

## Homelessness Podcast Transcript

An individual is homeless when they have no accommodation, or when the accommodation they have is not reasonable for them to continue to occupy. All measures of homelessness have increased since 2010. At March 2017, over 77,000 homeless households in England were housed in temporary accommodation by local authorities (a 60% increase since March 2011). The direct spending of local authorities on homelessness in 2015-16 exceeded £1 billion and is rising, and many local authorities now consider homelessness to be a risk to their financial sustainability. The leading reported cause of statutory homelessness is the end of an assured shorthold tenancy in the private sector.

While statutory duties for the homeless are delivered by local authorities, the Department for Communities and Local Government (the Department) is the lead government department responsible for housing and homelessness policy.

The NAO's latest study examines whether the Department is achieving value for money through the oversight of the resources it distributes to prevent and reduce homelessness. I am joined by Matt Wilkins, the audit manager who worked on the report. Thank's for your time Matt.

### **Q1. What is an assured shorthold tenancy and how large an impact is it having on homelessness?**

- It is the normal type of tenancy with private landlords. Under this, the landlord can take possession of the property without giving any reason. To do this, the landlord needs to give 2 months written notice of the date to quit and this date must not be within 6 months of the start of the tenancy.
- Some people think that this system gives both landlords and tenants flexibility, and is a good thing for the housing market. Other people think that it gives too much power to landlords and not enough to tenants, and that tenants can be exploited. We have not come to a view on this, because this system is government policy.
- We are not saying in our report that this type of tenancy is impacting upon homelessness – rather, that the ending of tenancies in the private rented sector has in recent years overtaken all other causes to become the leading driver of homelessness in England. Before 2011-2012, the proportion of households who qualified for temporary accommodation and reported that their homelessness was because of the ending of a tenancy was between 11 and 15%. In contrast, today 32% of all households reporting as homeless do so because their tenancy has ended – in London this is 39%. Across England overall, the ending of private sector tenancies accounts for 74% of the growth in households qualifying for temporary accommodation since 2009-10. It is therefore the defining characteristic of the increase in homelessness that has happened in recent years.

### **Q2. What areas have the highest levels of homelessness?**

- We found that the risk of homelessness is highest for households who live in centres of economic activity and who are on the margins of being able to pay market rents for their homes. As a result, the risk of homelessness is highest in London and in other urban centres of employment and education.
- Of the 77,000 households in temporary accommodation in March of this year, 70% will have been placed there by London boroughs.
- You can have a look our data visualization on our website. This will show you the level of homelessness in your area, together with other data on spending and household movement.

### **Q3. What did your study find out?**

- We found that homelessness in all its forms has significantly increased in recent years, and at present costs the public sector in excess of £1 billion a year.
- We also found that it appears likely that the decrease in affordability of properties in the private rented sector, of which welfare reforms such as the capping of Local Housing Allowance are an element, have driven this increase in homelessness.
- We say that despite this, the government has not evaluated the impact of its welfare reforms on homelessness, or the impact of the mitigations that it has put in place.

### **Q4. If local authorities are having difficulty housing homeless people- where are they going?**

- We found that households that rent privately and receive housing benefit have been moving out of central London in greater numbers than move in. We have shown this movement in a map – you can see this in our data visualization and in Figure 7 in the report.
- These people are not homeless – but they are at risk of homelessness. A lot of homelessness is not measured, and this is something that the Department wants to change with its new data collection system that we look at in Part Three of the report. This should help find where these people are going, if the system works as planned.
- We do know that an increasing number of households are placed in temporary accommodation in another local authority area. We show this in Figure 11. At March 2017 it was almost 22,000 households. These placements can be a long way away from the household's support network, job, or schools – and therefore need to be used carefully. It is a concern that the use was broadly stable until 2011 and then took off.

**Q5. What does your report recommend?**

- We think that the Department needs to do more to formalize what it expects from its own initiatives and other parts of government. It should develop and publish a strategy to set out how it will achieve its objectives
- We think that the Department should do more to share good practice among local authorities and to promote the measures that it knows are effective.
- We think that the government needs to understand the interactions between the housing market and welfare reform better – and use this to evaluate fully the causes of homelessness.