

Home for Good

Together we can
end rough sleeping



Campaign Report 2018

St Mungo's
Ending homelessness
Rebuilding lives

“Moving on, into your own place, is the scariest time for anyone. A lot of people need ongoing support. I needed ongoing support.”

Kevin, a former St Mungo's client

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We can end rough sleeping

By 2010, over 20 years of government action meant the end of rough sleeping was in sight. But since then spiralling housing costs, increasing insecurity for private renters and cuts to homelessness services have seen rough sleeping more than double.¹

Rough sleeping is the most damaging form of homelessness. The average age of death for a man who dies whilst sleeping rough or in homelessness services is 47. For women, it is just 43.² And the longer someone spends on the streets the harder it is to come back from.

Now more people are returning to the streets than ever before.³

Earlier this year, peer researchers from St Mungo's Recovery College investigated the reasons people return to rough sleeping after time away from the streets. The research 'On My Own Two Feet' found multiple reasons why people struggle to move on. These include:

- being forced to leave accommodation due to eviction
- being forced to flee violence or abuse
- being drawn back to the streets for friendship and a sense of belonging, compared to the isolation and boredom of living alone.

We also learnt that having no friends or family to help, or no income or savings, makes it much harder to find somewhere else to stay when faced with a crisis such as eviction. For people with ongoing mental health or substance use problems, hanging on to their home is even harder without the right support in place.⁴

But it doesn't have to be this way. Long-term, co-ordinated government action can end rough sleeping.

So it is good news that the Government has pledged to end rough sleeping by 2027, and

published a rough sleeping strategy⁵ as the first step to meeting this target.

The Government's strategy provides some short-term investment in measures to prevent rough sleeping, help people off the street quickly and support them to settle into a home. This is a good starting point. **But the strategy doesn't deliver the long-term housing and support people need to rebuild their lives away from the street for good.**

The evidence from 'On my own two feet' and other studies clearly demonstrates the need for housing that is secure, safe and affordable for the long term. It also shows the types of support that people need to stay in their home and cope with living independently, such as help paying a deposit, or regular visits from a housing support worker.

Everyone deserves a home for good. That's why our **Home for Good** campaign is calling on the Government to:

- Increase the number of social homes available to people with a history of rough sleeping
- Improve the private rented sector to better suit the needs of people with a history of rough sleeping
- Set up a new programme to provide guaranteed, long-term funding for homelessness services.

Government action can stop people returning to the streets for good. This report sets out what needs to be done to make that happen and end rough sleeping.

¹ Official government statistics show that 4,751 people slept rough in England on any one night in autumn 2017, compared to 1,768 in autumn 2010. This is an increase of 169%. Ministry of Housing, Communities & Local Government (MHCLG) (2018) *Rough sleeping Statistics Autumn 2017, England* <https://www.gov.uk/government/statistics/rough-sleeping-in-england-autumn-2017>

² Crisis (2011) *Homelessness: a silent killer* https://www.crisis.org.uk/media/237321/crisis_homelessness_a_silent_killer_2011.pdf

³ CHAIN Annual Report: Greater London April 2017 – March 2018 https://s3-eu-west-1.amazonaws.com/files.datapress.com/london/dataset/chain-reports/2018-06-28T08%3A39%3A00.23/Greater%20London%20full%202017-18.pdf?X-Amz-Algorithm=AWS4-HMAC-SHA256&X-Amz-Credential=AKIAIEKPVL25MJKTQNTQ%2F20180920%2Ffeu-west-1%2Fs3%2Faws4_request&X-Amz-Date=20180920T142310Z&X-Amz-Expires=300&X-Amz-Signature=fbe60c43105cb1f27cae489fbac343a56042211ed6ac970b0d08ea64a6b2860f&X-Amz-SignedHeaders=host

⁴ St Mungo's (2018) *On my own two feet: why do some people return to rough sleeping after time off the streets?* https://www.mungos.org/wp-content/uploads/2018/06/StM_PRR_TEXT_0718_web.pdf

⁵ MHCLG (2018) *The Rough Sleeping Strategy* <https://www.gov.uk/government/publications/the-rough-sleeping-strategy>

Social housing

Recommendation: Increase the number of social homes available to people with a history of rough sleeping.

Social housing describes properties let by councils and housing associations at sub-market rents. It can play a big role in helping people stay off the streets by providing secure and affordable homes.

Research shows the difference social housing can make. A comprehensive study⁶ which followed hundreds of people for five years after homelessness found that:

- People were much less likely to become homeless again if they moved into social housing rather than private rented housing
- People living in social housing were more likely than those living in private rented housing to have received support after moving out of homelessness
- People who moved into private rented housing were three times more likely than those in social housing to have moved at least four times over the five year period.

Social housing offers more stability

Tenants in social housing are traditionally offered secure, long-term tenancies which can make the difference between someone keeping their home or being forced to return to the streets.

Unlike private landlords, social housing providers are also highly likely to offer support to prevent their tenants becoming homeless, or returning to homelessness. In a recent survey, the National Housing Federation found that 79% of housing associations offered tenancy sustainment advice and support.⁷

Social housing is more affordable

Social housing offers cheaper rents that are linked to local earnings, making them more affordable to people on low incomes. Any rent increases are limited by the Government.

Unlike more expensive private sector rents, the rent in social housing is usually fully covered by Housing Benefit (if the person receives it), reducing the risk of people being made homeless because they can't afford to pay their rent.

Social housing is needed to support new approaches to ending rough sleeping

Innovative new services to end rough sleeping are increasingly 'housing-led', meaning they provide support to people living in ordinary housing rather than homeless hostels. One model is Housing First, which provides intensive support to people who have a long history of homelessness and high support needs after they have been given a home.

St Mungo's is one of the largest providers of Housing First services in England. Our experience shows that short-term tenancies, which are common in private rented housing, are disruptive to the delivery of support. Housing First works better in social housing because tenants have the stability they need to focus on rebuilding their lives away from the street.

However, the number of homes for social rent (the most affordable type of social housing) in England is actually falling⁸ and waiting lists are extremely long.

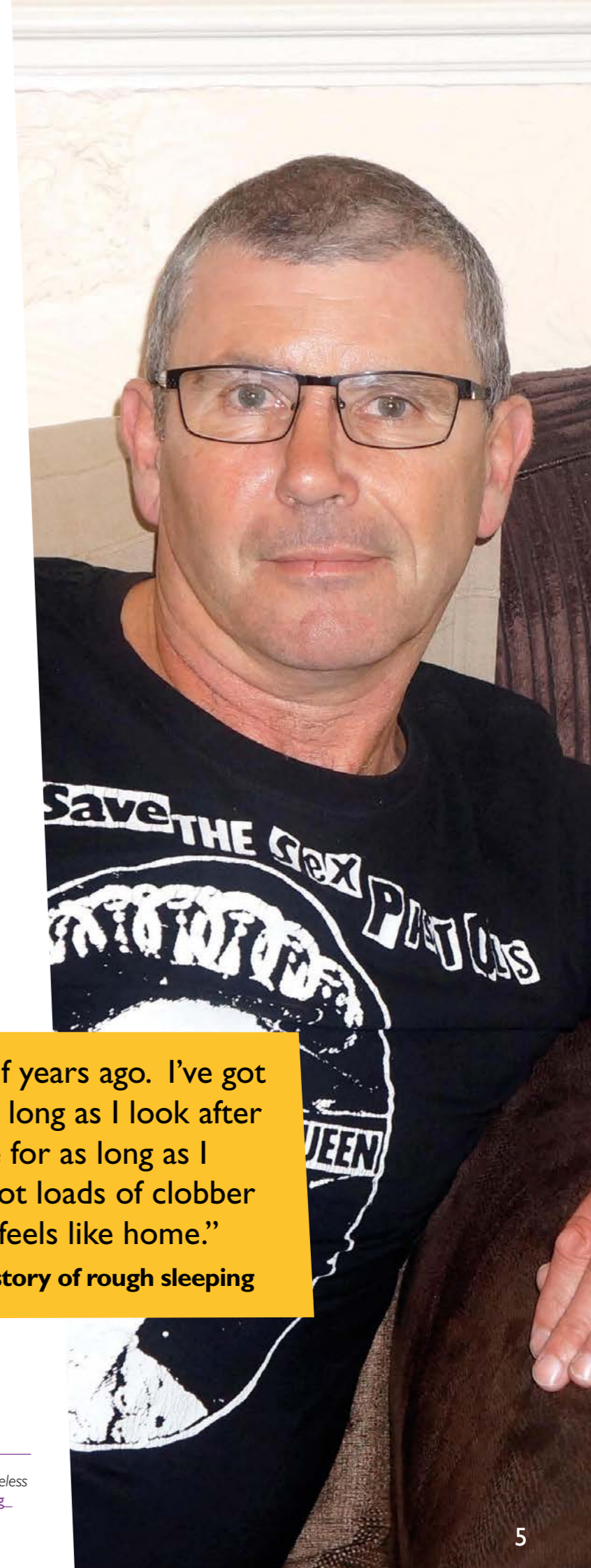
Worryingly, people with a history of rough sleeping often struggle to even access local authority waiting lists for social housing. This is because local authorities are able to restrict access to groups they don't think should qualify. In practice this means that people with a history of rent arrears, previous convictions or no local connection often face exclusion.⁹ In this way, people who have already faced a crisis in their lives are further punished and condemned to instability.

To end rough sleeping and ensure that everybody has a home for good, the Government must:

- **Increase investment to build 90,000 homes for social rent every year for 15 years.**
- **Reserve some social housing for people with a history of rough sleeping and make these homes available through housing-led programmes, including Housing First.**
- **Stop excluding people who have experienced homelessness from social housing.**

“I got a council flat four and a half years ago. I've got a secure tenancy, which means as long as I look after the flat and pay the rent, it's mine for as long as I want it. It's well decorated, I've got loads of clobber in there – you walk into it and it feels like home.”

Paul, a St Mungo's apprentice with a history of rough sleeping



⁶ Kings College London (2016) *Rebuilding Lives: Formerly homeless people's experiences of independent living and their longer term outcomes* <https://www.kcl.ac.uk/sspp/policy-institute/scwru/pubs/2016/reports/RebuildingLives2016Report.pdf>

⁷ National Housing Federation (2018) *Homelessness survey: discussion paper* http://s3-eu-west-1.amazonaws.com/pub.housing.org.uk/Homelessness_discussion_paper.pdf

⁸ Chartered Institute for Housing (2018) *More than 150,000 homes for social rent lost* http://www.cih.org/news-article/display/vpathDCR/templateData/cih/news-article/data/More_than_150000_homes_for_social_rent_lost_in_just_five_years_new_analysis_reveals

⁹ Crisis (2017) *Moving on - Improving access to housing for single homeless people in England* https://www.crisis.org.uk/media/237833/moving_on_2017.pdf

Private rented housing

Recommendation: Improve the private rented sector (PRS) to better suit the needs of people with a history of rough sleeping.

The number of households renting from a private landlord has doubled over the last decade to 4.7 million. That's one-in-five of all households in England.¹⁰

But problems with stability and affordability can make it very difficult for some people to feel settled and secure in their private rented home, or to hang on to it.

Private rented housing lacks stability

Private tenancies in England are usually short-term fixed contracts of only six or twelve months. After this period, tenants can be evicted using a Section 21 'no fault' possession notice with no reason needed.

Short-term tenancies can create a huge financial strain on people because of high moving costs, including the need to pay a deposit and rent in advance. More than one-third of private tenants went into debt to finance their last move.¹¹

Forcing people with a history of rough sleeping to move regularly can also undermine their recovery, as they may have to move away from their communities and the services they depend on, such as substance use or mental health services.

In Scotland the government recently introduced open ended tenancies as standard and requires the landlord to give a permitted reason¹² before evicting a tenant.

Private rented housing is less affordable

Many people who have slept rough need Housing Benefit to pay to their rent when they first move off the street.

For private tenants the amount of Housing Benefit available is capped by the Local Housing Allowance (LHA) rate. Between 2011 and 2016 these rates were calculated so that households who depend on Housing Benefit could only afford the cheapest 30% of properties in an area. But there is no requirement for landlords to let their properties below this level.

To make matters worse, LHA rates have been frozen since 2016 while rents continue to rise. These rates are not due to increase again until 2020. Research by Shelter suggests that as a result, 83% of areas in England will be unaffordable to Housing Benefit claimants renting privately by 2019/20.¹³ This means the number of homes that people with a history of homelessness can afford to rent is shrinking even further.

As a result, an increasing number of people are left with no choice but to try and make up the shortfall between their Housing Benefit and rent. Without access to savings or the ability to borrow money, people who have slept rough are much less likely to be able to do this and may face eviction as a result.

Private landlords are reluctant to rent to tenants on benefits

Research suggests that 55% of landlords are unwilling to let to tenants in receipt of Housing

Benefit¹⁴, and only 13% of landlords are willing to let to tenants on Universal Credit (which has started to replace Housing Benefit).¹⁵

Help-to-Rent schemes can increase the willingness of private landlords to rent to people with a history of homelessness, by providing help with deposits, guaranteeing rent and providing tenancy support. However, these schemes are not currently available in all areas.¹⁶

To end rough sleeping and ensure that everybody has a home for good, the Government must:

- **Re-align Local Housing Allowance rates to ensure that Housing Benefit covers the rent of at least 30% of properties in the local area.**
- **Legislate to make private renting more stable by requiring open-ended tenancies, limiting rent increases and ending 'no fault' evictions.**
- **Support landlords to let to people with a history of rough sleeping.**

“I’ve been searching for a private rented place for ages. I can’t get social housing again because of my rent arrears. The private rented sector is never ever permanent. It’s always temporary, and that’s what I’m worried about. I could move in there and then they could say someone’s buying the property and I have to go. Then you start looking for another place and you struggle again and before you know it you’re homeless again. It’s really bad.”

Hayley, former resident at a St Mungo’s hostel

¹⁰ MHCLG (2018) *English Housing Survey 2016 to 2017: headline report* <https://www.gov.uk/government/statistics/english-housing-survey-2016-to-2017-headline-report>

¹¹ Shelter (2016) *The need for stable renting in England* https://england.shelter.org.uk/_data/assets/pdf_file/0010/1236484/The_need_for_stability2.pdf

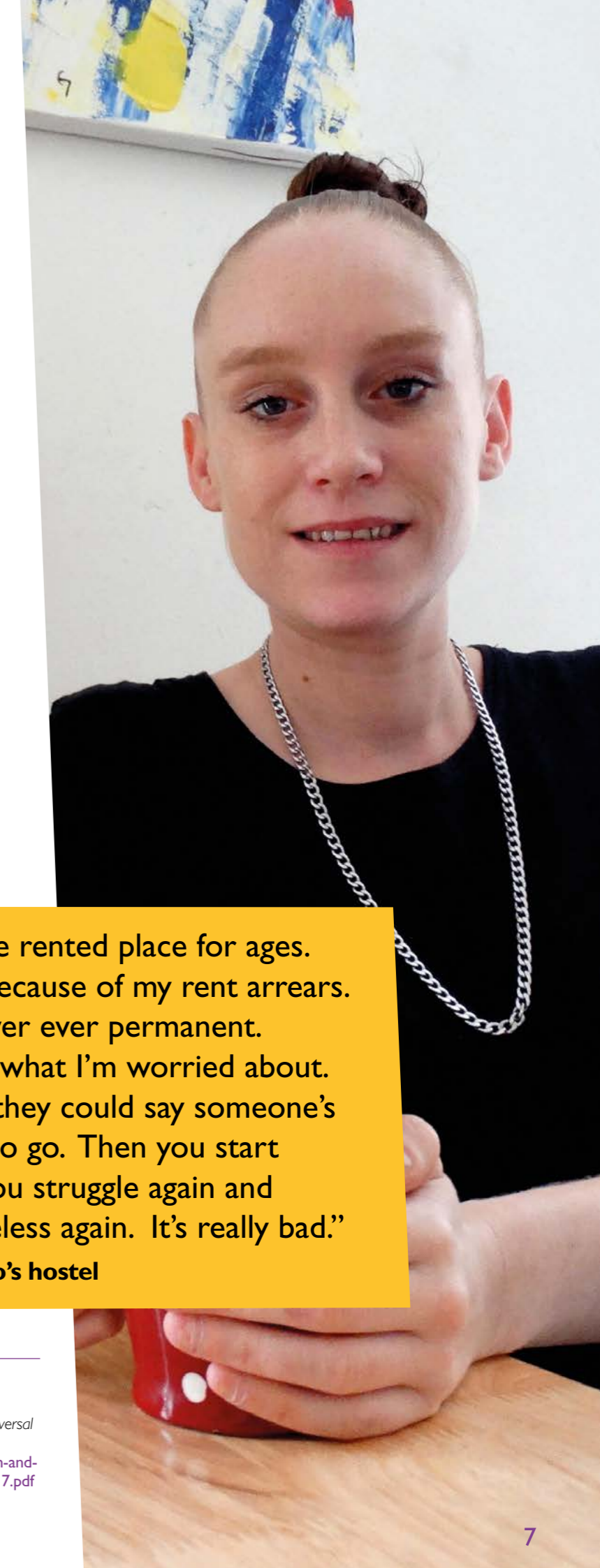
¹² The permitted grounds for eviction under the Scottish system are set out at: <https://beta.gov.scot/publications/private-residential-tenancies-tenants-guide/pages/grounds-for-eviction>

¹³ Shelter (2017) *Shut Out: The barriers low income households face in private renting* https://england.shelter.org.uk/_data/assets/pdf_file/0004/1391701/2017_06_-_Shut_out_the_barriers_low_income_households_face_in_private_renting.pdf

¹⁴ Crisis (2016) *Home. No less will do* https://www.crisis.org.uk/media/237168/home_no_less_will_do_access_crisis.pdf

¹⁵ Residential Landlords Association (2017) *Welfare Reform and Universal Credit: The impact on the private rented sector* <https://research.rla.org.uk/wp-content/uploads/Welfare-Reform-and-Universal-Credit-The-impact-on-the-private-rented-sector-2017.pdf>

¹⁶ Crisis (2016) *Home. No less will do* https://www.crisis.org.uk/media/237168/home_no_less_will_do_access_crisis.pdf



Funding homelessness services

Recommendation: Set up a new programme to provide guaranteed, long-term funding for homelessness services.

As well as a secure, safe and affordable home, some people need additional support to rebuild their lives and leave homelessness behind for good.

In 2017-18, 50% of people seen sleeping rough in London had a mental health problem, 43% had a problem with alcohol use and 40% had a problem with drug use.¹⁷ Without the right help, people are much more likely to return to rough sleeping.

Homelessness services work

Homelessness services support people to develop the skills needed to live independently. They also help them to access other services needed to end their homelessness, such as health, social care, education and employment support.

Broadly speaking, homelessness services fall into three categories:

- Accommodation-based services, such as hostels, where on-site staff support tenants in all aspects of their lives
- Low intensity floating support services, where some support is provided to people living in ordinary housing
- High intensity innovative service models such as Housing First.

Evidence shows that UK homelessness services help people to escape homelessness in the majority of cases.¹⁸

What's more, homelessness services can help avoid costs in other areas such as health and criminal justice. The Supporting People programme, which provided a ring-fenced grant to local authorities to spend on services supporting vulnerable people (including homeless people) to live independently, generated net savings of £3.4 billion per annum against an overall investment of £1.61 billion.¹⁹

Homelessness services have been cut

In 2009 the ring fence on this funding was removed and since then spending on Supporting People services has been cut dramatically. In its 2017 report on homelessness, the National Audit Office found spending had fallen by 59% in real terms since 2010/11.²⁰ The Government has made major cuts to overall local authority funding over the past eight years and it is clear that local authorities have not been able to protect spending on homelessness services despite the individual, social and economic benefits.

To compound the problem, access to other vital services has also grown harder for people sleeping rough. Earlier this year, St Mungo's conducted a survey of street outreach services from across England. We received responses from 71 outreach teams, working day and night to help people sleeping rough off the streets. 70% of respondents said access to mental health services for people sleeping rough in their area had got harder compared to five years ago, and 42% said the same for access to substance use services. There is also evidence that short-term funding

cycles limit the sustainability of Housing First and other homelessness services.²¹

A long-term, strategic approach to funding could be restored through a new ring-fenced programme. To ensure value for money, this funding could be linked to local homelessness and rough sleeping strategies and to the progress made against local targets for preventing and reducing homelessness.

The funding and commissioning of homelessness services should also be better co-ordinated with the funding and commissioning of health and social care services.²² This would help improve healthcare provision for homeless people.

To end rough sleeping and ensure that everybody has a home for good, the Government must:

- **Set up a new programme to provide guaranteed, long-term funding for homelessness services.**

“St Mungo's [Housing First Team] have always been there for me. If there's something that I need to be done and it's important they will make sure it gets done. When I started displaying my alcohol and drug problems they didn't say 'well let's get rid of him', they tried to help me. Thinking about that, if they weren't there what would I do? I'd probably be in palliative care.”

Dave, a St Mungo's client receiving support from Camden Housing First

¹⁷ CHAIN Annual Report: Greater London April 2017 – March 2018 https://s3-eu-west-1.amazonaws.com/files.datapress.com/london/dataset/chain-reports/2018-06-28T08%3A39%3A00.23/Greater%20London%20full%202017-18.pdf?X-Amz-Algorithm=AWS4-HMAC-SHA256&X-Amz-Credential=AKIAIEKPVL25MJKTQNTQ%2F20180920%2F%2F%2F%2Faws4_request&X-Amz-Date=20180920T142310Z&X-Amz-Expires=300&X-Amz-Signature=fbe60c43105c1f27cae489fbac343a56042211ed6ac970b0d08ea64a6b2860f&X-Amz-SignedHeaders=host

¹⁸ University of York (2018) *Using Housing First in Integrated Homelessness Strategies. A review of the evidence* https://www.mungos.org/wp-content/uploads/2018/02/ST_Mungos_HousingFirst_Report_2018.pdf

¹⁹ Capgemini (2009) *Research into the financial benefits of the Supporting People Programme* https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/16136/1274439.pdf

²⁰ National Audit Office (2017) *Homelessness* <https://www.nao.org.uk/report/homelessness/>

²¹ Homeless Link (2018) *Investigating the current and future funding of Housing First in England* https://www.homeless.org.uk/sites/default/files/site-attachments/Investigating%20the%20current%20and%20future%20funding%20of%20Housing%20First%20in%20England_Aug18.pdf

²² The Better Care Fund provides one model for pooling local authority and NHS budgets, with the aim of ensuring health and social care services are better integrated

Recommendations

No one should have to sleep rough, and yet numbers have more than doubled in England since 2010. Government action can end rough sleeping and ensure that everyone can access a home for good, but only commitment to long-term reform can make this happen.

Everyone deserves a home for good. Our recommendations set out what the Government needs to do to make that happen:

1. Increase the number of social homes available to people with a history of rough sleeping

- **Increase investment to build 90,000 homes for social rent every year for 15 years**

Properties are being lost from the social housing market at an alarming rate. To prevent this, the Government should stop changing social rents to 'affordable rents',²³ review the Right to Buy,²⁴ and provide much more funding to build new social housing.²⁵

- **Reserve some social housing for people with a history of rough sleeping and make these homes available through housing-led programmes, including Housing First**

An increase in social housing must mean more homes for people who have a history of rough sleeping and ongoing support needs. These homes can be used to expand Housing First services and the 'Clearing House' programme,²⁶ through which nearly 4,000 social homes are reserved for former rough sleepers in London. They should also be used to provide safe accommodation and support for homeless women with experience of violence and abuse.

- **Stop excluding people who have experienced homelessness from social housing**

People with a history of homelessness should not be excluded from social housing, regardless of their local connection, offending history, or rent arrears (so long as they are engaged in a repayment plan).²⁷

2. Improve the private rented sector to better suit the needs of people with a history of rough sleeping

- **Re-align Local Housing Allowance rates to ensure that Housing Benefit covers the rent of at least 30% of properties in the local area.²⁸**

The Government should also exempt all people with a history of rough sleeping from the Shared Accommodation Rate²⁹ and the Benefit Cap³⁰ to help ensure there is sufficient, suitable housing available.

²³ 'Affordable rents' can be up to 80% of market rent, while social rents are set in accordance with a government formula linked to local earnings and are typically closer to 50% of market rent.

²⁴ A scheme allowing local authority tenants (and some housing association tenants) with a secure tenancy to purchase their home with a discount.

²⁵ Recent research from Heriot-Watt University suggests that 91,000 new homes for social rent will be needed per year in England for the next 15 years to address the housing crisis. Bramley, G. (forthcoming) *Housing supply requirements across Great Britain for low income households and homeless people*. (All figures rounded to the nearest thousand)

²⁶ For more information about Clearing House please visit: <https://www.mungos.org/our-services/clearing-house/>

²⁷ Housing associations should also play their part by signing up to the Homes for Cathy commitments on homelessness. These include a commitment to being flexible on allocation and eligibility policies so that individuals are not excluded unnecessarily. Find out more: <https://homesforcathy.org.uk/our-commitments/>

²⁸ LHA rates should also increase in line with inflation

²⁹ This is a lower rate of Housing Benefit intended to cover only the cost of a room in a shared house. In most cases, single private renters under the age of 35 can only claim this rate, which can seriously restrict the properties available to them to rent.

³⁰ An upper limit on the amount that someone can claim from the welfare system on a weekly basis. In areas with very high rents such as central London, this can lead to a very large gap between the amount that someone can claim and their living costs.

- **Legislate to make private renting more stable by requiring open-ended tenancies, limiting rent increases and ending 'no fault' evictions**

The Government should review the Scottish system of private residential tenancies and introduce a similar system in England. New legislation should abolish Section 21 'no fault' evictions and reform the evictions process, for the benefit of landlords and tenants. Rent increases should be limited to one annual change, linked to inflation.

- **Support landlords to let to people with a history of rough sleeping**

The Government should provide funding for Help-to-Rent schemes in every area to improve access to private rented housing. The Government should also ensure automatic use of direct rent payments to landlords for people who rely on Universal Credit and who have a history of homelessness. Financial incentives for landlords to let to people with a history of homelessness, including payments or tax relief, should also be explored by the Government.

3. Set up a new programme to provide guaranteed, long-term funding for homelessness services

The Government should use the 2019 Spending Review to provide long-term investment in homelessness services.³¹ This new funding programme should ensure a tailored package of support is available to everyone who has slept rough. It should also: reverse the cuts to council spending on homelessness services; enable investment in good quality services including supported housing, floating support and Housing First; and encourage partnership working to deliver specialist services, such as homeless mental health services and support for homeless women who have experienced violence and abuse.



“This is all one big distraction; it’s held me back. Every day I go home I’m not settled. It’s the insecurity – it builds and builds. I don’t know where it’ll take me mentally.”

Abner, a St Mungo’s client living in the private rented sector

³¹ This should build on the commitments in the Rough Sleeping strategy. MHCLG (2018) *Rough Sleeping Strategy* <https://www.gov.uk/government/publications/the-rough-sleeping-strategy>



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Rebuilding lives