

The Rt Hon. Rachel Reeves MP
Chancellor of the Exchequer
The Treasury
1 Horse Guards Road
London
SW1A 2HQ

3 October 2024

Dear Chancellor,

We write to you as members of key organisations within the homelessness and housing sectors ahead of the Autumn Budget to request an extension and uplift of Rough Sleeping Initiative funding which is due to end at the end of March 2025.

We welcome the Government's intentions to take a cross-departmental approach to tackling homelessness and the greater focus on prevention. However, for this to succeed, maintaining investment in the lifeline of services for people who end up on the streets is critical, and without security of this investment the Government risks the sector being unable to support the government's shared ambition.

Rough sleeping in England has increased by 120% since 2010 and the number of people who are homeless, or at risk of homelessness, is at an all-time high.

Close to 4,000 people are sleeping on the streets in England every night and the latest annual statutory homelessness stats released today show that **a record 324,990 households were homeless (178,560) or at risk of homelessness (146,430) in the last financial year** – an 8% increase on the previous year. This is another desperate reminder that the homelessness crisis is not going away, with the cost-of-living crisis and a chronic lack of affordable and social housing continuing to push more and more people to the brink.

We welcome the longer-term measures the Government is introducing, such as boosting the delivery of affordable and social housing. However, the benefits of some of these policies won't be realised for years to come. Meanwhile, it is clear to those providing homelessness services on the front line that we are facing an emergency.

With the number of people rough sleeping increasing, the demand for dedicated services supporting people off the streets is also skyrocketing. However, these vital services are facing a cliff-edge as Rough Sleeping Initiative (RSI) funding is due to end at the end of March 2025. RSI represents an investment, and if this investment is not at a minimum maintained, the number of people sleeping on the streets could quickly spiral out of control from the already historically high numbers. This would create not only a greater human cost but a financial cost for the Government in years to come.

We understand there is a desire to shift to a more prevention-focussed approach, and we support this. But any such shift from the current model needs to come with a reasonable transition period and lead-in time to help organisations and services to manage the financial risk and ensure our service expertise is maintained in helping the Government end homelessness. Without a transition period, and with only months until RSI funding is due to end, there would be a significant impact on clients, staff and the financial resilience of the homelessness sector.

Thousands of the people that we support rely on services funded by the Rough Sleeping Initiative. If it is not extended and uplifted, many of the projects that we deliver with local authorities may have to close. This will also have a damaging impact on already stretched local authorities who rely on this funding to commission services to tackle rough sleeping.

The short-term nature in which the previous government administered the initiative created uncertainty and made sensible decision-making challenging. The sector needs certainty to make sensible long-term decisions which will enable us to end homelessness. We want to work in partnership with you to develop sustainable funding models which deliver results.

We therefore urge you to commit to extending and uplifting Rough Sleeping Initiative funding for at least the duration of the spending review period to avoid annual bidding rounds and guarantee that any move away from this model is accompanied by a reasonable transition period to sustainable future funding, enabling long-term work to end homelessness to be the most impactful.

Together, we can end rough sleeping. We are committed to working with you on your cross-departmental approach to ending homelessness which will be vital in achieving change, but to achieve long-term success we also need continued investment in emergency support to tackle the crisis at hand.

Yours sincerely,

Emma Haddad, Chief Executive, St Mungo's
Shan Nicholas, Chief Executive, AKT
Lord John Bird, Founder, The Big Issue Group
Balbir Chatrik, Director of Policy and Prevention, Centrepoin
Gavin Smart, Chief Executive, Chartered Institute of Housing
Pam Orchard, Chief Executive, The Connection at St Martins
Alexia Murphy, Chief Executive, Depaul UK
Charlotte Talbott, Chief Executive, Emmaus UK
Jo Carter, Chief Executive, Glass Door
Michael Chandler, Chief Executive, Groundswell
Bridget Young, Director, NACCOM
Sean Mullen, Involvement Manager, National Experts Citizens Group



**Ending homelessness.
Rebuilding lives.**

Kate Henderson, Chief Executive, National Housing Federation

Phil Kerry, Chief Executive, New Horizon Youth Centre

Mick Clarke, Chief Executive, The Passage

Minnie Rahman, Chief Executive, Praxis

Tom O'Connor, Chief Executive, Providence Row

Niamh Eastwood, Executive Director, Release

Pavan Dhaliwal, Chief Executive, Revolving Doors

Polly Neate, Chief Executive, Shelter

Liz Rutherford, Chief Executive, Single Homelessness Project

Denise Hatton, Chief Executive, YMCA England & Wales

Amanda Dubarry, Chief Executive, Your Place

Cc: The Rt Hon. Angela Rayner MP, Secretary of State for Housing, Communities and Local Government; Rushanara Ali MP, Minister of State for Building Safety and Homelessness.