

Let's End Homelessness Together

Policy Briefing



Homeless Link

Let's End Homelessness Together

Policy briefings

1. Homelessness Prevention - the golden thread
2. Cross Government approach to homelessness
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Let's End Homelessness Together

Policy briefing:

Homelessness Prevention
- the golden thread



Homeless Link



Homelessness Prevention – the golden thread

“Whilst we endeavour to provide upstream prevention, the lack of resources mean that opportunities are missed resulting in people having to access statutory services which is both more costly and a worse experience in most cases.”

Prevention is always better than cure, and preventing homelessness before it occurs should always be the preferred cause of action. This is not just better for people at risk of losing their home, taking away the trauma of experiencing homelessness, but is also more cost effective and reduces pressure on public services. Unfortunately our current system prioritises crisis intervention at the loss of effective prevention activity and as the number of people experiencing homelessness continues to rise a growing understanding that simply reacting to homelessness crisis without dealing with its root causes can never be enough.

Prevention is delivered inconsistently within our current system. Combined with the shortage of truly affordable housing, this has created a self-perpetuating cycle of worsening need. In the face of rising unaffordability, a new raft of people have turned to the homelessness system for support. With bed spaces already full and too few affordable tenancies for people already experiencing homelessness to move on into, the system has bottlenecked. With it, the cost of meeting statutory duties has spiralled, once exceptional bed and breakfast placements have become the norm, and rough sleeping rates have skyrocketed. Each new case means another person carrying the trauma of homelessness.

Methods to embed homelessness prevention – put simply, activity which prevents homelessness from occurring or re-occurring – have gained traction both nationally and internationally in recent years. And homelessness prevention is the golden thread throughout our ambitions for the new government. Preventing homelessness is almost always the best outcome for the person, the community around them, and the public purse. Our vision is a government committed to preventing homelessness whenever possible as part of a shared mission to end it for good.

What do we mean by prevention?

The term ‘homelessness prevention’ defines a wide range of activities, and different understandings of what qualifies as homelessness prevention have created challenges when embedding it into strategic planning. In response to this problem, Fitzpatrick, Mackie and Wood¹ laid out a five-stage prevention typology which can provide a useful lens through which to define different activity:

¹ Fitzpatrick, S., Mackie, P. and Wood, J. (2021). *Advancing a Five-Stage Typology of Homelessness Prevention*. International Journal on Homelessness. Heriot-Watt University.

- **Universal prevention:** preventing or minimising homelessness risks across the population at large.
 - **Example:** Tackling destitution; improving living wage and labour conditions; increasing welfare rates; activity to help people maintain healthy lives and relationships.
- **Upstream prevention:** early-stage homelessness prevention focused on high-risk groups.
 - **Example:** Targeted support for vulnerable young people delivered in schools or youth settings; housing-oriented support during risky transitions such as discharge from hospital, release from prison or leaving local authority care.
- **Crisis-stage prevention:** preventing homelessness likely to occur within a foreseeable period (e.g. following an eviction notice).
 - **Example:** Help paying off rent arrears or managing mortgage arrears; family or landlord mediation to avoid eviction.
- **Emergency-stage prevention:** support for those facing imminent homelessness or who are already homeless and at risk of sleeping rough.
 - **Example:** Provision of temporary accommodation; support meeting essential needs.
- **Repeat prevention:** preventing a reoccurrence of homelessness for people who have recently been homeless.
 - **Example:** Specialist 'floating' tenancy sustainment support; [Housing First](#).

The current system

"It is extremely hard, given local government financial pressures, to justify investment in upstream prevention which may not show immediate in year savings. The focus for our limited resources is on crisis management, and the relief of homelessness."

An acknowledgement of the importance of homelessness prevention has led to significant legal reforms aimed at reorienting homelessness policy and practice towards prevention. Developments include the Homeless Reduction Act 2017, which extended local authority duties to take reasonable steps to prevent homelessness if it is likely to occur within 56 days.

Despite this, the current system is far from prevention led. Targeted measures are limited and often take place just prior to eviction, by which stage it may be too late for meaningful prevention to take place. Increased need for homelessness relief has seen local authorities pull resources away from prevention to meet statutory duties and growing emergency and crisis demand. When prevention does take place, its effectiveness is often hampered by the shortage of truly affordable housing.

The result is an increasingly unsustainable system. As more people face avoidable homelessness lack of affordable housing then traps households in expensive,

unsuitable temporary accommodation, and the rising costs are driving local authorities into financial crisis.² Unless concerted efforts are made to prevent homelessness among people currently at risk, costs will only continue to spiral and we will do nothing to stop the record flow of people becoming homeless.³

Barriers to effective prevention

Despite evidence of the benefit of improved homelessness prevention, structural barriers undermine these efforts at all stages. These barriers do not sit neatly within one department, and recent history has shown that government policies can be responsible for driving homelessness up even as other departments work to reduce it. Effective prevention is therefore an essential cross-government effort and cannot be delivered in a silo.

The shortage of social housing and the insecurity of the private rental sector (PRS) means that those on low incomes are vulnerable to rent increases or no-fault evictions. Insufficient welfare policies have seen essential costs outstrip household budgets, forcing households to go without essentials, prioritise which bills get paid and placing their housing at risk.⁴ Policies across government can also counter prevention efforts, with recent examples such as changes to asylum cessation causing a huge spike in rough sleeping and overwhelming local authority housing teams. Such decisions reflect the need for the whole government to prioritise meaningful prevention.

Prevention is a worthwhile investment, but providers are too often forced to justify proactive activity. Prevention rarely offers immediate, in-year savings, with impacts that take time to show change and can be difficult to measure through traditional indicators. New approaches often also require innovation and flexibility, which can be perceived as too high-risk to fund against traditional homelessness services. Progress on prevention requires a willingness to do things differently and balance funding alongside, rather than in competition with, reactive relief services.

A case for change

Recent years have shown us that business as usual is no longer an option. Preventing homelessness is always cheaper than relieving it,⁵ and without progress in prevention, local authorities will be overwhelmed by the cost of homelessness relief. Investing in prevention works, and while upfront costs may seem high they pale in comparison to the cost of relieving homelessness and responding to the needs that come alongside it.

² Levelling Up, Housing and Communities Committee (2024). *Financial distress in local authorities*. Third report of session 2023-24.

³ Homeless Link (2022). *Keep Our Doors Open: The homelessness sector and the rising cost of living*.

⁴ Bannister, L. et al. (2024). *An Essentials Guarantee: Reforming Universal Credit to ensure we can all afford the essentials in hard times*. Joseph Rowntree Foundation and The Trussell Trust.

⁵ Pleace, N. & Culhane, D.P. (2016) *Better than Cure? Testing the case for Enhancing Prevention of Single Homelessness in England*. London: Crisis.

Even higher-cost repeat prevention initiatives such as Housing First have consistently been assessed as delivering value for money as compared to business as usual.

There are blueprints for improvement across the country and internationally. Scotland maintain a Homelessness Prevention and Strategy Group alongside increased duties towards ending homelessness.⁶ Welsh government have more recently taken on a system-wide prevention approach, with a focus on early intervention across public services and a suite of further recommendations which would open prevention pathways up to six months before a planned eviction.⁷⁸ Finland's large-scale Housing First programme offers world-leading repeat prevention, meaning they have largely eradicated 'long-term' homelessness.⁹ All these examples reenforce the role of prevention as an essential aspect of ending homelessness.

Every person pushed into avoidable homelessness is a person pushed into unfathomable trauma that will echo throughout their lives, with great cost on their mental and physical health. People who have experienced homelessness face some of the worst health inequalities of any group, with universally worse health outcomes and a significantly shorter lifespan. Homelessness in childhood impacts development, learning and life outcomes, dramatically increasing the chances of multiple disadvantage and homelessness in later life. Effective homelessness prevention can circumvent this entirely, keeping people in their own homes and reserving emergency accommodation for genuine, unavoidable emergencies.

Recommendations

A whole-government commitment to homelessness prevention.

- Homelessness prevention does not sit neatly within one department, and every part of government must get involved to ensure its policies do not inadvertently drive homelessness. Any new government policies should be assessed as to their impact on homelessness and measures put in place to overcome the risk that they cause preventable cases of homelessness.
- Ensure trauma-informed care is at the heart of any cross-government strategy to end homelessness, with sufficient funding for homelessness providers to offer meaningful, trauma-informed support to break the cycle of homelessness for good.
- Acknowledge the need for innovation in delivering prevention, including in developing new approaches to preventing homelessness, variation for different populations and to monitoring the impact of those changes outside of current norms and metrics.

⁶ Scottish Government (2024). *Homelessness Prevention and Strategy Group*.

⁷ Llywodraeth Cymru (2019). *Strategy for Preventing and Ending Homelessness*.

⁸ Llywodraeth Cymru (2023). *Consultation on the White Paper on Ending Homelessness in Wales*. 10th October 2023.

⁹ Juhila, K., Raitakari, S. and Ranta, J. (2022). *Housing First: Combatting Long-Term Homelessness in Finland*. Successful Public Policy in Nordic Countries: Cases, Lessons, Challenges. Sept 2022.

Deliver universal prevention:

- Invest in building 90,000 new social homes per year for the next 10 years.
- Act on commitments to introduce an improved Renter's Reform Bill, immediately banning S21 evictions.
- Ensure the welfare system does not push households into homelessness.
 - Guarantee Universal Credit is sufficient to cover essential costs.
 - Commit to permanently unfreeze Local Housing Allowance in line with the lowest 30% of market rents.
 - End the benefit cap, or at the very least or at the very least ensure it is uplifted in line with LHA rates.
 - End welfare practices which discriminate against young people living away from family, including equalising benefits across age groups and ending the shared accommodation rate.
- End the bedroom tax.

Ensure upstream prevention

- Invest in critical juncture support for people leaving state institutions – including intensive support for those leaving hospitals, prisons or asylum detention.
- End the practice of immediate eviction from asylum accommodation, ensuring newly recognised refugees are given the time and resources to identify alternative accommodation.
- Invest in in-school programmes to identify and support high-risk young people, following examples trialled by Llamau in Wales and Geelong in Australia.¹⁰
- Strengthen support for care leavers, including increased investment in 'Staying Put' and 'Staying Close' schemes.
- For the health system, strengthen cooperation with the Duty to Refer including expanding its use to GP settings, as well as implementing programmes such as intermediate care so that nobody is discharged from hospital to inappropriate accommodation or onto the street.

Crisis-stage prevention

- Invest adequately in local authorities to ensure they can deliver on their duties within the Homelessness Reduction Act.
- Ensure providers receive sufficient long-term funding to deliver high-quality, person-centred support.
- Improve the delivery and flow of relief accommodation options so that everyone has access to support that works for them.

Repeat prevention

¹⁰ Crisis (2023). *Homelessness prevention by Llamau*. Available at: <https://www.crisis.org.uk/ending-homelessness/resources-for-practitioners/homelessness-prevention-guide/llamau/>

- Invest in specialist programmes such as Housing First.
- Deliver trauma-informed care as standard across the homelessness system.
- Deliver in-tenancy support for those with histories of homelessness, ensuring support establishing a home and ongoing check-ins to identify and resolve tenancy problems early.
- Improve access to health and social care provision for people with experience of homelessness, including expanding adult social care pathways for those with long-term severe and multiple disadvantage.

Let's End Homelessness Together



Policy briefing:

A cross-government
approach to ending
homelessness



Homeless Link

A cross-government approach to ending homelessness



“It’s cross departmental – solving homelessness by just housing isn’t going to do it. Whatever policy is being considered – part of that process has to be looked at through a homelessness lens.”

- Homelessness service provider

Homelessness is not a single-department issue. Its drivers encompass health, welfare, the justice system, migration and more, and span across various government departments. People experiencing homelessness often interact with multiple statutory bodies as the policy levers that cause or relieve homelessness sit across many government departments. This fragmented system results in missed opportunities to identify and prevent homelessness before it occurs. Once someone loses their home, solutions tend to focus narrowly on housing rather than addressing any underlying support needs, leaving many individuals at high risk of repeat homelessness in future.

The new government’s commitment to a cross-government strategy, working with Mayors and Councils, is very welcome. Here we set out in detail why this approach is vital and the key departments of government that must be involved.

However, ending homelessness is not an issue that can be solved by the statutory sector alone. Needs and priorities vary across the country and the voice of communities and people with lived experience must be heard. We agree that the new Strategy must be designed and delivered in partnership with Mayors and Councils as set out in your manifesto but ask that this is extended to include Civil Society and people with lived experience of homelessness.

We concur with your mission driven manifesto - “government is at its best when working in partnership with business, trade unions, civil society, faith groups, and communities.” The development of the new Homelessness Strategy is an opportunity build more effective national partnership working around a shared goal.

The current system

The fragmented and siloed approach to homelessness adopted by government departments presents significant barriers to effectively addressing, ending and preventing homelessness.

Contradictory policies, often developed to achieve distinct aims, can inadvertently lead to homelessness. For example, in August 2023, pressure to tackle the asylum backlog and reduce the number of asylum seekers housed in Home Office accommodation led to a change in process to the withdrawal of asylum support. This change resulted in a large number of refugees and refused asylum seekers becoming homeless.¹ This put enormous strain on local authority homelessness services, added to the growing number of people housed in unsuitable, costly temporary accommodation, and led to a sharp rise in street homelessness.²

Changes made to address a policy issue in the Home Office directly led to undermining efforts to end homelessness. Similar patterns can be seen with practice changes in other areas such as prison release or hospital discharge where efforts to tackle pressures can lead to increases in homelessness and rough sleeping. Other departments have made financially-motivated changes, such as the need to reduce the welfare bill leading to the freeze of Local Housing Allowance rates, which has led to ongoing rises in homelessness and an associated increase in local authority spending.³

Such government department policies too often lead to increases in homelessness. Any approach to preventing and ending homelessness must therefore encompass a cross-departmental strategy and whole-government accountability.

Furthermore, the siloed approach, where each department is primarily concerned with its own budget, obscures the true cost of homelessness across government. This fragmented perspective prevents a comprehensive understanding of the overall expenditure on homelessness and hampers the development of strategies to tackle it effectively. By failing to appreciate the interconnected nature of homelessness, opportunities to provide long-term security and stability for individuals at risk of homelessness are missed, leading to continued inefficiencies and inadequate support across the board in England.

At the same time interactions with different public bodies frequently present missed opportunities to identify and prevent homelessness before it occurs. Once someone loses their home, the solutions tend to focus narrowly on housing, neglecting the broader network of intersecting support needs such as health, social care, welfare, and legal assistance. This narrow focus leaves individuals at high risk of falling into

¹ BBC (2024) *Asylum homelessness rises as refugees told to leave accommodation*, 30th April

² DLUHC (2024) *Ending Rough Sleeping Data Framework*, December 2023

³ SAVILLS (2024) *Local Housing Allowance: what can claimants afford?*

repeated cycles of homelessness, as their underlying support needs remain unaddressed.

But just as much as policy and practice decisions in other departments can cause homelessness so too can these departments be part of the solutions to ending homelessness. Working collaboratively, across government, is the only way we will truly address the root cause of homelessness and look to prevent and end it for good.

A case for change

Departments across the government have a responsibility – and an interest – in building a system that responds effectively to homelessness. To prevent and end homelessness for all, it is crucial to stop viewing it as a siloed, single-department issue. Instead, a collaborative, cross-departmental strategy must be adopted.

This strategy should not be driven solely by the Ministry for Housing, Communities and Local Government, as has previously been the case. Rather, it should be developed in conjunction with the Department of Health and Social Care, Ministry of Justice, Department for Education and Skills, Home Office, Treasury, and Department for Work and Pensions. Only through such a comprehensive, joined-up approach can we address the complex, interrelated causes of homelessness and provide effective, lasting solutions.

For this strategy to succeed, continuous and collaborative efforts from all these departments is essential. Therefore, the establishment of a cross-government taskforce for homelessness is an essential way of requiring each department to not only participate in the creation of a homelessness strategy but also taking continued responsibility for their policies not inadvertently driving homelessness. This can only be achieved if all relevant government departments are involved in ongoing discussions and decision-making processes.

Key departments in the cross-government task force

Ministry of Housing, Communities and Local Government

The Ministry of Housing, Communities, and Local Government (MHCLG) will always play a core role in preventing and ending homelessness. They hold responsibility for a wide range of national policies on housing and homelessness, including legislative frameworks aimed at reducing housing insecurity and reducing homelessness.

MHCLG has oversight over of the Homelessness Reduction Act 2017, which places a duty on local authorities to take reasonable steps to prevent homelessness for people at risk. They have also held responsibility for implementing the 2022 'Ending Rough Sleeping for Good' strategy and for the development of rental reform policies. MHCLG also decide on funding allocations for local authorities, who hold responsibility for the implementation and commissioning of homelessness services on a local level.

It is therefore essential that MHCLG play the central role in the cross-government preventing and ending homelessness task force.

Department for Work and Pensions

Any strategy to end homelessness must consider the role that the welfare system plays in driving homelessness, and the financial burden that avoidable or extended homelessness causes to the Department for Work and Pensions.

Successive welfare policies have left people in receipt of benefits facing increasing housing insecurity as the costs of renting far outstrips the affordability of supply. Welfare policies such as the freeze on LHA rates, the benefit cap and the Shared Accommodation Rate all place people at higher risk of homelessness.⁴ People experiencing homelessness may also find themselves at higher risk of welfare sanctions,⁵ unable to access benefits they should qualify for,⁶ or even forced to choose between finding a job and keeping their accommodation.⁷

As the department responsible for Housing Benefit, DWP have a vested interest in preventing and ending homelessness. Yet too often welfare policies are responsible for driving homelessness that would otherwise be avoidable. DWP must play a prominent role in the cross-government task force, ensuring value-for-money across the welfare bill and reviewing their own policies to ensure they support a country free from homelessness.

Department of Health & Social Care

Losing your home should not mean losing your health. For too many people experiences of homelessness also mean stark health and care inequalities that can cause long-term conditions and a much shorter lifespan.⁸ For some, experiences of trauma and multiple disadvantage are more akin to a chronic health condition than a simple housing problem. Despite this, the existing system is balanced towards bricks and mortar rather than support with holistic needs.

Currently, homelessness is rarely recognised as a health and social care need. Instead, stigmatising attitudes frequently mean that care needs surrounding homelessness are written off as a lifestyle choice, leading to insufficient support and huge disparities in

⁴ Crisis (2018). "Making welfare work". *Everybody In: How to end homelessness in Great Britain*.

⁵ Reeve, K. (2017). *Welfare conditionality, benefit sanctions and homelessness in the UK: ending the 'something for nothing culture' or punishing the poor?* Journal of Poverty and Social Justice.

⁶ Groundswell (2020). *Benefits for Health: Exploring the connection between welfare, health and homelessness*.

⁷ Centrepont (2023). *Making work pay in supported accommodation*.

⁸ Aldridge, R. et al. (2019). *Causes of death among homeless people: a population-based cross-sectional study of linked hospitalisation and mortality data in England*. Wellcome Open Res.

health outcomes.⁹ It has become a norm for charitable homelessness services to support people with intensive health and care needs in the absence of more appropriate services, even when these services are vastly under-equipped to do so.¹⁰ Even where interventions such as Housing First are found to save money for healthcare systems and improve the wellbeing of residents with long-term support needs, these are frequently delivered by housing-focused services with little investment or involvement from health and social care teams.¹¹

If we are to end homelessness in this country, DHSC must play a leading role in both improving the quality of services supporting those experiencing multiple disadvantage while also reducing disparities in health and care among those experiencing homelessness. Homelessness is a public health issue – it should be recognised and responded to as such, with the whole system working together to protect lives and improve health of people experiencing homelessness.

Ministry of Justice

There is significant overlap between the justice system and homelessness, and the Ministry of Justice has a vital role to play in preventing and ending homelessness. People are too often made homeless as a consequence of entering the justice system, while experiences of homelessness can drive people to offend to meet their basic needs.

Short-term sentences can substantially increase the risk of homelessness as people may lose their tenancies due to the inability to pay rent while incarcerated.¹² Latest figures show that 14% of prisoners are released into homelessness, with the majority of these released directly to the streets.¹³ When living on the street, recovery becomes much more challenging and the risk of re-offending is greatly increased, which often results in people cycling between homelessness and the justice system.¹⁴ The trauma caused by this cycle can worsen support needs and push people further away from recovery. At the same time, this puts enormous pressure and financial strain on other public services including homelessness, housing, and health and social care.

⁹ Hertzberg, D and Boobis, S (2022). *The Unhealthy State of Homelessness: Findings from the Homeless Health Needs Audit*. Homeless Link.

¹⁰ Martineau, S., Cornes, M., Manthorpe, J., Ornelas, B. and Fuller, J. (2019) *Safeguarding, Homelessness and Rough Sleeping: An Analysis of Safeguarding Adult Reviews*. London: Kings College London.

¹¹ Abdul Aziz, S. and Boobis, S. (2024). *More Than a Roof: Exploring the holistic outcomes of Housing First*. Homeless Link.

¹² Mutebi, N and Brown, R (2023). *The use of short prison sentences in England and Wales*. UK Parliament.

¹³ MoJ (2023). *Community performance annual, update to March 2023*. 27th July 2023.

¹⁴ Crisis (2019). *Criminal Justice and Homelessness: Introductory briefing for Prevention Review Group*.

It doesn't have to be this way. Interventions that recognise the interaction between homelessness and the justice system such as Through the Gate schemes,¹⁵ more integrated supported accommodation or Housing First projects¹⁶ have helped to reduce both those leaving prison with no fixed abode, and recidivism. It is therefore in the interest of the Ministry of Justice to invest in these schemes and hold a seat at the table when developing strategies that prevent and end homelessness.

Home Office

As the department responsible for immigration and asylum, the Home Office plays a significant role in the national homelessness response. Whilst homelessness affects households across the country, non-UK nationals are more vulnerable to homelessness than people with UK citizenship, and those with limited or No Recourse to Public Funds (NRPF) and/or unsettled immigration status even more so.¹⁷

Migrants are impacted by the same socioeconomic conditions that drive homelessness across the population. However, for many migrants, these challenges are compounded by conditions created by the immigration system. People with limited or No Recourse to Public Funds (NRPF) face unique challenges and barriers that trap them in destitution, and which make it almost impossible to move on from homelessness and rough sleeping.¹⁸ This can include being locked out of the vital support services that exist to help people move on from homelessness, and denied assistance with other issues they may face, due to restrictions imposed on them because of their immigration status.

On top of all the systemic and structural barriers that migrants face, they are more vulnerable to the changing political environment and associated policies than any other: from the introduction of the hostile environment, to changes to asylum processing and decisions, to the Illegal Migration Act, these policies have all driven up homelessness and rough sleeping.¹⁹ No strategy to end homelessness can be achieved without a plan to address the role the immigration system plays in driving homelessness, and as such Home Office must be a key part of any cross-government taskforce.

Department for Education and Skills

¹⁵ UK Parliament (2021). *Through the Gate and the new Resettlement model*. Available at: <https://publications.parliament.uk/pa/cm5801/cmselect/cmjust/285/28507.htm>

¹⁶ Abdul Aziz, S. and Boobis, S. (2024). *More Than a Roof: Exploring the holistic outcomes of Housing First*. Homeless Link.

¹⁷ NRPF Network (2024). *Assessing and supporting adults who have no recourse to public funds (England)*. Available at: <https://guidance.nrpfnetwork.org.uk/reader/practice-guidance-adults/introduction/>

¹⁸ Corbett, J (2022). *Unlocking the door: A roadmap for supporting non-UK nationals facing homelessness in England*. Homeless Link and NACCOM.

¹⁹ Praxis and NACCOM (2023). *Impact of the Illegal Migration Bill on Homelessness and Destitution*.

The education system plays a critical and trusted role in the lives of many young people at risk of homelessness. Prevention of youth homelessness can significantly reduce exposure to further disadvantage in later life.²⁰ The Department for Education hold potential to play a significant role in preventing homelessness early and reducing inequalities in the long term.

Across the four nations and internationally, schools have led the way in homelessness prevention, delivering in-school screening to identify at-risk children who may otherwise have flown under the radar.²¹ Schools also play an important role in supporting young people experiencing homelessness, with many already delivering additional support and poverty relief within their communities. Safeguarding young people in homelessness settings has also increasingly fallen to DfE, with the continued introduction of OFSTED regulations in young people's accommodation.²²

The new government should therefore ensure that the Department for Education plays a role in the cross-government homelessness task force with a focus on both preventing youth homelessness and reducing its impact on young people already experiencing homelessness.

Treasury

Ending homelessness is in everyone's interest, and the public purse is no exception. Evidence shows that every £1 invested in truly ending homelessness would generate £2.80 in value.²³ Treasury must be actively involved in delivering a homelessness system that works, delivering funds to approaches that work and avoiding the short-term, false-economy savings that have driven up homelessness in recent years.

The homelessness system urgently requires a more efficient approach to spending. The headline spend of £2.4 billion to relieve homelessness is just a fraction of the true spend, with loopholes in the Housing Benefit system leading the previous government to lose track of its true cost.²⁴ Poor regulation in the exempt accommodation sector means that unscrupulous private landlords are collecting rents directly from the welfare bill for poor-quality, and often directly harmful, 'supported' accommodation. Under the previous Labour government, the Supporting People programme delivered significant return on investment, with an estimated £3.41bn in net financial benefits against an overall investment of £1.61bn.²⁵ This history should act as a blueprint for the

²⁰ Poursaeedi, D. (2022). *Beyond a number: The scale of youth homelessness in the UK*. Centrepoin.

²¹ Crisis (2023). *Homelessness prevention by Llamau*. Available at: <https://www.crisis.org.uk/ending-homelessness/resources-for-practitioners/homelessness-prevention-guide/llamau/>

²² DfE (2023). *Guide to the Supported Accommodation Regulations including Quality Standards*.

²³ PricewaterhouseCooper (2018). *Assessing the costs and benefits of Crisis' plan to end homelessness*. June 2018.

²⁴ Levelling Up, Housing and Communities Committee (2022). *Exempt Accommodation Report*. 19th Oct 2022 HC 21.

²⁵ Jarrett, T. (2012). *The Supporting People programme*. House of Commons Library.

new government to build a funding system that works, without the risk that it would be unpicked in the name of short-term savings.

For this to become a reality, Treasury officials must play a central role in discussions on ending homelessness. An efficient programme of funding is the core of a homelessness system that works, and Treasury should play a role as architects in this system.

Recommendations

A whole-government commitment to ending and preventing homelessness

- Establish a cross-government taskforce led by the Cabinet Office and with representatives from the Ministry of Housing, Communities and Local Government, Ministry of Justice, Department for Education and Skills, Department for Work and Pensions, Department of Health and Social Care, Home Office, and Ministry of Defence.
- Develop a cross-governmental strategy to tackling homelessness in conjunction with taskforce representatives.
- Civil society, lived experience, Mayors and councils should also be represented on the taskforce and in the development of the new strategy
- Require departments to complete a homelessness impact assessment as a standard part of the policy development processes to ensure new policies do not cause or increase homelessness.

Let's End Homelessness Together

Policy briefing:

A funding system
that works



HomelessLink

A funding system that works

“It’s the morally right thing to do but financially it also makes sense. Funding at the moment is a drop in the ocean compared to what homelessness is costing the country.”

- Homeless Link member

With careful strategy, investment and oversight, a country without homelessness is possible. Funding can enable the system to promote health and recovery, and ensure people are consistently supported to move on from homelessness for good.

But there is work required to get to this stage. The homelessness sector has faced crisis for years, and getting to this point requires a fundamental shift in how its funding is allocated, evaluated and monitored. Without this, the way the system is delivered will continue to undermine efforts to end homelessness and let down the people it is intended to support.

Step 1: Regain strategic control over spending

The homelessness system spans a huge range of services, working across homelessness prevention, relief and holistic support. These services are often the last line of defence for some of the country’s most vulnerable residents. But the current system is at once hugely expensive and insufficient. Severe austerity cuts to support funding have gutted service capacity and forced providers to rely on Enhanced Housing Benefit to remain viable. The previous government admitted having lost control of Enhanced Housing Benefit spending, meaning there is no figure of the true amount spent on relieving homelessness at current.¹

Shortfalls in support funding mean that providers are ‘dancing on pinheads’ to deliver support activity under exempt Housing Benefit regulations. Providers recover an unknown amount of money from the Housing Benefit bill to cover their core costs with little strategic oversight.

Loopholes in this regulation have also allowed unscrupulous providers to step into the market, with a “licence to print money” directly from the Housing Benefit bill through inflated rents and poor, or no, support for tenants.²

It is evident that the previous government lost control of spending on homelessness. Headline spending figures do not include any funds recovered through Housing Benefit. The new government must urgently regain control through a systematic review of all homelessness-related spending – from direct spend on hostels, temporary and emergency accommodation, to the unknown amount paid out to exempt

¹ Levelling Up, Housing and Communities Committee (2022). *Exempt Accommodation Report*. 19th Oct 2022 HC 21.

² Levelling Up, Housing and Communities Committee (2022). *Exempt Accommodation Report*. 19th Oct 2022 HC 21.

accommodation providers, and the costs incurred by health, justice, the Home Office and other departments in supporting people with problems rooted in homelessness.

Current spending on homelessness is demonstrably ineffective, and we believe the system can be significantly improved by spending existing money more efficiently. After building a picture of existing spending, funding should be consolidated into a single budget designed to deliver a strategic, proactive system that works to prevent and end homelessness for good.

Step 2: Redesigning the funding system: the essential principles to funding that works

Prevention – the golden thread

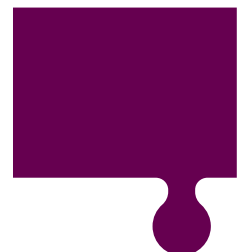
The first priority of any homelessness system should be to prevent homelessness whenever possible, and the funding system is no exception. Prevention is always the cheapest and least traumatising response to housing insecurity and risk of homelessness,³ and everyone should be supported to remain in their home unless it is unsafe for them to do so.

While prevention has seen increased focus in local authority housing responses, it is yet to be truly embedded in the homelessness system in England and is often the first area to be cut in response to increased crisis demands.⁴ Homelessness prevention is a shared responsibility, requiring a commitment to treat the causes of homelessness wherever they appear across government, and the funding commitments should echo this cross-departmental approach. Without it, the homelessness system is only ever able to respond to crisis, with an increasing flow of people turning to services because of needs that should have been met elsewhere.

Funding reforms must hold homelessness prevention at its core at every stage. Prevention saves money, minimising the risk of homelessness, preventing the worsening of support needs and driving down demand for support over time.

Ringfenced

Ending homelessness is a sound investment. At current, the cost of homelessness is enormous – both the financial cost to local government, the NHS, DWP, police and prisons, and the human cost to those whose lives are placed at risk because of a shortage of coordinated accommodation and support.

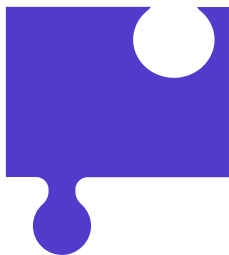


³ Pleace, N. & Culhane, D.P. (2016) *Better than Cure? Testing the case for Enhancing Prevention of Single Homelessness in England*. London: Crisis.

⁴ Homeless Link (2024). *Homeless Link submission to the Spring Statement 2024*.

Homelessness services are currently funded through a complex network of ever changing funding sources, many of which are vulnerable to cuts and reactive to market pressures. Budgets for homelessness support have diminished significantly across the last fourteen years, following the removal of the Supporting People ringfence.⁵ In the years since 2010, bed spaces for people experiencing homelessness have dropped by 38%⁶ while rates of rough sleeping have risen by 120%.⁷ Many supported housing services now rely primarily on Enhanced Housing Benefit income to survive through exempt accommodation. Providers told us of ‘dancing on pinheads’ to fit support under strict Housing Benefit criteria, limiting service improvements and innovation. At the same time, unscrupulous providers have used loopholes in these regulations to deliver poor-quality exempt supported accommodation, with extremely damaging outcomes.⁸ All this has created a fragmented system of homelessness funding, leaving the Government with no knowledge of what is truly spent on relieving homelessness.⁹

To remedy this, the disparate funding that goes into the homelessness sector should be unified under one ringfenced budget that considers the homelessness system as a whole. Funding should be rebalanced towards the provision of high-quality support, with commissioning decisions based on service quality as much as cost.



Long term

There is no quick fix to ending homelessness. Government, local authorities and homelessness service providers must work together to deliver a long-term, strategic approach if we are to make a country without homelessness a reality.

The current system of short-term funding cycles prevents this. Contracts are often granted on a one- to three-year basis, without enough certainty to plan strategically for the future.¹⁰ This is further compounded by funds operating on different funding cycles and timescales, meaning constant shifting budgets for providers. This funding approach directly contravenes the principles of effective support. It prevents collaboration as services compete for the same funding pots year in, year out. It drives high turnover, pushing skilled workers out of the sector in pursuit of permanent

⁵ Thunder, J. and Bovill Rose, C. (2019). *Local Authority Spending on Homelessness: Understanding recent trends and their impact*. WPI Economics, St Mungo's and Homeless Link.

⁶ Homeless Link, *Support for single homeless people in England, Annual Review 2022, 2023*.

⁷ DLUHC (2024). *Rough sleeping snapshot in England: Autumn 2023*.

⁸ Levelling Up, Housing and Communities Committee (2022). *Exempt Accommodation Report*. 19th Oct 2022 HC 21.

⁹ Davies, G (2022). *Letter from the Comptroller and Auditor General to the Chair of the LUHC Select Committee*. GF 1370 22, 27th July 2022. Available at:

<https://committees.parliament.uk/publications/28518/documents/172215/default/>

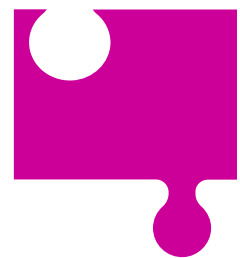
¹⁰ ¹⁰ Blood, I. *et al.* (2019). *'A Traumatized System': Research into the commissioning of homelessness services in the last 10 years*. Riverside, University of York and Imogen Blood & Associates.

contracts elsewhere. At its worst, it can drive repeat homelessness as people settled in accommodation find their homes placed up for tender, or successful services are lost due to contract changes.

Long-term funding is essential to achieve a country free from homelessness. This should span at least five to ten years and be matched with a long-term national homelessness strategy addressing the root causes of homelessness. Initial financial settlements should act as a minimum, with flexibility built in to respond to market changes, inflation, and variations in patterns of homelessness which may change the shape of service delivery.

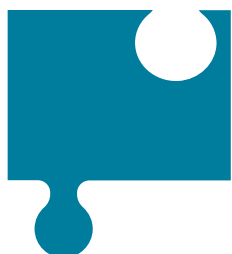
Cross-departmental

Homelessness is not a single-department issue. Its drivers – including health, welfare, the justice system, and migration – are spread across government departments. It is in everyone’s interest to collaborate and invest in preventing and ending homelessness.



At current, however, responsibility for homelessness-related costs falls almost entirely to MHCLG. Funding is channelled through housing-related support even where the causes of homelessness sit across other support areas, and other government departments can play an active role in trapping someone in homelessness. This means MHCLG are left holding undue financial risk for shortfalls across other departments. Ultimately, this forces siloed working, letting other departments off the hook for their role in preventing and ending homelessness.

To achieve a whole-government commitment to ending homelessness, the funding system requires whole-government investment. This means not just shared accountability and strategy, but shared financial responsibility across MHCLG, DHSC, DWP, Home Office, Justice and Education. Collaborative funding should drive collaborative working, with each hand of government working together to address the root causes of homelessness and relieve it swiftly wherever it occurs.



Joined-up

All parts of the homelessness ecosystem are working towards a common goal of ending homelessness. People often navigate their way through a range of services during their journey through homelessness. The funding system should support these services to work collaboratively and consistently, so that everyone has receives high-quality support from the first contact with services until the day they exit homelessness for good.

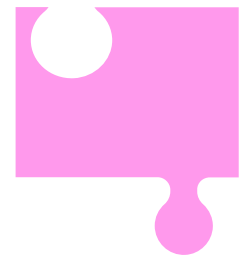
Unfortunately we know that the current system is often far from consistent. Service funding for accommodation is often based on bed spaces rather than the people who

occupy them, and services are often working in competition with one another. Outreach, day centres, emergency accommodation or other independently funded providers can face siloes on which other services they can work with as they are perceived to be outside of the mainstream system. This can mean huge variety in the quality or nature of the support offered to a person depending on who provides their support and accommodation. It also means that those moving into their own homes are often met with a steep drop-off in support. This too often destabilises progress, preventing people from settling in a new tenancy and making their house a home.

To prevent gaps in support and promote collaboration, the funding system should embed a whole-systems approach. Funding for support should follow the person being supported, ensuring consistency and care at every stage of their journey. This means collaborative commissioning across local areas to ensure that every service works together, from the first contact in a day centre to the moment someone is settled and secure in their own home.

Comprehensive

It is homelessness services that turn government ambitions on ending homelessness into reality. They deliver essential support to some of the country's most vulnerable adults, and often do so on government contracts. Their services, when funded properly, relieve pressure on the NHS, justice system, local authorities and social care.



Current funding fails to recognise the essential role homelessness services play in supporting those with multiple complex needs. Some providers, like day centres and some night shelters, are excluded from government funding systems entirely, reliant on trusts, foundations or fundraising income to survive. Commissioned services often manage a complex patchwork of funding that rarely meets the cost of core service delivery.¹¹ Race-to-the-bottom commissioning practices have seen contracts awarded on price over quality, with providers pressed to deliver more for less or risk losing funding altogether. This false-economy approach has seen service quality decrease, outcomes worsen, and services scrambling to make up shortfalls elsewhere.¹² The unstable funding environment has seen some choose to move away from commissioning altogether. Most worryingly, an increasing number of demonstrably successful services have closed their doors as static contracts have fallen well behind the cost of service delivery.¹³

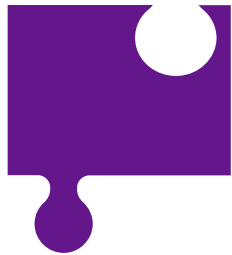
Any approach to funding must consider a comprehensive view of the homelessness system recognising and valuing the diversity of services needed to tackle

¹¹ Blood, I. *et al.* (2019). *'A Traumatized System': Research into the commissioning of homelessness services in the last 10 years.* Riverside, University of York and Imogen Blood & Associates.

¹² Homeless Link (2024). *Homeless Link submission to the Spring Statement 2024.*

¹³ Homeless Link (2022). *Keep Our Doors Open: The homelessness sector and the rising cost of living.*

homelessness. Commissioning should be based on the true cost of delivering high-quality, effective services. Commissioners should be adequately resourced to pay providers for the services they deliver, covering all core staffing and building management costs. Settlements should be reviewed annually, adjusted in line with inflation and responsive to changing patterns of homelessness.



Personalised

People who experience homelessness are incredibly diverse, and no two journeys through homelessness are the same. Evidence has repeatedly shown that effective support embraces diversity, meeting a person where they are and fitting around their needs.

Funding approaches mean the current system is rarely able to deliver on this standard of care. Budgets are usually linked to specific populations or forms of homelessness, meaning providers may face restrictions on who they can support. Competitive and time-consuming tendering processes have pushed many smaller, specialist providers out of the market as they struggle to compete with larger, general-needs providers. This has seen an increase in one-size-fits-all provisions, where everyone is funnelled through the same services and offered the same level of support. Such provisions can be dangerous and traumatising, disproportionately impacting those with multiple and complex needs, and those who already face heightened levels of discrimination, including women, young people, LGBTQ+ people and people of colour.

For homelessness support to be effective and economical, the system must be funded to deliver personalised support to everyone who needs it. This means embracing a diverse ecosystem of services: outreach, specialist supported accommodation, inter-tenancy floating support and Housing First, to name a few. Ringfenced funding should cover all forms of homelessness and commissioners should embrace specialism, funding a menu of options so that everyone has equitable access to support.

Trauma informed

People experiencing homelessness have disproportionate experiences of trauma. Trauma-informed care can prove lifechanging for those engaged with services, supporting them to move past cycles of re-traumatisation and make sustainable progress towards ending homelessness. Becoming trauma-informed requires the whole system to continually reflect and develop to minimise the risk of re-traumatising those who access support.¹⁴



But homelessness is a trauma in itself, and people are too often traumatised by the systems designed to support them. Insecure, insufficient and short-term funding cycles across the homelessness sector can make embedding trauma-informed care

¹⁴ Homeless Link (2024). *Being Trauma-Informed – a practice development framework*.

almost impossible. Providers are often themselves delivering in crisis, unable to effectively plan for the future under the threat of funding cliff-edges. Restricted funding inflates caseloads and drives down the time staff can dedicate to each person they work with, creating challenges when trying to deliver and maintain person-centred and trauma-informed care. Services that are able to deliver trauma-informed care often rely on significant fundraising income to achieve this, with most providers simply unable to meet this standard within the budgets they receive from government.

All services funded through government should hold trauma-informed care as a minimum standard. This means funding that enables the conditions of trauma-informed care, including sufficient staff time to maintain low caseloads, to engage in reflective practice and to deliver safe and strategically planned services consistently.

Let's End Homelessness Together

Policy briefing:

A homelessness system
that works for all



Homeless Link

A homelessness system that works for all

There is no single solution to end homelessness for everyone. The identities and needs of people experiencing homelessness are incredibly diverse, and the best support is often that which can flexibly, holistically adapt on an individual basis.

Specialist, person-centred services across the country can – and do – deliver amazing support every day. Despite this, the current system pushes providers towards one-size-fits-all approaches, and access to specialist support is often based more on where you live rather than what you need. The drive towards general needs services can make support inaccessible for many, unable to address the root causes that will help them leave homelessness for good.

A new homelessness strategy is an opportunity to change this. We have a wealth of evidence on best practice when delivering support in homelessness settings, but these require bolder governance and better commissioning resource to embed consistently.

The diversity of need within the homelessness sector requires an ecosystem of services working together. Statutory providers and the VCSE deliver support in day centres, outreach, emergency and supported accommodation, and each setting can play a crucial role in supporting individuals on their journey. Providers need the resources to deliver effective support, with the freedom to develop a menu of options to meet different needs. Specialist provisions for women and young people, or housing options which can flex depending on health needs or addiction recovery, can be crucial in safeguarding residents, reducing pressure on wider public sector provision and unlocking support that works to help prevent and end people's homelessness.

Recognising diversity of need and solutions

People facing homelessness come from diverse backgrounds and have different needs. Any new homelessness strategy should reflect this and ensure individuals experiencing homelessness are given the right support to meet their aspirations and improve wellbeing. This applies to everyone, but particular groups face specific challenges including women, young people, people of colour,¹ LGBTQ+ people,² and other marginalised groups and communities. Homeless Link has recently worked on developing solutions for women's, youth and non-UK national homelessness and we have expanded on these below.

Women

Gender has a huge impact on experiences of homelessness. Women move through homelessness in distinct patterns, with many reporting long spells of 'hidden'

¹ Bramley et al. (2022) *Homelessness Amongst Black and Minoritised Ethnic Communities in the UK*

² Sanders et al. (2022) *Sexuality, gender identity and homelessness Incidence, experience and evidence of homelessness among LGBTQ+ people*

homelessness, higher levels of unmet need and some of the worst health outcomes of any population.

Women's journeys through homelessness are often marked by distinctly gendered traumas, which can include domestic abuse, exploitation, or child removal. Women can also remain hidden from services, avoiding visibly sleeping rough or accessing mixed-gender services due to their heightened risk these environments present.³ The scale of women's homelessness is therefore often underestimated, and commissioners may prefer 'one-size-fits-all' approaches despite evidence of their unsuitability for women. Women may also face heightened levels of exclusion from services, as stigmatising attitudes label higher support needs and exposure to gender-based risk as 'difficult' or 'complex'.⁴

Despite the current gaps in provision, there is a growing body of evidence of what works to end women's homelessness. **The Government should embed gender-informed learning at the heart of the new homelessness strategy, leading on overcoming the structural factors behind the gap in outcomes for women experiencing homelessness and ensuring everyone has access to support that works for them.**

Youth homelessness

Young people aged 16-25 have distinct drivers into homelessness and experiences of the system. The support to meet their needs is often unique within the wider homelessness system. Despite this, young people are too often left in hidden forms of homelessness for prolonged periods or forced through inappropriate adult pathways.

Young people's journeys into homelessness are associated with the transition between childhood and adulthood.⁵ This is often related to the lack of a secure safety net, which may involve family breakdown, criminal exploitation, or transitioning out of government institutions such as the care system, youth offender services, or young person's mental health services, among other drivers.⁶ Youth homelessness often involves long periods of movement between a range of precarious accommodation options characterised as 'hidden' homelessness, as well as rough sleeping and service engagement.⁷ Many young people report avoiding adult homelessness services, which

³ The Connection at St Martins (2022). *Women's spaces within homelessness settings: Setting up your service.*

⁴ Sharpen, J. (2018) *Jumping through hoops: How are coordinated responses to multiple disadvantage meeting the needs of women?* London: AVA, MEAM, Agenda and St Mungo's.

⁵ Coyne, B and Page-Hammick, L (2024). *Difficult transitions: How certain experiences put young people at particular risk of homelessness.* Homeless Link and Commonweal Housing.

⁶ Centrepoin (2024). *Youth homelessness: the causes.* Web. Accessed 16th July 2024. Available at: <https://centrepoin.org.uk/youth-homelessness/>

⁷ Clarke, A (2016). *The prevalence of rough sleeping and sofa surfing amongst young people in the UK.* Social Inclusion.

are often felt to be dangerous or traumatising.⁸ Young people also face disproportionate hardship when trying to move on from homelessness, as welfare practices such as the Shared Accommodation Rate and lower rates of Universal Credit mean that much of the PRS is unavailable to them.⁹

Evidence shows that effective support for young people can reduce the impacts of multiple disadvantage early, preventing homelessness and responding to unmet needs during the critical juncture between childhood and adulthood.¹⁰ Nearly half of adults experiencing homelessness first became homeless under the age of 20,¹¹ and the legacy of this trauma can lead to long-term support needs across health and social care. **Any new homelessness strategy should therefore prioritise the distinct needs of young people including a significant suite of prevention activity and addressing welfare disparity.** Doing so will help address the root causes of multiple disadvantage and avoid an enormous amount of future long-term homelessness.

Non-UK nationals

Government policies and practices have placed non-UK nationals at much higher risk of homelessness than those with UK citizenship, and these effects are felt most significantly among people with limited or no recourse to public funds (NRPF) and/or unsettled immigration status.

Exclusionary policies restrict access to essential support such as housing benefit and some immigration advice. Without access to these safety nets, many migrants fall through the cracks of both housing and migration support, facing administrative barriers, stigma and instability at every stage. Exclusion from homelessness support has led to a rise in the number of non-UK nationals sleeping rough across England, many of whom are unable to access mainstream support.¹² Such policies trap people in homelessness and create challenges engaging in immigration support and in understanding rights, responsibilities and options during this journey.¹³ Collaboration across departments has been proven to improve outcomes across both housing and immigration. Changes to practice during the COVID-19 pandemic saw homelessness support extended to everyone regardless of immigration status, and these measures enabled people to advance their immigration cases and successfully transition out of homelessness.¹⁴

⁸ St Basils. (2021). *Young People In: A report on young people who were assisted by the Everyone In programme across the West Midlands during the first national lockdown.*

⁹ Webber, R, Hill, K and Hirsch, D (2023). *Living or surviving? Benefits, barriers, and opportunities for young people transitioning out of homelessness.* Loughborough University.

¹⁰ Homeless Link (2021). *Young and Homeless.*

¹¹ Mackie, P. & Thomas, I. (2014) *Nations apart? Experiences of single homeless people across Great Britain.* London: Crisis.

¹² Piemontese, S. and Sigona, N. (2024). *The legal and policy infrastructure of irregularity: United Kingdom.*

¹³ Leon, L. and Broadhead, J. (2024). *Understanding Migrant Destitution in the UK Research Findings.*

¹⁴ Gardner, Z. (2021). *Migrants with No Recourse to Public Funds' Experiences During the COVID-19 Pandemic.* JCWI.

No one should become, or remain, homeless because of their immigration status. **Preventing homelessness must be a considered part of the immigration system, alongside greater collaboration with housing, welfare, and voluntary and statutory services, and improved recourse to justice through our legal systems.** Through this we can deliver the changes needed to ensure that the immigration system no longer drives homelessness, and instead contributes to a shared goal of preventing and ending homelessness for all.

Building blocks of an inclusive system

Building a system that is enabled to respond to different needs, both in terms of the people accessing support and local variations, means understanding and valuing the diversity of services that make up the whole ecosystem. It also needs to embed the factors that allow for building effective and responsive services including partnership working, strong collaboration between local government and the VCSE, co-production, commissioning processes that allow for quality services to be delivered, and workforce support that ensures training, capacity building and resilience. Ensuring these approaches are built into the system are as much enablers to a successful strategy to effectively supporting those experiencing homelessness as the interventions they help to deliver. Homeless Link provides expertise and support to the sector across all these areas alongside developing specific insight into those interventions and practices needed to be delivered to create an inclusive system for all.

Supported housing

Supported housing is a cornerstone of the homelessness system. Many of the thousands of people living in supported housing are not owed a statutory homelessness duty, but may live with significant unmet support needs despite this. Supported housing is often one of the few support options available for people living with severe and multiple disadvantage, and its role within the health and social care landscape should be reflected in its funding and resourcing.

But despite its place at the heart of efforts to end homelessness, service provisions have dropped 38% since 2010 with an associated decline in specialist services.¹⁵ Homeless Link members report feeling increasingly pushed toward delivering 'one-size-fits-all' services, accommodating everyone under one roof regardless of their support needs.¹⁶ Alongside real-terms funding cuts, this approach has seen resources stretched, overall levels of support need worsen, low staff retention and higher rates of burnout.¹⁷ The Housing Benefit-led funding model has forced supported housing providers to focus their resources into 'intensive housing management' rather than

¹⁵ Homeless Link (2023). *Support for single homeless people in England: Annual Review 2022*.

¹⁶ Based on focus groups with Homeless Link members, September 2023.

¹⁷ Frontline Network (2023). *Frontline worker survey 2022: Experiences of frontline homelessness work*.

toward support. This has stretched standards and led some providers to describe their own services as 'inadequate'.¹⁸

Supported housing works best when it is able to flex around individual needs. This can mean specialist support for distinct groups such as women, young people and NUKNs, or provisions that focus on enabling recovery from addiction or mental health conditions. Local authorities and their partners should be empowered to deliver a wealth of services that can meet diverse needs and adapt to changing demands. **The incoming supported accommodation standards provide an opportunity for the Government to enhance the quality of supported housing, and this should be delivered alongside a new funding strategy which enables services to deliver flexibility, diversity, and a consistently high standard of care.**

Housing First

Housing First is a highly effective and impactful approach to delivering long-term accommodation to people with histories of multiple disadvantage and homelessness. Significantly more effective at supporting this cohort than traditional homelessness services, Housing First should play a central role in the delivery of a system that works for all.

The trauma of long-term homelessness, poverty and social exclusion means there is a small but significant cohort of people whose needs consistently go unmet in traditional services. These individuals typically have significantly worse physical and mental health outcomes and lives marked by cycles of rough sleeping, temporary accommodation, prison stays and hospital admissions. Many face enduring health needs caused by trauma and homelessness and require long-term, continuous care. For this cohort, the support of Housing First can be transformative.

The evidence is compelling. In 2017 Government invested £28 million to establish three scaled Housing First pilots, which showed just how effective Housing First is at ending homelessness. Across the pilots, tenancy sustainment sat at 78%, far surpassing sustainment rates in other support models.¹⁹ Further research has shown Housing First to have transformative effects on the lives of residents, with significantly reduced use of emergency healthcare, 40% reductions in rates of offending, and huge improvements in mental health, wellbeing and quality of life.²⁰ However, progress on Housing First is at risk: funding for the pilots has been integrated into generic homelessness budgets, while many smaller-scale providers have struggled to maintain essential grant funding in the face of increased competition.

¹⁸ Based on focus groups with Homeless Link members, September 2023.

¹⁹ DLUHC (2022). *Evaluation of the Housing First Pilots: Third Process Report*. September 2022.

²⁰ Abdul Aziz, S and Boobis, S (2024). *More than a roof: Exploring the holistic outcomes of Housing First*. Homeless Link.

Housing First works, and it should be integrated as a core part of the new government's homelessness strategy. [Government should commit to deliver a full-scale rollout of Housing First so that the programme is available to everyone who needs it.](#)

Trauma Informed Care

Trauma and homelessness are closely connected. Losing your home is traumatic in itself, and homelessness can expose people to unsafe situations which may result in trauma.²¹ Many people experiencing the most severe forms of multiple disadvantage report extensive childhood trauma.²² Trauma can impact how people engage with support and how effectively that support works. Growing awareness of the link between trauma and homelessness has led many services to move towards a trauma-informed care (TIC) model in recent years.

TIC is an approach which takes trauma into account in the design and delivery of support services.²³ TIC has proven to improve the experiences of services by reducing the risk of harm to people accessing and staff delivering services, which subsequently improves relationships and contributes to positive changes in peoples lives.²⁴ Despite these benefits, many services report significant structural challenges which can prevent them from embedding TIC. Funding models and commissioning across the sector often favour price over quality,²⁵ and restricted budgets to deliver support can mean that resources are too limited to meaningfully embed TIC while delivering on other requirements. Short-term, competitive commissioning also mean services are often insecurely funded and may change hands every few years,²⁶ limiting the ability to plan long-term and properly design a service around trauma-informed principles.

Improving the efficacy of homelessness support is critical to increasing the standard of care available and providing better outcomes for all those experiencing homelessness. Introducing trauma-informed care across the system must be a key part of this and **Government should commit to embedding trauma-informed principles and approaches including through a national training programme to upskill the sector.**

Data collection

²¹ Irving, A and Harding, J (2022). *The prevalence of trauma among people who have experienced homelessness in England*. Oasis Community Housing.

²² Koh, K and Montgomery, A (2021). *Adverse childhood experiences and homelessness: advances and aspirations*. The Lancet Public Health.

^{23,24} Hopper, E, Bassuk, E and Olivet, J (2010). *Shelter from the Storm: Trauma-informed care in homelessness settings*. The Open Health Services and Policy Journal.

²⁴ DLUHC (2023). *Trauma-informed approaches to supporting people experiencing multiple disadvantage: a rapid evidence assessment*.

²⁵ Blood, I et al. (2020). *'A traumatised system': Research into the commissioning of homelessness services in the last 10 years*. University of York and Riverside.

²⁶ McCarthy, L (2022). *Trauma-informed approaches in homelessness practice: an exploration and practitioner understandings and implementation*. Sheffield Hallam University.

Detailed data collection plays a core role in the design and delivery of the homelessness system. Local authority homelessness data, rough sleeping 'snapshot' data and local-level homelessness verification influences the landscape of services and what support an individual can access.

Methods to quantify homelessness are imprecise by nature, and there will always be a proportion of homelessness that goes uncounted. However, there is increasing evidence that current definitions and methods of data capture bias towards more visible forms of homelessness.²⁷ Approaches such as the rough sleeping snapshot, the data framework or CHAIN have faced criticism for their reliance on headcounts, meaning people must be seen visibly 'bedded down' to appear in count data.²⁸ Local authorities may follow similar processes to 'verify' rough sleeping, which can be used to gatekeep access to homelessness support. But 'bedding down' in a public space is risky,²⁹ meaning many from groups who already face higher risk of violence – women, non-UK nationals, young people and LGBTQ+ people, for example – may favour 'hidden' forms of homelessness, leaving them locked out of rough sleeping support and hidden from official figures. Some agencies have sought to develop alternative methodologies to meet this gap and better represent diverse experiences of homelessness.³⁰

There is great need and potential for a more representative approach when defining and collecting data related to homelessness. **A new homelessness strategy offers a valuable opportunity to evaluate best practice and design a methodology that can deliver a national dataset in a manner that is both consistent and inclusive of diverse experiences of homelessness.**

²⁷ Howells, T, Davison, A and Stoyanova, S (2023). *"Hidden" homelessness in the UK: evidence review*. ONS.

²⁸ Wright, S et al. (2024). *Women's rough sleeping census 2023 report*. Solace, Single Homeless Project and Change Grow Live.

²⁹ Sutton-Hamilton, C and Sanders, B (2023). *'I always kept one eye open': The experiences and impacts of people sleeping rough*. Crisis.

³⁰ Wright, S et al. (2024). *Women's rough sleeping census 2023 report*. Solace, Single Homeless Project and Change Grow Live; Nicoletti, A (2023). *Failure to act: the scale of youth homelessness in the UK*. Centrepoin; Fitzpatrick, S et al. (2023). *The Homelessness Monitor: England 2023*. Crisis.

Let's End Homelessness Together

Policy briefing:

Addressing housing
affordability



Homeless Link

Addressing housing affordability

Everyone should have a safe, secure, suitable home in which to thrive

We are living through a housing crisis. There is a significant shortage of safe, affordable housing across England. This shortage is most concentrated for those on the lowest incomes. For many, this makes homelessness almost inevitable.

The shortage of truly affordable housing across the country also traps people in homelessness. Those who lose their homes due to affordability are often unable to secure new housing as their income continues to fall short of rent, and for many people in temporary or supported accommodation lack of affordable housing leaves them trapped in homelessness unable to move on from costly, unsuitable accommodation.

The trauma of homelessness resounds through lives, causing ill-health and worsening support needs. The longer someone remains homeless the greater the negative impacts. Homelessness can be prevented and ended, but for this to happen permanent, stable housing must be available to all.

A new generation of social homes.

For those on low incomes, social housing is often the only appropriate and sustainable housing solution long-term. High costs, poor quality and high levels of insecurity mean that the private rental sector (PRS) can perpetuate, rather than relieve, homelessness. A social home offers the security, quality and affordability required to guarantee people can leave homelessness behind for good.

Social housing should therefore be available to everyone who needs it. Our members are consistently restrained by the lack of permanent homes to move people into, with tenants trapped in temporary accommodation for much longer than necessary and coming back into homelessness services when inappropriate and insecure PRS tenancies end. The cost of delivering this has overwhelmed local authorities. It can't remain this way – it is in everyone's interest to find lasting solutions through a new generation of social homes.

The Government should therefore invest in building 90,000 new social homes each year for the next 10 years, ensuring there are sufficient social homes for all those who need them.¹

A private renting system that prevents homelessness.

Social housing is the answer to resolving homelessness at scale, but reinvesting in this is not a quick fix. In the meantime, the Government must therefore ensure that the

¹ Bramley, G. (2018) Housing supply requirements across Great Britain: for low-income households and homeless people. London: Crisis and National Housing Federation.

PRS meets the needs of people with low income, ensuring they are not priced out in the face of rising rents.

For low earners, the PRS can be almost unmanageable. The sector has seen steep price rises compared to average incomes, with costs rising 6.6% in the 12 months to June 2024.² Welfare has failed to keep pace with this, as Local Housing Allowance (LHA) rates lag behind inflation and remain set to freeze again 2025. For many in higher-cost areas, the positive impacts of unfrozen LHA rates are negated by the household benefit cap.

The insecurity of the PRS places those on low incomes at disproportionate risk of homelessness: in 2022/23 74,500 households were owed a statutory homelessness duty following loss of a PRS tenancy compared to 11,680 households from social housing. This is worsened by the continued risk of Section 21 'no-fault' evictions with a 25% increase in households being made homelessness because of a Section 21 eviction in the last five years.³

For young renters, restrictions are even more severe. The Shared Accommodation Rate (SAR) of LHA means that most renters under 35 can only claim benefit for the cost of a room in a shared house.⁴ These rates often fall well below the actual cost of renting. While some who have been in care or hostel accommodation are exempt from these rates, exemptions are haphazard; care leavers only benefit from exemptions between the ages of 18-21, and hostel leavers must be 25 before they qualify for exemptions and beds are blocked in young person's hostels as residents are forced to wait until 25 to qualify for the one-bedroom rate.⁵

The new government's proposals on reform to the private rented sector, including ending no fault evictions and an ability to challenge rent increases are very welcome, but to ensure homelessness is prevented wherever possible, government should commit to improving the affordability and security in the PRS by permanently unfreezing LHA and ending, or at the very least uplifting, the benefit cap.

Recommendations

Government should deliver a new generation of social homes, ensuring they are available to all who need them.

- Invest in building 90,000 new social homes a year for the next ten years.

Deliver a PRS system that works for renters.

² Donnell, R. (2024). *Rental Market Report: June 2024*. Zoopla. Available at: <https://www.zoopla.co.uk/discover/property-news/rental-market-report/>

³ DLUHC (2024). *Statutory Homelessness live tables*. 30th April 2024.

⁴ Hobson, F. (2022). *Housing Benefit: Shared Accommodation Rate*. House of Commons Library.

⁵ Centrepont (2023). *Exempting homeless young people and care leavers from the Shared Accommodation Rate*.

- Act on commitments to introduce an improved Renter's Reform Bill, immediately banning S21 evictions.
- Commit to permanently unfreeze Local Housing Allowance in line with the lowest 30% of market rents.
- End the benefit cap, or at the very least ensure it is uplifted in line with LHA rates, to prevent families in high-cost areas from seeing no benefit from LHA uplifts and remaining at increased risk of homelessness.
- End welfare practices which discriminate against young people living away from family, including equalising benefits across age groups and ending the shared accommodation rate.