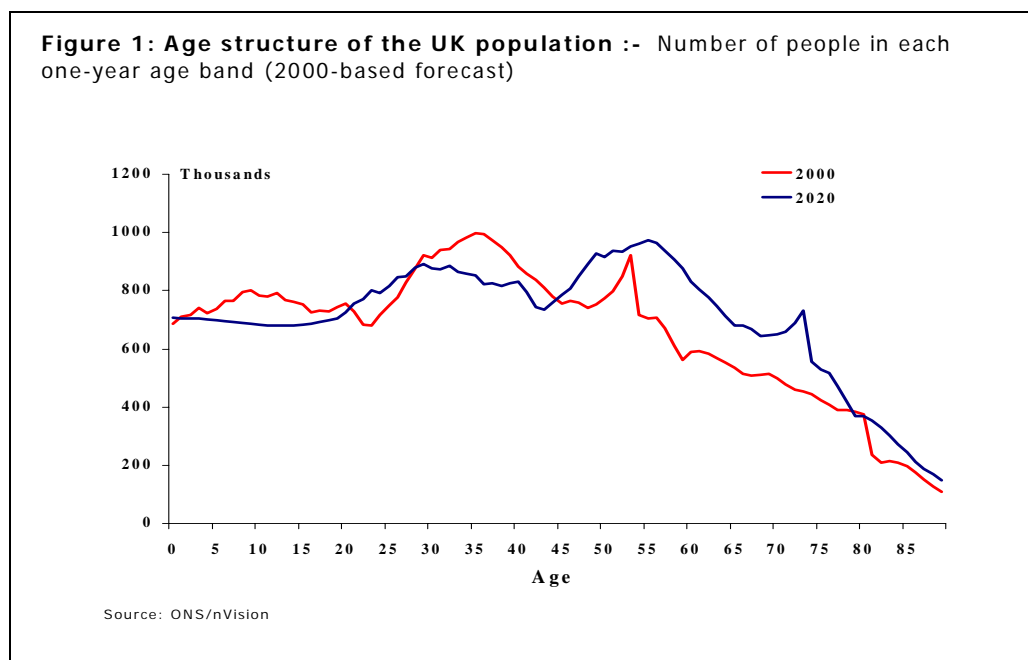
No amount of analysis of the detail should mask the overall shift in the political landscape: tackling poverty and reducing social exclusion is now at the heart of the political agenda. Over the last five years a number of key building blocks have been launched whose cumulative effect is to dramatically improve the capacity to reduce homelessness. This is an opportunity that has not been seen for a generation, if at all. Indeed, the momentum is such that even if a government of a different complexion were elected in 2006, it is unlikely that it would seek the repeal of homelessness legislation as a priority. The question is whether the social and economic landscape is as favourable – this is examined in the next section.

## The social and economic landscape

In examining trends in the social and economic landscape it is virtually impossible to be exhaustive or categorical. The aim of this section is to analyse what we believe will be some of the most important trends that will impact on homelessness agencies. We are conscious of a number of areas that we have not included, such as the Internet, digital TV and the changing attitudes of the public to issues such as service, consumerism and politics. We intend to look at the attitude of the public and the media to homelessness in a future briefing. Much of the trend data in this section is taken from nVision, the online knowledge store run by the Future Foundation, and nfpVision.net, the online equivalent for charities.

### Trend 1: An ageing population

The population of the UK is getting older. This is largely because people are living longer, but it is also because less children are being born each year compared with a generation ago. Figure 1 shows the number of people in each age group now and in 20-years time. The figure illustrates the bump of population currently aged around 35 and the spike currently aged around 55 (born in the immediate post-war era). In 20 years time these two peaks in the age cohort will have become 20 years older – but with little evidence that there will be a counterbalancing spurt in the birth rate (8).



Put more explicitly: every cohort aged over 50 will have increased as a percentage of the population and every one under the age 50 will have decreased. The forecast is that there will be another 5.5 million people aged over 50 in 2020 compared with today (23.8 million versus 18.3 million). The number of people over the age of 70 will have grown from 6.3 million to nearly 8.1 million people – a staggering additional 1.8 million older people. It is the number of people living longer and the two peaks in population that contribute most dramatically to this shift in population.

The ramifications of an ageing population impact on almost every aspect of society. For example, the spending power of the over-50s will grow as a percentage of the whole. Currently, the under-50s account for about 56% of the leisure and services spending of the population. By 2020 this will have fallen to under 50%, and by 2050 it will have fallen

to 35-40% (this takes no account of older people being richer or poorer, merely the weight of demographics). (9)

The extra numbers of older people will put pressure on a variety of services. Older people are increasingly likely to live alone (see next trend) but need additional care as they do so. (10) This will mean that additional sheltered housing and residential care will be needed. Though people are living longer, they need medical care to do so, which the NHS will be required to provide (particularly as the incidence of Alzheimer's and dementia increases). (11)

An ageing population does not necessarily impact on homelessness directly. It is possible that with an increasing number of the over-70s there will be a growing number of single older people living in substandard accommodation (because they cannot afford to repair them) with a growing range of support needs. However, they probably will not be classified as homeless but as elderly (although they will be eligible to receive support under Supporting People).

The real reason why an ageing population is important to people working with the homeless is that it will absorb large amounts of energy, capital and resource from both the housing sector and the social services sector for something other than homelessness. An ageing population will also compete with the homelessness sector for political will, financial capital, skilled and committed staff and people's donations.

## **Trend 2: Growing and changing households**

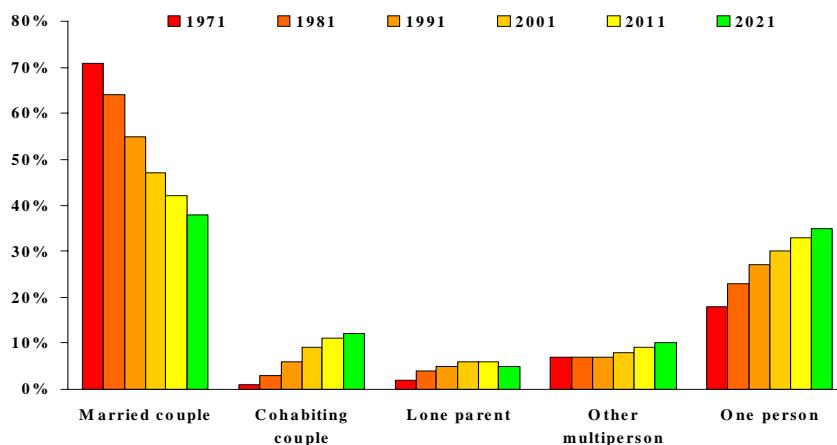
The nature of the household is changing and has been doing so for at least 30 years (see figure 2). Most notably:

- Married couple households are decreasing in number (from 70% of all households in 1971 to less than 40% of households in 2021)
- Single-person households are increasing in number (from less than 20% of all households in 1971 to over 30% of households by 2021) and many single householders are older people
- Cohabiting couple households are also increasing in number from virtually none in 1971 to over 10% by 2021 (9)

It would be easy to surmise that this change in household types is a recent phenomenon. In fact it has been taking place for almost a century. In 1911 there were less than half a million single-person households in England and Wales. By 1971 this had risen to three million, and by 2001 there were six million single-person households in England alone. (9)

There remains a strong trend away from traditional family households toward single or fragmentary households (with single-person households experiencing the greatest growth). Add to this the figures that show decreasing marriage rates and increasing divorce rates (9), and a picture of changing family networks emerges. Remarriage or in some cases simply new partners add to the complexity by creating complex stepfamilies and all the network of relations that go with it. This raises the following question: are family ties being replaced by alternative social networks, or are we becoming more isolated? The nature of the family is examined in more detail in the next trend, but it is interesting to note that house sharing is creeping back up to pre-1980 levels, and more 20-34 year olds are remaining in the family home. This would indicate that people are reacting adaptively to the price rises and shortages in housing. (It is interesting to note that men in particular are likely to live with their parents, with 54% of all 20-24 year olds still at home). (9)

**Figure 2: Types of household in England: household types as a percent of all households (2001-based projections)**



Source: DETR/nVision

© the future foundation

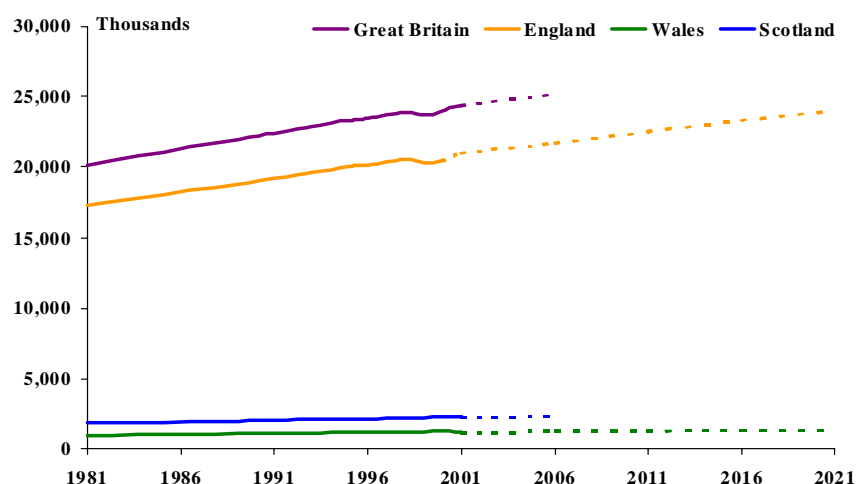
Another factor that has resulted in young people staying at home longer is the huge debts incurred by university and college students on graduation (12). The need to repay these debts and the high costs of housing mean that they are staying at home longer today than at any time previously. (Interestingly recent research by Crisis found that a significant percentage of street homeless people have good educational qualifications (13) possibly heralding a rise in the 'educated homeless'!)

The result of the growth in single-person households and a growing population is a growth in the number of households overall in the UK (see figure 3). As the chart shows, most of the growth is in England, where an extra 1.5 million households will be created between 2001 and 2011 alone – an average of 150,000 each year (without taking migration into account). The link with housing shortages will be discussed in trend 4.

The implications for homelessness of changing household types and growing numbers of households overall are relatively clear. More single households mean more households overall, since (put very simply) where previously one dwelling might have accommodated two adults, it now only accommodates one. With more households overall the competition increases to find accommodation.

One important aspect of the shift to single-person households is that people living alone are more vulnerable to changing economic circumstances than multi-person households. The cost of maintaining a tenancy alone is more expensive (and in London it is much higher than other cities (14)) and the consequences of life 'hiccups' are far more severe. For example, when one partner loses their job suddenly, the other is there to keep the tenancy going, but when a single person loses their job, or has to go into hospital etc, it is far more easily the trigger for financial or tenancy problems.

**Figure 3: Number of households in Great Britain**  
(Great Britain, England, Wales, Scotland)



Source: DETR/nVision  
Base: GB

© the future foundation

Overall the growth and changing nature of households is likely to create a macro environment that increases rather than decreases the numbers of individuals and families who become homeless.

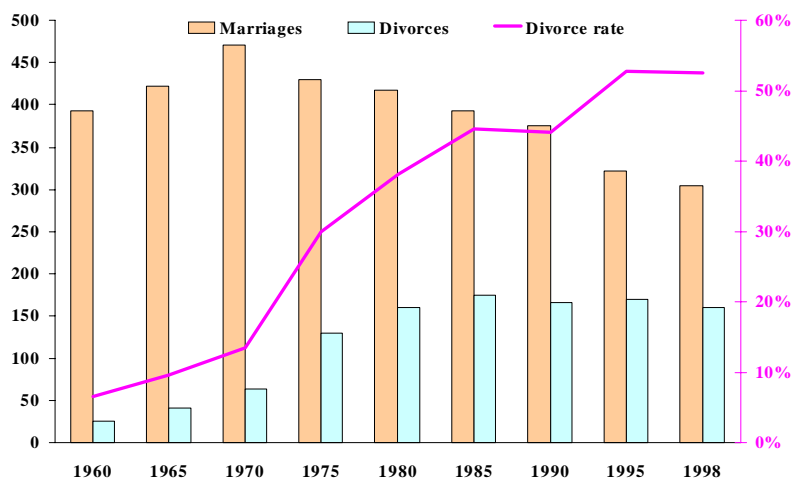
### Trend 3: Evolving family structures

Families are changing in a variety of ways. Women are having their first child later in life, men and women are taking more equal roles in childcare and domestic chores, more women are going out to work and less men are in employment as they get older (15). Many of the changes that are taking place in families are only tangentially relevant to homelessness. However, it is the changes in family and relationship formation that are most relevant: how families are created and how they are split apart – and what happens to family members as a result. (16)

Half a century ago there was a stereotypical horizontal family. A child had two parents, several siblings, uncles and aunts, grandparents, cousins and the like. They were part of a broad family unit (lots of children and cousins in the same generation – the horizontal family). As people lived longer and had less children, the family became 'taller' – children were increasingly likely to know their great grandparents – but 'narrower' – less children meant less uncles, aunts and cousins. (15) (17)

These changes in family structures have been impacted on by the growing numbers of divorces and falling number of marriages (see figure 4). This fracturing and reforming has resulted in some very complex families. Small numbers of siblings and cousins have been supplemented by large numbers of step-siblings and step-cousins (and step-parents, and step-grandparents and so on). If both parents enter into new relationships, there may be two sets of step-families to live with.

**Figure 4: Numbers of marriages and divorces in the UK (1960-1998)**

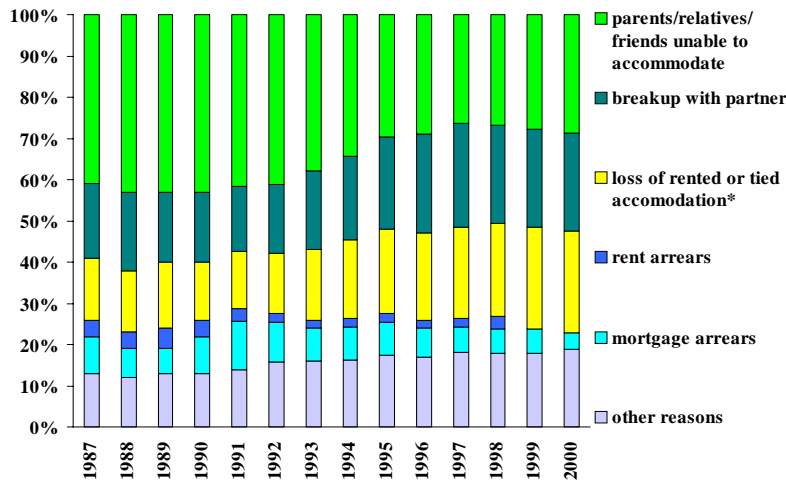


Source: Eurostat/nVision

These new extended step-families are important because relationships in them can become much more complex. Will there be enough bedrooms for all the children in the new households? Who will go where at Christmas? Will grandparents still get access? What happens when a step-parent doesn't get on with one of their stepchildren? Much energy is needed to negotiate the minefield of a new family, and there are a number of ways in which individuals can fall out of favour and out of the family.

Families and relationships are an important factor in the reasons behind homelessness, as figure 5 shows. Relationship breakdowns with a partner account for 25% of the reasons behind homelessness, while the inability of families to accommodate somebody accounts for 29% of the total. Families and relationships not working account for over half the reasons why people say they are homeless. It is for this reason that a number of commentators have called for family mediation as one of the ways that homelessness, particularly among younger people, can be reduced (18).

**Figure 5: Reasons for homelessness in England by percent (1987-2000)**



Source: DETR/nVision  
Base: England

\*From 1999, category 'loss of accommodation' includes 'rent arrears'

#### Trend 4: Housing shortages and spiralling demand

The ageing population, international migration and the growth in single-person households are increasing the need for more homes (9). At the same time the number of new homes being built has stabilised at around 150,000 a year in England, while around 200,000 homes

are needed. The recent Joseph Rowntree working paper, 'Britain's Housing in 2022: More shortages and homelessness?' estimates that there was a shortfall of 650,000 house as far back as 1996 and that this will grow to a shortage of 1.1 million homes by 2022 (19).

The situation in London appears to be particularly acute. The Mayor's Housing Commission set a target of building at least 40,000 homes each year, of which at least 28,000 will be for key workers and low-income households. However, only 12,000 new homes were built in London in 2000 and of these only 2,743 were for social housing (19). At the same time London is increasing in size: its population increased by nearly 300,000 from 1991-98 alone (9). The pool of social housing is not growing but shrinking due to the right-to-buy policy for Council houses. Council house sales in England have now stabilised with a slow decline in annual sales to just over 50,000 each year from a peak of 144,754 per annum in the late 1980s (14). However, social housing completions are at their lowest level for 20 years – at just over 20,000 in 2000. (In 1982 it was over 50,000) (19).

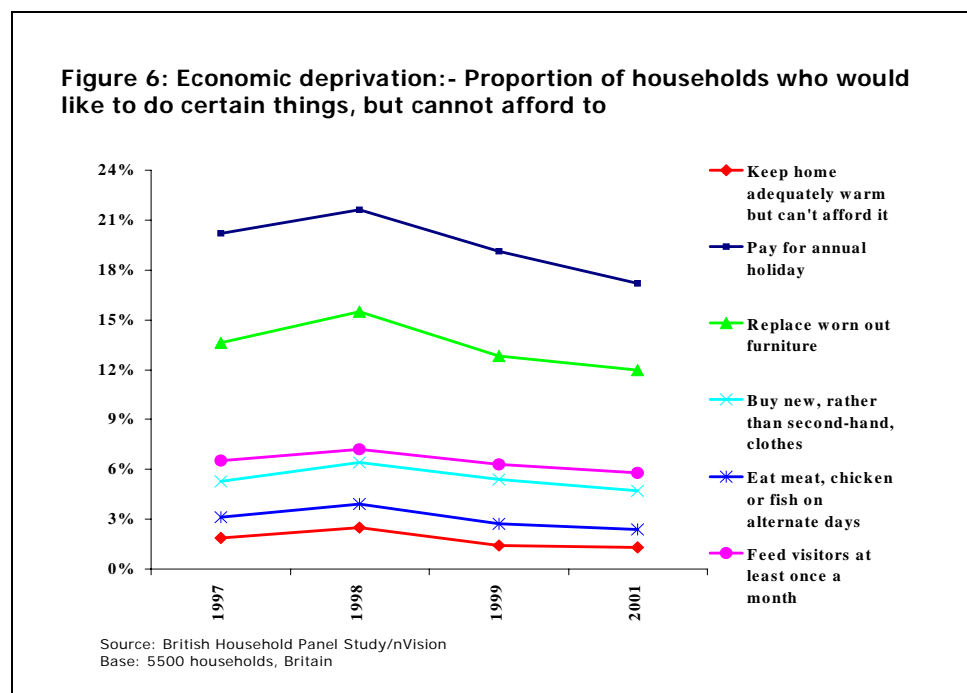
The shortage of houses is reflected in, and compounded by, rising house prices over the last two decades. The only period of negative growth was in the mid-1990s after the boom and bust of the late 1980s/early 1990s (9). Fuelled by lower interest rates and competition between lenders, the cost of maintaining debt is now much lower than a decade ago. Mortgage repossessions are also now at a very low level. These hit a peak in 1991 with over 70,000 repossessions, but have now dropped back to around 20,000 a year – a level more typically seen in the 1980s (14).

A shortage in homes and higher house prices can impact on homelessness in a variety of ways. Some are straightforward and others are more complex. The most obvious impact of housing shortages and house-price rises is that there aren't enough affordable homes to

go round (either for purchase or rent). Higher house prices increase the cost of buying land and building social housing. Rising house prices makes it harder for people in social housing to become house owners. This in turn reduces the number of vacancies that are created in rented social housing, and so more homeless people are forced to stay in temporary accommodation (see trend 6). (19)

### Trend 5: Poverty, deprivation and wider social trends

Skyrocketing house prices and housing shortages aside, the economic landscape looks good. GDP is up, disposable income and consumer spending are up and many of the poverty and deprivation indicators in the New Policy Institute/Joseph Rowntree Foundation 'Poverty and social exclusion monitor 2001' are improving (20). The International Labour Organisation (ILO) unemployment rate is at the lowest it has been since 1976 (9), most indicators of child poverty are down (21) and people are spending more on travel and leisure (9). Propped up by a strong tourist industry (21), a large population and a steadily growing workforce, the UK economy is thriving. Best of all, according to nVision/nfpVision.net economic forecasts, the current rates of growth are sustainable and unlikely to eventuate in the types of crashes that occurred in the 1980s. Box 3 illustrates many of these key indicators and their current direction. (9)



Many commentators believe that there is a strong link between poverty/deprivation and homelessness. If this is the case, it is good news for those tackling homelessness, since almost all of these indicators are moving in the right direction (though not necessarily in every region or within every sub-group). Some of these changes are the product of a strong economy, and others are a product of the Labour Government's focus on social exclusion and poverty. The number of children in poverty has decreased from 4.5 million in 1994/5 to 3.5 million in 2000/1 (20). Figure 6 shows a basket of responses to questions about people's ability (or lack of it) to afford a range of basic activities. This chart shows that since 1997/8 these indicators on poverty have been improving. The number of people in employment has risen steadily from a low in 1982 of just over 25 million to a peak in 2000 of over 29 million. However, the number of housing-benefit claimants increased substantially over the course of the 1980s and early 1990s, and peaked in 1996/97. It has decreased slightly since then, but it is still substantially over the level of the mid-1980s. (14)

### **Box 3: Summary of trends in social and economic landscape**

#### *Social Landscape*

- Lone parents – **steady** (9)
- People living with parents – **growing** (9)
- Overcrowding – **declining** (20)
- Number of children per family – **declining** (11)
- Number of rooms per person – **growing** (9)
- Help from social services for older people to live at home – **declining** (20)
- Employment – **declining for men, rising for women** (9)
- Young people not in education, training or work (aged 16-18) – **steady but worsened over 1999/2000**
- Mental health – **steady but worsened over 1999/2000** (20)
- 10-16 year olds in young offenders institutions – **growing** (20)
- Problem drug use in young adults – **growing and then steady over 1999/2000** (20)
- Under-aged pregnancies – **declining** (20)
- Suicides in young adults – **declining** (20)

#### *Economic landscape*

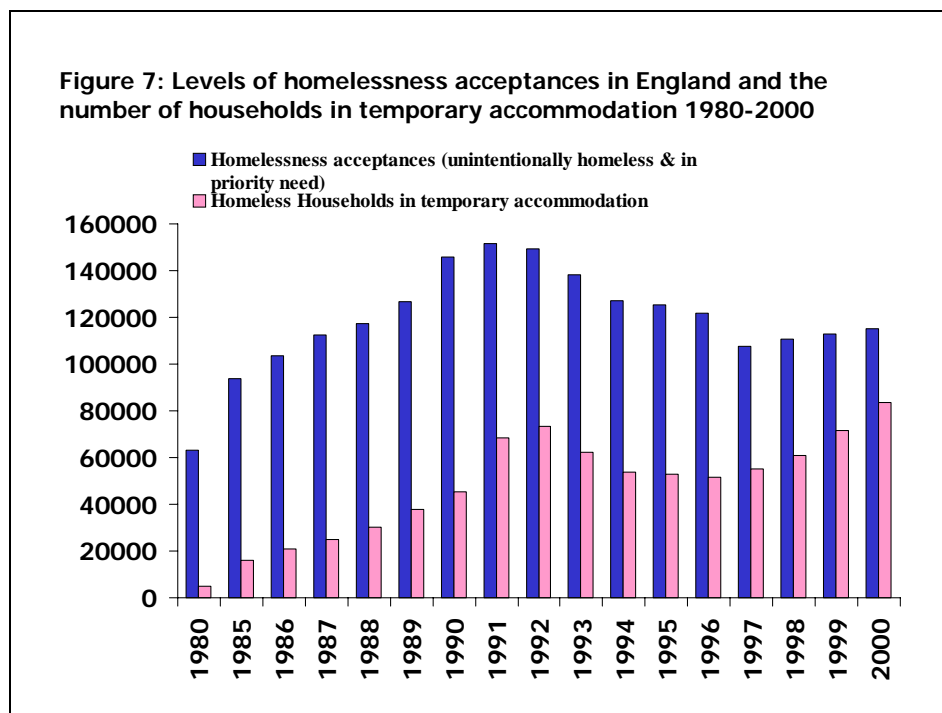
- Population – **down from 1971 and then steady** (9)
- GDP per head (constant prices) – **up** (9)
- Underlying Retail Price Inflation – **steady at low levels (headline retail price inflation down)** (9)
- Household disposable income – **up** (9)
- Consumer spending – **up at possibly unsustainable rates** (9)
- Employment – **large growth in last five years but should stabilize** (9)
- Unemployment – **declining, with slight blip in 2002 – predicted to stabilize** (9)
- Joseph Rowntree Indicators of low income – **steady** (20)
- Receipt of benefits – **growing** (14)
- Most Joseph Rowntree indicators of child poverty – **improving** (20)
- Those in temporary accommodation – **growing (faster than house prices)** (9)
- Houses without central heating – **falling** (20)
- Immigration – **growing (greatest population inflows in London and the South East)** (9)

Not all is positive in the wider economic and social landscape. According to the NPI/JRF report many of the indicators which would be most likely to be related to homelessness levels have worsened over the latest year: these include: mental health, the number of 10-16 year olds in young offender institutions and young people (16-18) not in education, training or work (21). Employment is also dropping for men (but not for women or overall) (9).

If the root of homelessness is economic deprivation, the overall outlook for a reduction should be good. If the root of homelessness is more closely linked to a number of other factors such as the housing market, support from social services and level of juvenile crime, the outlook is less positive.

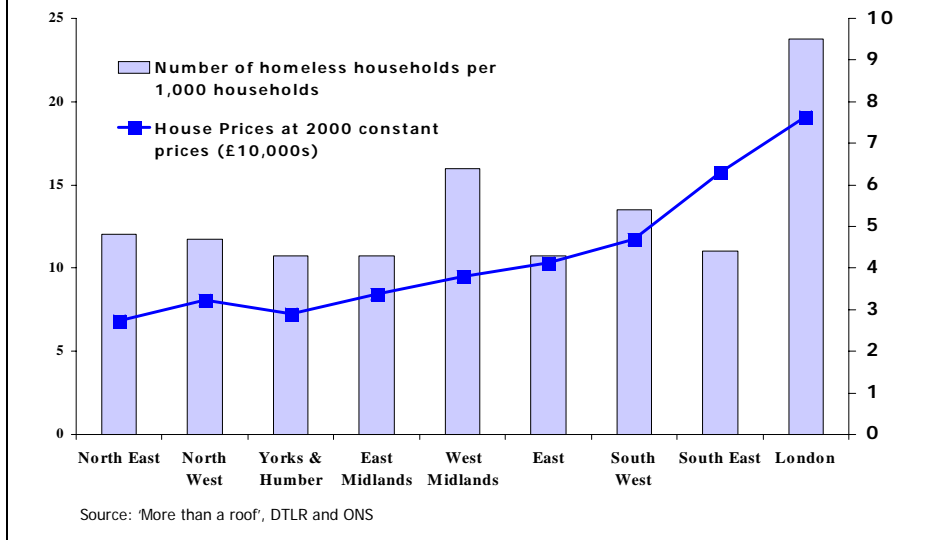
**Trend 6: Numbers of homeless people**

Homelessness acceptances by local authorities and the use of temporary accommodation appear to have hit a peak in 1991 and then declined (see figure 7). While homelessness acceptances have not reached these levels again (but are now rising from a low in 1997), the increased use of temporary accommodation as a percentage of all acceptances in this period is striking. It was only 8% of all acceptances in 1981, 45% in 1991 and nearly 75% in 2000. Regional levels of homelessness also vary widely (see figure 8). They are highest per thousand households in London, second highest in the West Midlands and lowest in Yorks & Humber.



A recent report from Crisis (22) suggested that there might be a total of around 400,000 hidden homeless. The Crisis figures are from a variety of different sources, some of which are included in the figures from local authorities and some of which are not. They highlight a number of areas where the official figures from local authorities fail to take account of, and demonstrate just how difficult it is to reliably estimate the extent of homelessness in England or in London.

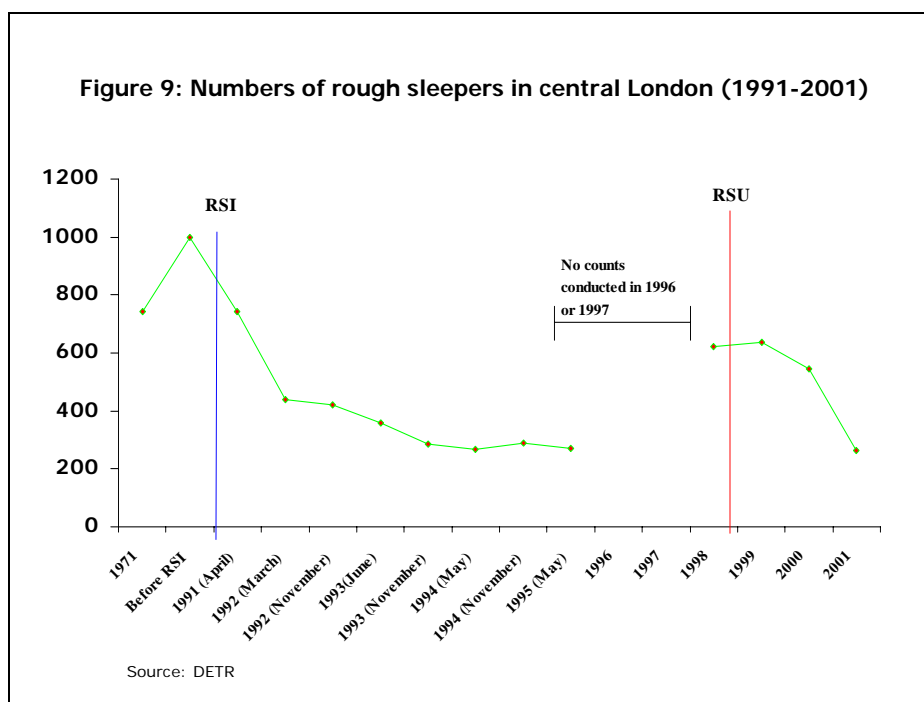
**Figure 8: Number of households per 1,000 accepted as homeless by English region**



### Measuring rough sleeping

Rough sleeping represents only a small percentage of the total number of homeless people (less than one percent). However, the figures (see figure 9) have formed a very high profile element of the government's strategy on rough sleeping and received a high degree of publicity. Indeed, there often appears to be a danger that in the public consciousness rough sleeping and homelessness are one and the same – whereas this is not the case.

The methodology used to gauge the level of rough sleeping has been the source of much controversy. In effect the street counts measure the number of people rough sleeping between midnight and 6am. They have taken place for over 10 years – though there was a change in the geographical area covered by the RSU counts from the RSI counts. It is noticeable how the numbers of rough sleepers fell after the establishment of the RSI in the early 1990s and the RSU in the late 1990s (though much of the actual work was still carried out by local homelessness agencies).



\*/n

Perhaps of greater concern is what the rough sleep counts actually measure. Street counts do not catch everyone, but the methodology means that the drop in numbers probably does represent a reduction in rough sleeping – though they are an ongoing source of controversy. More important is the turnover of individuals in rough sleeping: how many become rough sleepers and how many get off the street in any given period. If a count records a total of 500 people rough sleeping, many more may have actually slept rough. For example a Thames Reach Bondway CAT team progress report revealed that in the process of reducing the street count for Central London from 231 in May 2000 to 161 (a reduction of 70) in May 2001, 1625 rough sleepers received referrals. What these figures would indicate is that for each one-person reduction shown in the yearly count, 23 people are helped off the streets.

### **Trend 7: A more competitive and professional voluntary sector**

Homelessness agencies do not operate in a vacuum. They are part of the wider fabric of society and many of the trends outlined in this section have been about the wider environment in which charities operate. But charities, irrespective of their cause, compete against each other. They compete for fundraising income, media coverage, public awareness and political clout. The degree of this competition is hard to measure and track overall. It is easy to outline the growing number of charities overall (currently around 180,000), but 90% of these do not employ any staff (24) and have a very specific remit.

It is often in specific areas of activity that competition is most acutely felt and demonstrated. NfpSynergy has been tracking the awareness and understanding of MPs every six months for two years through the Charity Parliamentary Monitor. We ask MPs a number of open-ended questions that give them an opportunity to express their awareness of charities and their campaigns ('which charities have impressed you in the last six months?' and 'which campaigns can you recall in the last six months?').

This is competition in its rawest form. It doesn't matter how good the cause is, if MPs aren't impressed or don't recall it, its chances of being influential are greatly reduced (though clearly some organisations may have the contacts to go directly to ministers). On this basis homelessness agencies are losing out in getting their message across.

For example, in the most recent poll (July 2002) the top performing sectors, such as children, disability and overseas aid, scored a cumulative total of 33%, 36% and 27% respectively for the best three charities in each sector. The top three homelessness agencies scored a total of 3%, and this has dropped from 16% two years ago. The story is no better with campaign recall. The three most remembered campaigns in the most recent poll are the Trade Justice movement with 35%, RNID's digital hearing aid campaign with 22% and the NSPCC's Full Stop campaign with 19%. Homelessness campaigns only registered generically at 1%. The situation is no better in the Lords, where the top three homelessness agencies scored a total of only 3% in a poll carried out by nfpSynergy in May 2002.

This lack of visibility amongst MPs is not necessarily because of a lack of interest in homelessness. When MPs were asked which causes concerned them personally in August 2001 'poverty and social welfare' came in with the highest levels of concern, with 42% of MPs nominating it in their top three issues. When in a later wave of research (July 2002) they were prompted to name an organisation that worked in this area, Shelter came fourth with 7% behind CPAG, the Joseph Rowntree Foundation and Salvation Army. There is clearly much work to be done in keeping homelessness top of the political agenda.

There are other areas where competition is most keenly felt, and in a future briefing we will look at the public's attitude to, and knowledge of, homelessness. However, initial findings would indicate that the situation is little better: 48% of the public are unable to name a charity or agency that works in the field of homelessness.

Another area where the voluntary sector influences the overall context in which homelessness agencies are working is regulation. In the past decade there have been a number of pieces of legislation and regulation that impact on the way charities work: the 1993 Charities Act, the financial reporting requirements from the Charity Commission, the tightening of the Data Protection Act and the forthcoming Performance and Innovation Unit (PIU) report, for example.

There are two areas where the voluntary sector is developing rapidly but the homelessness sector doesn't appear to be keeping up: mechanisms for user involvement and ethnic minority (or BME) issues.

User involvement is growing in importance in many parts of the voluntary sector is the need to involve clients or users in the development and direction of the organisation. One agency director coming in from outside the homelessness sector remarked on *'the lack of formal mechanisms for user involvement and the distance homelessness agencies are behind other voluntary organisations'*.

User involvement can take many different forms. For some organisations 'involvement' simply means carrying out market research with a client group, while others have established more formal mechanisms for consultation. It is probably the disability sector, which has gone the furthest in building user involvement into its structures. In the last few years many disability organisations (for example Mencap, Scope, RNID, RNIB and Diabetes UK) have all changed trustee structures to guarantee the involvement of their client group or their members in the governance of the organisation.

Other charities (for example the overseas development sector) have involved users, not necessarily in governing the organisation, but by making sure that they have services, which are what users want to take control of their own lives. In both these respects it is likely there will be increased pressure to improve the accountability of homelessness

agencies to homeless people and ensure the involvement of homeless people in governing the organisations that exist to work with them.

Another area where the voluntary sector has been developing a more focussed agenda in recent years is in relation to ethnic minorities and the black and minority ethnic (BME) sector. This has resulted in specific areas of funding from the Active Community Unit (ACU) in the Home Office for the development of the BME sector, as well as the incorporation of specific BME sector guidelines into the voluntary sector compact.

The homelessness sector doesn't yet appear to have fully incorporated BME issues in its services, policy or funding. There is also limited research on homelessness and people from ethnic minorities. A number of people have told us that people from BME communities are under-represented in rough sleeping and street homelessness. The director of one of the few agencies dealing with BME issues gave us this overview *'As far as demographic changes, I see more non-statutory BME homeless. There is a demographic change within the elderly in BME communities in London – relationships are breaking down. Yet there are no mainstream, frontline organisations specifically to deal with BME homeless. The government priorities are around rough sleeping and key workers (where BME communities are under-represented). Unless there is a move to put it forward on the government agenda, I don't see this changing. I have actually seen a negative impact in the last ten years, e.g. In the past, agencies which would provide access for non-statutory homeless are no longer doing so - the places are reserved for rough sleepers'*.

Unless there is a greater emphasis on BME issues, particularly in London, from homelessness agencies, central and local government, the needs of a group of homeless people will not be incorporated into planning and service delivery. It will also be out of step with the wider social exclusion agenda.

Homelessness agencies are no different from any part of the voluntary sector in the impact that the twin forces of competition and professionalisation will have on them. The financial imperatives of growth mean that every agency will need to try and decide how much of its resources it wants to come from statutory sources and how much is unrestricted income from fundraising. Over-reliance on either source of funds leaves homelessness agencies vulnerable: in the case of statutory income to the changing requirements of local authorities or central government and in the case of voluntary income to the vagaries of the fundraising marketplace. Each additional policy or regulatory issue brings extra costs (user involvement or addressing BME issues are no exception) both in terms of time and money. The changes that homelessness agencies will need to make in the coming years will affect every part of the organization.

A more detailed account of the impact of the changes in the on agencies and the ways they may need to respond will be the subject of a future briefing in the IMPACT programme and cover areas such as mergers, funding sources, governance, tendered services and political campaigning.

## Key issues in relation to the political and socio-economic landscape

This final part of the briefing looks at some of the key issues for homelessness agencies that arise out of the interviews in relation to the changing political and socio-economic landscape. There are a range of other issues that fall outside the political and socio-economic sphere and therefore aren't included in this briefing but which we hope to include in future briefings.

The impact of many of the changes in the political and the socio-economic landscape hits local authorities hardest. Indeed, the BIG issue is the additional roles and responsibilities of local authorities and how they will respond.

### Issue 1: The reaction of local authorities to their additional responsibilities

Two issues seem to dominate the response of local authorities to the changing landscape: the additional numbers of people they will need to deal with and the resources (staff and money) they will need to discharge their statutory duties:

*'We won't be able to discharge duty into the private sector unless families agree i.e. they can demand social housing. We are desperately squeezed on resources, but if we did want to use the private sector, it would be difficult to do so.'* (local authority)

*'The balanced community perspective is going out of the window, as we have to deal with statutory duties.'* (local authority)

*'If the guidance does end up saying that we have to take all of these people (e.g. ex-offenders, care leavers), it will be an absolute nightmare dealing with demand increases. There are no new resources.'* (local authority)

*'We've been placing people as far away as Birmingham and Southend. This is improving, but if single statutory homelessness goes through the roof, we will be exporting way outside our boundaries in order to get a roof over people's heads.'* (local authority)

*'With the changes to priority need in place, we would have to accept an extra 250 cases a year. This is a 25% increase in homelessness acceptances – this is pretty major.'* (local authority)

*'The temporary accommodation need is currently rising by 200 per year – add to this the extra acceptances that will happen through priority need and you have over 400 extra people/household to house a year.'* (local authority)

As the quotes above from local authorities illustrate, their main concern resulting from their additional responsibilities is the additional numbers of people they have to deal with. One local authority questioned the efficacy of a *'trend to make more people vulnerable without increasing provision'*. In fact, several local authorities expressed a fear of *'being swamped by single homeless people'*, and a study conducted by the Association for London Government (ALG) reveals why they are so concerned. Based on current applications to local authorities, the ALG estimates that the new 'priority need' categories will result in an extra 6,500 additional placements in London a year. This 20% increase is bound to be a serious drain on local authority resources and provisions and will undoubtedly make it more difficult to deliver 'balanced communities'. Until the issues around the supply and demand for affordable housing in London are addressed, it will continue to be, as the director of a leading housing association lamented, *'basically just a debate about who doesn't get housed at the end of it'*. His hope for the future was it will

at least lead to a better understanding around *'the need for services and how they can impact on those who we decide to move to the end of the queue'*.

The flipside of additional responsibilities is the need for additional resources:

*'There is no point in the government introducing legislation unless it adds resources, additional training (or retraining) – there has to be linkage across a range e.g. Social Services, health, etc.'* (local authority)

*'We have raised concerns about the pressures on local authorities in the South East. The government has provided a bit of extra money, but I'm not sure how it assessed this and if it will be enough. They've not provided extra housing.'* (sector body)

*'Without new resources, things don't get solved.'* (independent commentator)

*'There are major recruitment issues in all local authorities in the South (e.g. In trying to get specialist supporting people staff). There is certainly a skills and recruitment shortage, so some authorities will be struggling to fill the posts.'* (sector body)

The evidence from our interviews is that while local authorities are making preparations for the changes that will result from their increased statutory responsibilities, many cannot see beyond the increased numbers of people they will have to deal with and the limited resources they will have to deal with them. For agencies tackling homelessness, the ability to maximize the opportunities of the new statutory requirements will be limited by the capability of the local authorities they are working with to respond. Part of the role of local homelessness agencies must be to help their local authority counterparts to see beyond the additional numbers of claimants and their limited stock of social housing, and to lobby central government for additional funding to help local authorities deliver the potential of their new duties to the full.

## **Issue 2: What will be the impact of the Homelessness Act 2002?**

Nowhere is the difference between the potential and the reality of the changes to statutory responsibilities better illustrated than with the Homelessness Act 2002. The optimists are very excited about its potential:

*'If implemented properly, it will transform the approach to homelessness, both in preventing people ever becoming homeless and enabling those who do to avoid becoming homeless again.'* (independent commentator)

*'In the long term, the proactive homelessness strategies will lead to a reductive effect. It will also lead to better co-operative work between local authorities, housing associations and the voluntary sector.'* (sector body)

However a far more common response was a high degree of cynicism, not about the potential, but about the reality:

*'We're waiting for the new homelessness strategies, but nothing in the past has given me any hope. It's like equal opportunities in the work place, just because you put on the forms etc. That you encourage BME applicants doesn't mean it works in practice.'* (agency director).

*'Resources are the most compelling question and the biggest gap. This is the main way in which the responsibilities (of the Homelessness Act) may be inappropriate.'* (sector body)

These two sets of contrasting views on the Act are not necessarily at odds with each other. In the long term the Act probably will have a substantial impact, but in the short term its effect is likely to vary significantly. As one agency Director put it: *'The reaction by local authorities to the Homelessness Act 2002 and Supporting People will vary enormously. Some authorities will be great because they always are, and others, well who knows?'*

There are also concerns about how involved in the implementation of the Act voluntary sector agencies will be. They are required to be consulted in the drawing up of local homelessness strategies – but that is not necessarily a guarantee they will be involved in the delivery. The involvement of any individual agency tackling homelessness is up to the local authority:

*'On one hand, it's a good thing [the Act], on the other, it's not very empowering for the voluntary sector – they're basically bystanders – almost every one of the local strategic partnerships has a local authority as chair.'* (regional government)

*'I have seen good agencies frozen out by the local authorities – it is politics that can sometimes get very incestuous – there are some genuine concerns there.'* (central government)

These two quotes hint at the way that life for homelessness agencies may change. As local authorities develop and implement their homelessness strategies, they will need to find partners to deliver those services. It seems likely they will want partners that can meet the breadth of their needs in tackling homelessness, not just those of single or family homelessness. Indeed, there is no guarantee that preferred partners will even be homelessness agencies. The evidence from our interviews is that this shift is already happening and that homelessness agencies will need to adapt to survive in this new world. The combination of the Homelessness Act and Supporting People could change the homelessness sector forever as two of our interviewees foresaw:

*'I suspect it [Supporting People] will gradually eat away at the idea of a separate "homelessness" field.'* (sector body)

*'It will shift a lot of resources away from single homelessness support to family support.'* (homelessness agency)

Whatever the potential of the Act, its implementation cannot be taken for granted. However, if the implementation doesn't meet all the potential, homelessness agencies will only have themselves to blame. Part of the role of agencies tackling homelessness must be to continue to lobby local government for effective local implementation and to lobby central government for the resources to make the strategies workable.

### **Issue 3: How will Supporting People work in practice?**

As a way of separating support from the provision of accommodation, Supporting People plans to make support services more accessible and transparent. However, our interviews illustrated not only that there is a great deal of concern about how the implementation will impact on agencies and the services they deliver, but also that there is still a remarkable level of confusion about how it will operate in practice.

Supporting People aims to target all people who need help in maintaining their accommodation and independent living. Concerns were expressed to us, however, that

the Supporting People funds are more likely to be diverted into politically popular issues such as the care of the elderly and away from unpopular issues such as mental health, drugs or alcohols. As one civil servant said: *'There is a problem with certain people not wanted locally e.g. Those with mental health or drug/alcohol problems.'*

There is also speculation that Supporting People is asking too much from an under-resourced sector. One sector body said it will result in *'a great deal of chaos come April 2003'*. A housing association chief executive went so far as to claim that 90% of practitioners were very worried about how it will work in practice. There is also real concern that delivery through local authorities will lead to delayed or inaccurate payments and undermine individuals and agencies in the same way as Housing Benefit.

*'The danger is that the government has designed a wonderful new vehicle for providing support services and then given it square wheels – what confidence can we have in the delivery when we look at the mess many local authorities make of housing benefit?'*  
(homelessness agency director)

Supporting People comes into effect in April 2003, but with its intricate transitional arrangements it is likely that its full impact will not be felt for several years yet. Local commissioners have three years to review available services (bringing us up to 2006). This means that the requirement for agencies to be involved in transitional planning and delivery will almost certainly increase and not decrease after April 2003.

#### **Box 4: What they said about Supporting People**

*'I think it's quite likely we'll end up saying we need more money.'* (local authority)

*'The main issues are whether there is adequate preparation at a local level and whether smaller agencies know enough about it.'* (sector body)

*'Choices will have to be made. Long-term support will probably not be the priority.'*  
(sector body)

*'The reality equals a great risk of chaos come April.'* (sector body)

*'The largest single pot to deal with social exclusion will be Supporting People, therefore, its importance will grow over time.'* (sector body)

*'We don't know how the Homelessness Act is going to affect the level of support needs. I'm not sure if the Supporting People pot will reflect these new responsibilities.'* (sector body)

*'The money is an aggregate of what's happening already – not what is needed.'*  
(sector body)

*'It will bring in more accountability, more competition, better standards of service to users, and better resources.'* (homelessness agency)

*'Small specialist providers (invariably BME groups) may not be engaged in the Supporting People process or be adequately prepared, resulting in a loss of diversity.'*  
(homelessness agency)

*'It's going live 8<sup>th</sup> April 2003, and we've got an awful lot of work to do.'* (local authority)

The biggest shift by far that is taking place in the political landscape is the increased statutory responsibilities of local authorities to tackle homelessness. The key question is what difference it will make to the numbers of homeless people and the quality of their lives. We have seen quotes from both the optimists and the pessimists. Local authorities find it hard to see beyond the additional numbers of people and the limited resources they will have to cope with. Homelessness agencies can see the potential, but are not yet convinced about how it will work in practice.

It is a mistake for agencies tackling homelessness to sit on the fence. The current political climate is the most favourable it has been in a generation. The building blocks are all in place to make lasting changes. It is hard to imagine a better climate for making fundamental changes. It is up to agencies tackling homelessness to make sure that they work with local authorities to produce results. If individual local authorities take a cynical or minimalist view, it is up to homelessness agencies to put pressure on them to deliver. The political landscape is made up of some incredible opportunities and some massive threats. Any agency that doesn't adapt may find itself marginalised or under-funded. For those that do adapt the opportunities exist to have a much greater impact on homelessness.

#### **Issue 4: The special needs of London**

*'There is always a danger that growth in London could lead to a greater polarisation. As a region, we have the greatest levels of child poverty, we have the highest levels of unemployment of any region – it's a big problem.'* (regional government)

*'I think that in five years time, the government is going to have to say 'unless you have a good reason to stay in London, we're going to offer you accommodation anywhere in England.'* (local authority)

*'Homelessness in London has gone up month on month over the last 8 months, which has made it difficult for our normal providers to provide adequate housing. As a result, people get increasingly frustrated in the hostels.'* (housing association)

*'The right to buy is a problem. It's mad that in London where there is a desperate housing shortage, associations have to sell off their homes at very high discounts.'* (sector body)

*'I've been on the street 6 months and have been in London 8 months. I've been in hostels for 3 months of this. It's has put me off London altogether.'* (homeless person)

Although London has much in common with other metropolitan local authorities there are a number of factors that are accentuated into London or peculiar to it. This includes the extent of housing shortages, the need for co-operation between local authorities (and homelessness agencies), migration of people in London from elsewhere in the UK, the concentration of rough sleeping and the high level of resources devoted to tackling homelessness. As the quotes illustrate it is housing shortages which dominate the concerns of many of our interviewees. As the last quote illustrates this may mean that London isn't a great place for homeless people. Indeed one local authority went so far as to ask *'why are people are so happy to live in horrible conditions in London, when there are other places that they can move?'*

The differences between London and the rest of the country can also prove an issue in ways that aren't about service delivery or housing shortages. As one manager from central government put it *'Outside of London, they have to work with local authorities and work out what they've got – they can't afford to have so many ideological views. Agencies in and around London don't look outside the M25 for ideas or views.'*

If life is going to change in general for homelessness agencies and local authorities as a result of the changing political and socio-external environment, then the maelstrom will be even greater in London. The Greater London Assembly (GLA) will increasingly drive forward its own plans for homelessness in London and as a new entity its impact has yet to be felt in full. The positive scenario is that the GLA could provide a overall strategy approach for London – the downside is that it could be yet another political force pulling agencies in another direction. On top of this if funding from central government is pushed

out to local authorities, then the degree of co-operation and flexibility needed by agencies working in London to maintain their funding, let alone improve their services, will be of a whole new magnitude.

### **Issue 5: Changes in socio-economic landscape**

There is one issue that dominates the socio-economic landscape for many of our interviewees: the shortage of affordable social housing to rent (and also to buy). This is very much an issue in London and the South East. For many of our interviewees it is difficult to see how homelessness can be tackled without addressing the shortages:

*'There isn't yet a full housing policy. The physical supply of housing remains a major problem. Government hasn't yet bitten the bullet in the South East.'* (sector body)

*'The northern authorities will be able to provide dwellings but not necessarily ones you would want to live in.'* (independent commentator)

*'The overall objective is to get rid of homelessness – local government can't possibly do that. There is a yawning gap in availability of affordable housing.'* (homelessness agency)

*'The money to tackle housing just isn't there.'* (independent commentator)

*'The bullet the government isn't biting is in the supply of affordable housing. We know the people who are going to need them – they are already born.'* (homelessness agency)

*'It's the capital investment needed to build enough permanent accommodation that worries me. We don't have that, and I don't think we're likely to get it.'* (homelessness agency)

There were other views on what impact the wider socio-economic trends have on homelessness:

*'If you had enough housing for every person in the UK, you would still have homelessness...I doubt there is an intelligent civil servant in the land who thinks that housing alone is the solution...all the evidence shows that family breakdown is the major cause of homelessness.'* (independent commentator)

*'To my mind poverty and unemployment are the most important structural factors underlying homelessness.'* (independent commentator)

While for many affordable housing shortages are key, it is in London and the South East that their impact is felt most significantly. Indeed, in others part of England they have been demolishing surplus housing stock. Poverty and unemployment are almost by definition going to be linked to homelessness, since housing is a major living cost. Yet while society has become steadily richer over the last 20 years (9), the level of homelessness has increased (see figure 7). Similarly, the number of divorces is now stable (9), so even if family or relationship breakdowns are a cause of homelessness, they do not help to explain the recent trends in homelessness in England.

Understanding what factors in the macro-environment cause homelessness would appear to be a prerequisite to helping prevent it. The Homelessness Task Force in Scotland has commissioned a number of pieces of research to understand better the links between the external environment and homelessness. The evidence of our interviews and the available

literature shows that research of this kind is badly needed for England in general and for London in particular.

### **Issue 6: Numbers and definitions of homeless people**

As has already been discussed homelessness is measured in two main ways by local authorities and the RSU. Both these two measures have substantive flaws. The figures from local authorities are far more important because they address a far larger group of homeless people.

Aside from the difficulty of using local authority figures as a way of measuring different kinds of homelessness, they are unlikely to be an accurate measure of homelessness overall (though they are useful in measuring trends). People will only go to their local authority for help if they believe they have a chance of receiving some kind of benefit. As one commentator put it: *'You have to have severe personal problems to get support from local authorities as a single person, so most don't apply because they know it's not worth it.'* Conversely, those who might be eligible will be at a highly chaotic point in their lives and may either not have the resources to deal with a local authority application or may not be aware of their rights. Part of the remit of many homelessness agencies is to represent and advise homeless people – but this still requires an individual to be in contact with an agency.

Few of the interviewees believed that local authorities figures provide an accurate measure of the extent of homelessness. Many queried the figure of 400,000 hidden homeless as unreliable – though without necessarily having a better estimate. Yet one of the key ingredients in tackling homelessness has to be the ability to measure it accurately in ways that aren't influenced by the desire to take up government services. It may be better to develop specific and accurate methods for measuring a number of different types of homelessness, (e.g. Rough sleepers; hostel dwellers; people self-placed in B&Bs, teenage runaways, etc) rather than a single universal measure of homelessness – included in these measures should be some idea of the demographics of the homeless people concerned.

Better measurement of homelessness is desperately needed. Homelessness agencies and local and central government are all investing significant resources in tackling homelessness, and without better measurement tools it will be very difficult to know whether they are successful. The need for better ways of measuring homelessness is not something that should happen in isolation. Instead, it should assist in developing homelessness strategies and measuring the effectiveness of the range of activities designed to tackle homelessness.

There is an even more profound issue about measuring homelessness centred around what it is and who homeless people are. A number of people we interviewed saw the whole label as unhelpful:

*'Homelessness is a whole tangle of people from rough sleepers to sofa surfers, from people who simply lack permanent accommodation to those whose are vulnerable in a whole myriad of ways – and homelessness is but one manifestation.'* (independent commentator)

Others saw the often rigid definitions between who is and isn't homeless as equally unhelpful:

*'For the Homelessness Directorate not to deal with squatters is absurd – these are rough sleepers who have found a solution.'* (homelessness agency)

Without a clearer consensus on what constitutes homelessness and what sort of scope the constituency of homelessness agencies are working with, progress will be hampered. Many now see homelessness as being as much about support as it is about accommodation: the provision of accommodation does not stop a person being homeless because the underlying causes of their homelessness remains. This was best expressed by one homelessness agency director: *'We work with people who will always be clients, sometimes they are on the streets, sometimes they are in accommodation but they will always be vulnerable to change and always need some kind of support.'*

This briefing has only addressed some of the important issues in homelessness at the moment. It has focused on the political and socio-economic landscape and examined some of the key issues arising from there. As part of the IMPACT through strategy programme we will be publishing a number of briefings between now and the end of 2003. They will continue to draw on the original interviews extensively, as well as any other specific research we carry out. They will also pull together existing work wherever possible. Each briefing will address an area that is significant in strengthening and preparing homelessness agencies for the changing world ahead. Some of the issues that will be addressed (subject to consultation with programme participants) are:

**The ways in which agencies tackling homelessness will need to change.** In the myriad of changes that will take place in homelessness over the next decade, what will happen to voluntary agencies and how should they respond? Specifically, how should they respond in their work with local authorities?

**The prevention of homelessness.** What is known about effective prevention and what are the range of individual 'triggers' that can cause homelessness? How do they relate to the external environment?

**The public perceptions of homelessness.** Public perception of homelessness is critical to the success of balanced communities and the development of affordable housing. How does the public view homelessness after the recent focus on rough sleeping?

**The paths into and out of homelessness for different groups.** The range of services needed to enable people to make a smooth transition out of homelessness and into a new life.

## **Conclusion: What will happen to homelessness agencies and homeless people in the next decade?**

We can envisage two broad scenarios for homelessness agencies and homeless people.

The first scenario sees local authorities finding it difficult to meet their statutory obligations. Housing shortages and limited resources allow many authorities to claim they can do little until these barriers are addressed. Higher priorities in political and public concerns, result in local authorities being able to sidestep their responsibilities and focus their attention elsewhere. Meanwhile the shift toward single-person households and the growing number of households overall only serve to make the underlying picture worse. To compound matters Supporting People is used as a vehicle for more 'popular' deprived groups such as the elderly. Ever increasing numbers of homeless people are put into temporary accommodation.

The second scenario sees a reduction in the number of people applying to local authorities as the result of low unemployment and a reduction in poverty. The strategies from the Homelessness Act 2002 produce some creative and imaginative ways to tackle existing homelessness as well prevent future homelessness. Supporting People proves to be an effective way of providing the long-term support needs of people who are at risk of homelessness. Local authorities focus on a range of ways of dealing with the housing needs of homeless people (such as using empty homes), and substantial numbers of new affordable homes are built.

These two scenarios are polarised. What makes the difference between the first scenario and the second is small. It depends on the political will to make sure that the new statutory duties are not just enacted on paper, but given the resources to make a difference. It depends on continued political pressure to create more affordable housing. It depends on the creativity and innovativeness of the services that are provided to help homeless people rebuild their lives.

Homelessness agencies are not bystanders in whether it is the first or the second scenario that is realised: they are the key agent for change. If homelessness agencies can prove themselves flexible and adaptive to the changing environment and effective lobbyists on central and local government then the future for homeless people is much brighter. If they can't then the homelessness sector and homeless people will have missed a key opportunity for lasting change.

## **Appendix 1: List of interviewees**

Our thanks to all those interviewed for their time and their insights and also those who contributed with comments at various stages of the process. Our thanks particularly to Kevin Ireland for his insights and support throughout the process.

### **Local and Regional Government**

George Barlow – Chair (London Development Agency -LDA)  
Duncan Bowie – Housing policy Manager (Association of London Government - ALG)  
Neale Coleman – Senior policy Advisor (Greater London Authority -GLA)  
Trevor Hart – Head of Housing Needs (Westminster)  
Atul Hatwal – Head of Homelessness Unit (Greater London Authority)  
Glenda Jackson – Cabinet Advisor on Homelessness (Greater London Authority)  
Alan Matthews – Director of Housing (Croydon)  
Tom Preest – Rough Sleeper Co-ordinator (Camden)  
Gwyneth Taylor – Head of Housing (Local Government Association - LGA)  
Martin Waddington – Homeless and Advice Manager (Kensington and Chelsea)

### **Central Government**

Ian Brady - Deputy Director (Homelessness Directorate, Office of the Deputy Prime Minister - ODPM)  
Louise Casey – Director (Homelessness Directorate)  
Ashley Horsley – Head of Bed and Breakfast Unit (Homelessness Directorate)  
Alan Riddell – Deputy Head (Neighbourhood Renewal Unit, ODPM)  
Anne Wallis - Head of Policy (Homelessness Directorate)  
Andrew Whitehouse – Team Leader (Social Exclusion Unit, Cabinet Office)

### **Independent commentators**

Suzanne Fitzpatrick – Lecturer (University of Glasgow)  
Sue Goss – National and Local Government Director (Office of Public Management - OPM)  
Gerard Lemos – Partner (Lemos and Crane)  
Theresa McDonagh – Principle Research Manager (Joseph Rowntree Foundation)  
Geoffrey Randall – Partner (Research and Information Services)  
David Walker – Journalist (Guardian Newspaper)

### **Homelessness and Voluntary Sector**

Victor Adebawale – Chief Executive (Turning Point)  
Nicola Bacon – Director (Safe in the City)  
Sue Baker – Assistant Director (Alcohol Concern)  
Toby Blume – Director (Groundswell)  
Daniel Currie – Director (St Giles Trust)  
Sister Ellen Flynn – Director (The Passage)  
Shaks Ghosh – Chief Executive (Crisis)  
Alistair Jackson – Head of Policy (Shelter)  
Kevin Ireland – Chief Executive (London Housing Foundation)  
Gary Lashko – Director (Providence Row Housing Association)  
Mark McGreevy – Director (DePaul Trust)  
Fiona Nelson – Day Centre Manager (The Passage)  
Elisabeth Pritchard – Chief Executive (Homeless Link)  
Robina Rafferty – Director (CHAS)  
Dee Springer – Director (Frontline)  
Jeremy Swain – Chief Executive (Thames Reach Bondway)  
Shaminder Ubhi – Director (Ashiana)

### **Housing Associations and Sector Bodies**

Jim Coulter – Chief Executive (National Housing Federation)  
Simon Dow – Chief Executive (The Guinness Trust)  
David Fotheringham – Head of Policy (Chartered Institute for Housing)  
Kirsty Jenkins – Consultant (Housing Quality Network)  
Richard McCarthy – Chief Executive (Peabody Trust)  
Nicholas Pleece – Research Fellow (Centre for Housing Policy)  
Nigel Rogers – Director (Sitra)  
Don Wood – Chief Executive (London and Quadrant Housing Trust)

### Service Users

Nine homeless people from the Passage Day Centre

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**For more information about the IMPACT programme go to the London Housing Foundation's website on [www.lhf.org.uk](http://www.lhf.org.uk) or ring Kevin Ireland on 0207 7702 5651.**

## Executive Summary

The external environment in which homelessness agencies operate is undergoing rapid change. These changes are coming from both the political and the socio-economic landscape. In particular the changes in the political landscape are driven by:

- The election of a Labour Government in 1997 with its focus on social exclusion in general and homelessness in particular
- Central government has also increased its focus on homelessness with the creation of the Rough Sleepers Unit soon after the election in 1997 and the creation of a Homelessness Directorate in 2002
- The increased roles and responsibilities for local authorities from the Homelessness Act 2002, Supporting People and the extension of priority need categories

Changes in the political landscape have been mirrored by changes in the social and economic landscape. Particular trends of relevance to homelessness agencies include:

- The ageing population of the UK
- The increasing number of households in the UK and the shift towards single person households
- The increasing complexity of families and family networks particularly where one or both parents are in a new relationship
- The shortage of affordable housing, most significantly in London and the South East and the increasing demand for housing
- The improvement in many of the main indicators of poverty and deprivation: notably the reduction in child poverty and the record lows in unemployment
- The fluctuation in the numbers of homeless people accepted by local authorities as being in priority need and the increasing numbers of homeless people placed in temporary accommodation
- The increasing professionalism of the voluntary sector in areas such as fundraising, user involvement and BME issues

Over 50 key figures in housing and homelessness were interviewed for this briefing and a number of key issues emerged in relation to the political and socio-economic landscape:

- The reaction of local authorities to their additional responsibilities
- The impact of the Homelessness Act 2002 in relation to its potential
- The complexity of Supporting People and how it will work in practice
- The special needs of London in dealing with homelessness
- The relative importance of housing shortages, family or relationship breakdowns and poverty in causing homelessness
- The need for better ways of measuring homelessness and defining homelessness

The political climate has never been better for tackling homelessness. The new statutory responsibilities on local authorities have the potential to result in a step change in the number of homeless people and the quality of their lives. The role of homelessness agencies over the next decade will be to ensure that local authorities and central government deliver on the potential of the current political landscape.