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homelessness

# The homelessness monitor: Great Britain 2022

**Beth Watts, Glen Bramley, Suzanne Fitzpatrick, Lynne McMordie, Hal Pawson & Gillian Young.** Institute for Social Policy, Housing and Equalities Research (I-SPHERE), Heriot-Watt University; City Futures Research Centre, University of New South Wales.

September 2022



## The homelessness monitor

The homelessness monitor is a longitudinal study providing an independent analysis of the homelessness impacts of recent economic and policy developments across Great Britain. Separate reports are produced for England, Scotland, and Wales.

This report takes stock of homelessness across Great Britain in 2022 (or as close to 2022 as data availability will allow), and analyses key trends in the five year period running up to 2022. It also highlights emerging trends and forecasts some of the likely future changes, identifying the developments likely to have the most significant impacts on homelessness.

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## About Crisis

Crisis is the national charity for homeless people. We help people directly out of homelessness, and campaign for the social changes needed to solve it altogether. We know that together we can end homelessness.

## About the authors

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**Disclaimer:** All views and any errors contained in this report are the responsibility of the authors. The views expressed should not be assumed to be those of Crisis or any of the key informants who assisted with this work.

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# Foreword

The cost-of-living crisis has been a reality for households across Great Britain in 2022. We are publishing this research at a time when rising rents and bills, record levels of inflation and insufficient welfare support will push thousands more people into homelessness if nothing is done to address it. Whilst, after this report was written, the Westminster Government announced some welcome measures to support people with soaring living costs, housing continues to be unaffordable for many, creating unsustainable financial pressure on household budgets. The evidence tells us we could see over 300,000 households experiencing the worst forms of homelessness in 2023, an increase of about a third over three years.

This is nothing short of catastrophic – but we can do something about it.

Our Homelessness Monitor series usually covers individual nations. This edition, however, gives us the most in-depth account available on how England, Scotland, and Wales compare when it comes to tackling homelessness. This means we have clear examples of what good looks like and why policy choices matter.

The rates of individuals and families who experience the worst forms of homelessness in Scotland is far lower than it is in England or Wales. This is driven by Scotland's stronger homelessness legislation and proportionally larger social rented housing sector. The analysis in the report also shows it's important to focus not only on how much money is spent on tackling homelessness, but what it's spent on. Wales invests far more of its homelessness expenditure on support and preventing homelessness happening in the first place, compared to England which spends well over half on temporary accommodation. Whilst the Westminster government devotes a lot of attention to ending rough sleeping, both Scotland and Wales have made a commitment to end all forms of homelessness.

But we can't be complacent. Despite progress in Scotland and Wales, the Monitor points to challenges if action isn't taken. Far too many people across Great Britain are stuck in temporary accommodation. In Scotland, rates of overall temporary accommodation placements have not reduced over the last five years and make the case for greater focus on prevention. Despite lower rates of temporary accommodation use in Wales, compared to England and Scotland, there has been an increase over the pandemic and we must make sure the bold plan to deliver transformation becomes a reality.

The research goes on to tell us what policies are projected to be most effective at reducing homelessness in Britain. Increasing rapid access to social housing for people experiencing homelessness would have a huge impact. Investing in Housing First, as well as reforming the welfare system, so that housing benefit is no longer based on outdated rent levels would also reduce the worst forms of homelessness significantly.

These are just some of the insights in this report, which shows that the most effective solutions in each nation are different, but that as a whole Great Britain will be able to end homelessness only if the right decisions are made in Westminster and governments in Scotland and Wales continue to make progress in delivering on their plans to end homelessness. In these turbulent times, Crisis will continue fighting for the changes needed to end homelessness in all three nations.



Matthew Downie  
Chief Executive, Crisis

# Executive summary

The Homelessness Monitor series is a longitudinal study providing an independent analysis of the homelessness impacts of recent economic and policy developments across Great Britain.<sup>1</sup> With the Homelessness Monitor study now in its eleventh year, this comparative report takes stock of homelessness policies, trends and outcomes in England, Scotland and Wales in 2022 (or as close to 2022 as data availability will allow), and analyses key developments in the five year period running up to 2022.

Key points to emerge from this comparative analysis are as follows:

- Responses to rough sleeping were impressive across all three Great Britain administrations in the early stages of the COVID-19 pandemic. However, a fissure has since opened up between Scotland and Wales on one hand, where improved protection of people with No Recourse to Public Funds, and moves to permanently close communal night shelters, seem to be holding up, and England, where these public health-inspired gains now seem to be unravelling.
- Both Wales and Scotland have devised plans aimed at 'ending' homelessness in their respective jurisdictions, with a strong emphasis on Rapid Rehousing approaches and, within that, Housing First

interventions for those with the most complex support needs. In England, in contrast, there is a narrower strategic focus on ending rough sleeping only.

- The Homelessness Reduction Act 2017, modelled on earlier Welsh legislation, ushered in important new homelessness prevention and relief duties for English local authorities. However, longitudinal research by Crisis indicates that the effectiveness of this progressive legislation is limited by housing supply and affordability pressures in many parts of England, and by the continued existence of the priority need test that limits rehousing entitlements.
- Wales, unlike England, now seems set to follow Scotland's more progressive path by abolishing the priority need test, with this move

given significant momentum by the effective 'suspension' of the test during the pandemic.

- While Scotland has the strongest statutory homelessness safety net of the three jurisdictions, it has been slowest to pursue legislation to strengthen homelessness prevention measures. But a Scottish Government consultation has recently concluded on proposals to extend homelessness prevention duties across the public sector, alongside changes to homelessness legislation to incentivise prevention within a six month time window.
- Scotland has a social rented housing sector that is substantially larger, relative to population size, than either of the other two Great Britain jurisdictions, and the Scottish government has committed to building 110,000 affordable homes by 2032 of which at least 70% should be available at social rent. Moreover, Scottish social landlords allocate a much higher proportion of their available lettings to households accepted as homeless than their equivalents elsewhere in Great Britain, with the share jumping to almost half (45%) in 2019-20 following the adoption of the Rapid Rehousing policy.
- Scottish Government per capita expenditure on both Local Welfare Assistance and Discretionary Housing Payments is much higher than elsewhere in Great Britain. The disparity on Discretionary Housing Payments in particular is quite staggering, with the 2022-23 allocations equating to £4 per household in England and Wales, and £32 per household in Scotland. In large part this reflects the Scottish Government's decision to fully mitigate the 'Bedroom Tax' using these payments. In contrast, recent cuts in Discretionary Housing Payments allocations in England and Wales leave many more households
- at risk of homelessness, while the very existence of Local Welfare Assistance schemes in much of England remains uncertain.
- Scotland has markedly higher rates of both statutory homelessness acceptances (c.11 per 1,000 households in 2020/21) than either England (c.2 per 1,000 households in 2020/21) or Wales (c.3 per 1,000 households in 2020/21). It also has a temporary accommodation placement rate some 25% above that of England and 40% above that for Wales. These statistical patterns largely reflect the stronger rights people have under the Scottish statutory homelessness system, but also lengthening stays in temporary accommodation and insufficient attention to homelessness prevention.
- Temporary accommodation placements involving families with children are notably higher in England than in either of the other two Great Britain countries, and the use of Bed and Breakfast hotels has grown four-fold over the past decade. Temporary accommodation placements are forecast to almost double in England over the next twenty years, while remaining relatively stable in Scotland and Wales.
- These trends have driven mounting temporary accommodation costs in England, while expenditure on support, administration and prevention has been progressively squeezed down. This spending profile flies in the face of the early intervention aims and philosophy of the Homelessness Reduction Act.
- Levels of 'core' (i.e. the most extreme forms of) homelessness are consistently higher in England (0.84% of households in 2020) than in either Wales (0.68% of households in 2020) or Scotland (0.57% of households in 2020). The number of core homeless

<sup>1</sup> All of the UK Homelessness Monitor reports are available from <http://www.crisis.org.uk/pages/homelessnessmonitor.html>

households are projected to grow further in England, particularly in London, unless policy steps are taken to correct this negative direction of travel.

- Statistical modelling indicates that the most effective policies for reducing core homelessness include: rehousing quotas for core homeless groups in the social rented sector; increasing the Local Housing Allowance rate; raising the level of Universal Credit payments; expanding Housing First interventions; and maximising the use of prevention tools by local authorities. Such policies in concert could reduce total core homelessness by 34% in England, 30% in Wales, and 42% in Scotland.
- The United Kingdom economy has now rebounded from the COVID-19-induced slump, but spiralling energy, food, and other prices, now seriously compounded by the Ukraine war, are driving a cost-of-living crisis greater than that seen for many decades. While the United Kingdom Government has recently announced a package of measures designed to ease this crisis, the poorest households will still be hardest hit over this coming winter.

### The homelessness policy context across Great Britain

National homelessness policy in England in the 2010s was driven by a localist ideology, with central government largely absenting itself from direct involvement, leaving matters in the hands of local authorities.<sup>2</sup> By 2017, against a backdrop of growing homelessness and rough sleeping, a retreat from localist approaches began to emerge, with the Conservative Manifesto committing to halving rough sleeping by 2022 and ending it entirely by 2027 (later brought forward to 2024 under the Johnson Government). To this end, Government funded pilots of Housing First<sup>3</sup> were launched in 2018, and in the same year a national Rough Sleeping Strategy was published,<sup>4</sup> with a linked Rough Sleeping Initiative funding a range of initiatives targeted on people at risk of sleeping rough.<sup>5</sup>

Also rejecting the localist focus of most of the decade, the coming into force of the Homelessness Reduction Act 2017 in April 2018, saw the introduction of a range of local authority prevention and relief duties owed to all eligible households which are homeless or at risk of homelessness. The breadth of this legislative turn belies a much narrower strategic approach that has increasingly concentrated policy and funding activity on tackling rough sleeping. Moreover, a large-scale

longitudinal study recently published by Crisis demonstrates that, though the 2017 legislation has opened up access to support for significantly more people facing homelessness, particularly single people, the continuing impact of the priority need criterion in limiting rehousing rights, and housing supply and affordability pressures, restricts the effectiveness of this progressive legislation.<sup>6</sup>

Homelessness policy and law in Wales, which lacked primary law-making powers until 2011, historically tracked that of England, but this relationship reversed with the passing of the prevention-orientated Housing (Wales) Act in 2014, which provided the model for the later 2017 legislation in England. The 2014 Act has been positively evaluated<sup>7</sup> but it was widely accepted that people sleeping rough had benefited least from its introduction. In 2019, the Welsh Government established an independent 'Homelessness Action Group', with a remit to 'end homelessness in Wales', and a specific focus on early action to reduce and eliminate rough sleeping.<sup>8</sup> Based on the Action Group's recommendations, the Welsh Programme for Government 2021-26

pledged to "fundamentally reform" homelessness services to focus on prevention and Rapid Rehousing.<sup>9</sup> The Group also recommended the phasing out of the priority need and intentionality tests, as well as the local connection rules.<sup>10</sup> The move to abolish the priority need test in particular now seems unstoppable, having gained significant momentum after the effective 'suspension' of the test during the pandemic, with the Minister Julie James stating that there was 'no going back' from the pre-pandemic approach.

In Scotland, the Programme for Government in 2017 set "a clear national objective to eradicate rough sleeping... and transform the use of temporary accommodation".<sup>11</sup> To this end, a Homelessness and Rough Sleeping Action Group was convened by Scottish Government,<sup>12</sup> with its final report, published in June 2018, offering recommendations on "how to bring about an end to homelessness in Scotland."<sup>13</sup> The Action Group recommendations were captured in the Scottish Government's Ending Homelessness Together Action Plan, published in November 2018,<sup>14</sup> with the subsequent delivery of five year

2 Fitzpatrick, S, Watts, B. & Simms, R. (2020) *Homelessness Monitor England 2020: COVID-19 Crisis Response Briefing*. London: Crisis <https://www.crisis.org.uk/ending-homelessness/homelessness-knowledge-hub/homelessness-monitor/england/homelessness-monitor-england-2020-covid-19-crisis-response-briefing/>; Fitzpatrick, S., Pawson, H. & Watts, B. (2020) 'The limits of localism: a decade of disaster on homelessness in England' *Policy & Politics*, 48:4, 541-561

3 Ministry of Housing, Communities and Local Government (2020) *Evaluation of the Housing First Pilots: Interim Process Evaluation Report Final: Report*. Online: MHCLG [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/946110/Housing\\_First\\_first\\_interim\\_process\\_report.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/946110/Housing_First_first_interim_process_report.pdf)

4 Ministry of Housing, Communities and Local Government (2018) *Rough Sleeping Strategy*. Online: MHCLG [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/733421/Rough-Sleeping-Strategy\\_WEB.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/733421/Rough-Sleeping-Strategy_WEB.pdf)

5 Ministry of Housing, Communities and Local Government (2019) *Rough Sleeping Initiative 2018: impact evaluation*. London: MHCLG

6 <https://www.crisis.org.uk/ending-homelessness/homelessness-knowledge-hub/services-and-interventions/i-hoped-there-d-be-more-options-experiences-of-the-homelessness-reduction-act-2018-2021/>

7 Ahmed, A., Wilding, M., Gibbons, A., Jones, K., Rogers, M. & Madoc-Jones, I. (2018) *Post-implementation Evaluation of the Homelessness Legislation (Part 2 of the Housing Act (Wales) 2014: Final Report*. GSR report number 46/2018 Online: Welsh Government <https://gov.wales/sites/default/files/statistics-and-research/2019-06/evaluation-of-homelessness-legislation-part-2-of-the-housing-act-wales-2014-final-report-summary.pdf>

8 See <https://gov.wales/homelessness-action-group>

9 Welsh Government (2021) Programme for Government. Online: Welsh Government <https://gov.wales/sites/default/files/publications/2021-06/programme-for-government-2021-to-2026.pdf>, p.7

10 The proposed removal of PN was also explored via a comprehensive review: Welsh Government (2020) *Review of Priority Need in Wales*. Social Research Number: 70/2020. Online: Welsh Government <https://gov.wales/sites/default/files/statistics-and-research/2020-10/review-of-priority-need-in-wales.pdf>

11 Scottish Government (2017) *A Nation with Ambition: the Government's Programme for Scotland 2017-2018*. Online: Scottish Government

12 See <https://www.gov.scot/groups/homelessness-and-rough-sleeping-action-group>

13 Scottish Government (2018) *Homelessness and Rough Sleeping Action Group*. Online: Scottish Government <https://www.gov.scot/groups/homelessness-and-rough-sleeping-action-group>

14 Ahmed, A., Wilding, M., Gibbons, A., Jones, K., Rogers, M. & Madoc-Jones, I. (2018) *Post-implementation Evaluation of the Homelessness Legislation (Part 2 of the Housing Act (Wales) 2014: Final Report*. GSR report number 46/2018. Online: Welsh Government <https://gov.wales/sites/default/files/statistics-and-research/2019-06/evaluation-of-homelessness-legislation-part-2-of-the-housing-act-wales-2014-final-report-summary.pdf>; Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S., Watts, B. & Wood, J. (2017) *The Homelessness Monitor: Wales 2017*. London: Crisis [https://www.crisis.org.uk/media/237787/the\\_homelessness\\_monitor\\_wales\\_2017.pdf](https://www.crisis.org.uk/media/237787/the_homelessness_monitor_wales_2017.pdf)

Rapid Rehousing Transition Plans by Scottish local authorities,<sup>15</sup> and the development of the Housing First Scotland pathfinder programme,<sup>16</sup> effectively establishing the cornerstones of the Scottish approach. Subsequently, the Action Group was reconvened during the pandemic to deliver recommendations to the Scottish Government, and this led to a revised and more ambitious plan to end homelessness.<sup>17</sup>

While Scotland has the strongest statutory safety net of any of the Great Britain countries, it has been slowest to consider strengthening homelessness prevention legislative measures. However, a Prevention Review Group charged with developing legal recommendations to enhance prevention was convened by Crisis on the invitation of the Scottish Government in 2019.<sup>18</sup> A Scottish Government consultation has recently concluded on the Group's proposals for wider public sector homelessness prevention duties that go much further than the referral and cooperation duties that currently pertain in England and Wales, alongside changes to homelessness legislation to incentivise prevention within a six month time window.

Across Great Britain, responses to rough sleeping were radically impacted by the COVID-19 pandemic. In England, the Everyone In initiative saw many areas lift restrictions on eligibility criteria to allow people sleeping rough, at risk of doing so, or in communal shelters, to be accommodated in hotel or similar accommodation. As at December 2021, over 40,000 of those accommodated have been "moved into settled accommodation or a supported housing pathway".<sup>19</sup> Similar responses were adopted in Wales and Scotland, albeit that they were required on a much smaller scale in the latter in particular because the majority of those sleeping rough were already entitled to accommodation.<sup>20</sup> While COVID-19-related interventions were impressive in all three jurisdictions in the early phase of the pandemic, a fissure now seems to have opened up between Scotland and Wales on one hand, where improved protection of people with No Recourse to Public Funds, and moves to permanently close communal night shelters, seem to be holding up at least for the moment, and England, where these public health-inspired gains now seem to be unravelling with highly variable

practice emerging across local authority areas.<sup>21</sup>

### The wider economic and policy context across Great Britain

The United Kingdom economy has rebounded from the COVID-19-induced slump of 2020,<sup>22</sup> but spiralling energy, food and other prices, now seriously compounded by the war in Ukraine, are driving a cost-of-living crisis greater than that seen for many decades.<sup>23</sup> At the same time, poverty and destitution have been exacerbated by the removal of temporary measures to bolster household incomes during the pandemic, notably the £20 uplift to Universal Credit, as well as by the refreezing of the Local Housing Allowance at April 2020 rates.<sup>24</sup> The United Kingdom Government has recently announced a substantial package for addressing the cost-of-living crisis, including lump sum payments to those in receipt of means-tested benefits and support with fuel bills to all householders. Nonetheless, the poorest households will be hardest hit over this coming winter, exacerbated by rising rental costs. Given the strong links between poverty and homelessness,<sup>25</sup> this augurs badly for future homelessness trends.

Notwithstanding this concerning backdrop, the housing and social

policy context in Scotland is considerably more benign than that in England, and even than that in Wales, in a range of respects relevant to homelessness. Most importantly, it has a social rented housing sector that is substantially larger, relative to population size, than either of the other two Great Britain jurisdictions, and the Scottish Government has committed to building 111,000 affordable homes by 2032 of which at least 70% should be available at social rent. Moreover, Scottish social landlords allocate a much higher proportion of their available lettings to households accepted as homeless than their equivalents elsewhere in Great Britain. In 2018-19, the latest year data is available for all three countries, 39% of lettings to new social tenants in Scotland were used to resolve homelessness, compared to 25% of lettings in England and 22% of lettings in Wales.<sup>26</sup> The share of Scottish lettings to homeless households jumped to 45% in 2019-20, following the adoption of higher targets for the share of lettings allocated to homeless households as part of the Rapid Rehousing policy.

Furthermore, Scottish Government per capita expenditure on Local Welfare Assistance (delivered via the statutory Scottish Welfare Fund) and Discretionary Housing Payments – both crucial in preventing homelessness and destitution – is

- 15 Evans, A., Littlewood, M., Social Bite & Glasgow Homelessness Network (2018) *Scotland's transition to rapid rehousing: Market area analysis, legislative and culture review*. Online: Glasgow Homelessness Network [http://social-bite.co.uk/wp-content/uploads/2018/07/Rapid\\_Rehousing\\_Guidance1.1.pdf](http://social-bite.co.uk/wp-content/uploads/2018/07/Rapid_Rehousing_Guidance1.1.pdf)
- 16 Johnsen, S., Blenkinsopp, J. & Rayment, M. (2021) *Scotland's Housing First Pathfinder Evaluation: First Interim Report* (full report). Online: Heriot-Watt University <https://doi.org/10.17861/c5n3-0h95>
- 17 Homelessness and Rough Sleeping Action Group (2020) *Tackling homelessness in Scotland following the coronavirus pandemic- Recommendations from Homelessness and Rough Sleeping Action Group*. Online: Scottish Government <https://www.gov.scot/binaries/content/documents/govscot/publications/corporate-report/2020/07/homelessness-and-rough-sleeping-action-group-final-report-tackling-coronavirus/documents/harsag-final-report-on-homelessness-after-coronavirus/harsag-final-report-on-homelessness-after-coronavirus/govscot%3Adocument/200819%2BHARSAG2%2BCOVID%2Breport.pdf>; Scottish Government (2020) *Ending homelessness together: updated action plan - October 2020*. Online: Scottish Government. <https://www.gov.scot/publications/ending-homelessness-together-updated-action-plan-october-2020/>
- 18 Crisis (2021) *Preventing Homelessness in Scotland: Recommendations for Legal Duties to Prevent Homelessness: A report from the Prevention Review Group*. Online: Crisis <https://www.crisis.org.uk/media/244558/preventing-homelessness-in-scotland.pdf>
- 19 Fitzpatrick, S., Mackie, P., Pawson, H., Watts, B. & Wood, J. (2021) *The COVID-19 Crisis Response to Homelessness in Great Britain: Interim Report*. Online: CaCHE [https://housingevidence.ac.uk/wp-content/uploads/2021/02/12544\\_UoG\\_CaCHE\\_Covid\\_Homelessness\\_Report-Final.pdf](https://housingevidence.ac.uk/wp-content/uploads/2021/02/12544_UoG_CaCHE_Covid_Homelessness_Report-Final.pdf); see also <https://www.gov.uk/government/statistics/rough-sleeping-snapshot-in-england-autumn-2021/annex-a-support-for-people-sleeping-rough-in-england-2021-not-official-statistics>
- 20 Fitzpatrick, S., Mackie, P., Pawson, H., Watts, B. & Wood, J. (2021) *The COVID-19 Crisis Response to Homelessness in Great Britain: Interim Report*. Online: CaCHE [https://housingevidence.ac.uk/wp-content/uploads/2021/02/12544\\_UoG\\_CaCHE\\_Covid\\_Homelessness\\_Report-Final.pdf](https://housingevidence.ac.uk/wp-content/uploads/2021/02/12544_UoG_CaCHE_Covid_Homelessness_Report-Final.pdf)

- 21 The Kerslake Commission on Homelessness and Rough Sleeping (2021) *A New Way of Working: Ending Rough Sleeping Together: Final Report*. Online: The Kerslake Commission <https://www.commissiononroughsleeping.org/wp-content/uploads/2021/09/KRSC-Final-Report-2021.pdf>; National Audit Office (2021) *Investigation into the Housing of Rough Sleepers during the COVID-19 Pandemic*. HC 1075. Online: NAO <https://www.nao.org.uk/wp-content/uploads/2021/01/Investigation-into-thehousing-of-rough-sleepers-during-the-COVID-19-pandemic.pdf>
- 22 Office for Budget Responsibility (2021) *Economic and Fiscal Outlook – March 2022*. London: OBR [https://obr.uk/docs/dlm\\_uploads/CCS0222366764-001\\_OBR-EFO-March-2022\\_Web-Accessible-2.pdf](https://obr.uk/docs/dlm_uploads/CCS0222366764-001_OBR-EFO-March-2022_Web-Accessible-2.pdf)
- 23 Karjalainen, H. & Levell, P. (2022) 'Inflation Hits 9% With Poorest Households Facing Even Higher Rates.' *Institute for Fiscal Studies*. 18 May. London: Institute for Fiscal Studies <https://ifs.org.uk/publications/16058>
- 24 Joseph Rowntree Foundation (2022) *600,000 will be pulled into poverty as a result of Chancellor's inaction*. York: JRF <https://www.jrf.org.uk/press/600000-will-be-pulled-poverty-result-chancellors-inaction>
- 25 Bramley, B. & Fitzpatrick, S. (2018) 'Homelessness in the UK: who is most at risk?', *Housing Studies*, 33:1, 96-116
- 26 Note that the scale of the gap is overstated because of data problems, especially with the Welsh data, but the overall picture of Scotland's more generous policy towards rehousing those accepted as homeless is accurate.

much higher than elsewhere in Great Britain. The disparity on Discretionary Housing Payments in particular is quite staggering, with the 2022-23 allocations equating to £4 per household in England and Wales, but £32 per household in Scotland. In very large part this reflects the Scottish Government's decision to fully mitigate the 'Bedroom Tax' via these Discretionary Housing Payments.

In contrast, recent cuts in Discretionary Housing Payments allocations in England and Wales mean that many more households are at risk of homelessness, while the very existence of Local Welfare Assistance schemes in much of England remains uncertain, notwithstanding temporary boosts during the COVID-19 pandemic and now as part of the cost-of-living package. Wales has an important advantage over England in the retention of its national Discretionary Assistance Fund scheme, centrally funded and administered by the Welsh Government in collaboration with two lead organisations and a network of approved statutory and third sector partners.<sup>27</sup> Another area where Wales does much better than both Scotland and England is the stronger protection given to its housing-related support funding ('Supporting People'), which retains the 'ring-fenced' status long since abandoned elsewhere in Great Britain, in a move which presaged massive cuts, especially in England.

### Comparing homelessness trends across Great Britain

#### Statutory homelessness

In terms of the 'full duty acceptances' metric, Scotland experiences a much higher rate of homelessness (c.11 per 1,000 households in 2020/21) than either England (c.2 per 1,000 households in 2020/21) or Wales (c.3

per 1,000 households in 2020/21). This disparity largely reflects the stronger rights people have under the Scottish statutory homelessness system, particularly after the abolition of the 'priority need' test, but also the inadequate attention given to homelessness prevention to date.

Across all three British jurisdictions, single adults comprise around two thirds of people entitled to some form of material homelessness assistance from local authorities, with lone parents comprising the great majority of the remainder. This is a major turnaround from the position in England in particular where, pre the Homelessness Reduction Act 2017, single people accounted for only around a third of those accepted as owed the main homelessness duty, and is indicative of the greater inclusivity of the revised statutory framework.

Inter-jurisdictional differences in the frameworks used to monitor the main immediate reasons for homelessness prevent direct comparisons across countries on this topic. However, it is clear that, at least for England and Scotland,<sup>28</sup> 2020/21 saw major reductions in people becoming homeless due to loss of existing tenancies, as a direct result of the eviction moratoriums during the COVID-19 pandemic (though eviction rates have subsequently risen again). Thus, ending of a private tenancy as a reason for homelessness fell 37% in England, with social tenancies ending falling by 31%. In Scotland, the overarching category 'loss of tenancy/ owned home' fell 47% in 2020/21, likely almost entirely attributable to trends in rental evictions. On the other hand, and possibly associated with pandemic-associated pressures, the numbers facing homelessness due to family/friend exclusion, relationship

breakdown and (at least in England) domestic violence, rose in 2020/21.<sup>29</sup>

According to official statistics, some 112,000 households across Great Britain were in temporary accommodation as at 31 March 2021.<sup>30</sup> Again reflecting its more inclusive statutory safety net, Scotland's overall temporary accommodation placement rate was some 25% above that of England and 40% above that for Wales. It should be noted, however, that the profile and quality of temporary accommodation used is markedly different across the countries of Great Britain. Thus, while nearly two thirds of 2021 Scottish temporary accommodation placements (62%) involved social housing stock occupied on a temporary basis, this compared with only 23% in England and 15% in Wales, where privately leased temporary accommodation is far more common. Scotland has also gone furthest in restricting local authorities' use of certain forms of temporary accommodation (such as Bed and Breakfast) following the extension of the Unsuitable Accommodation Order - previously applied only to families with children - to all household types in Autumn 2021. That said, stubbornly high levels of temporary accommodation use, and lengthening periods of stay in such accommodation, are key concerns driving the Rapid Rehousing agenda in Scotland, and have also helped to prompt the recent increased attention to prevention.

With regard to temporary placements involving families with children, however, rates in England have been recently running at around 50% higher than the equivalent figure for Scotland. In another worrying longer-term trend, which predates the 2020-2021 pandemic spike, Bed and Breakfast

placements have increased four-fold in England over the past decade, while remaining largely below their 2010 levels in Wales and Scotland.

These trends have been reflected in the mounting costs of temporary accommodation in England, while in parallel expenditure on support, administration and prevention has been progressively squeezed down. This is a spending profile that flies in the face of the early intervention aims and philosophy of the Homelessness Reduction Act.

Moreover, precipitated by contracting social housing availability, and a growing gap between Local Housing Allowance rates and actual market rents, temporary accommodation placements are forecast to almost double in England over the next twenty years. Unless arrested, these projected trends will continue to ratchet up the pressure on English local authority homelessness budgets, skewing expenditure yet further away from pro-active support for preventative interventions, towards the mere servicing of crisis accommodation costs.

#### Core homelessness

Our 'core' homelessness analysis, focussed on the most extreme and immediate forms of homelessness, and drawing on a wide range of data sources, provides a more robustly comparative and very different picture to that derived from official homelessness statistics. It indicates that levels of core homelessness are consistently higher in England (0.84% of households in 2020) than in either of the other two countries, with Scotland having the lowest rate of core homelessness relative to household population (0.57% of households in 2020). In all three jurisdictions,

<sup>27</sup> Welsh Government (2015) *The Discretionary Assistance Fund - Guidance for Decision Makers*. Cardiff: Welsh Government <https://cpag.org.uk/sites/default/files/DAF--Guidance-for-Decision-Makers%20v2%20Feb2015.pdf>

<sup>28</sup> Note that at time of writing, 2018/2019 was the latest year for which such data are published for Wales.

<sup>29</sup> Fitzpatrick, S., Mackie, P., Pawson, H., Watts, B. & Wood, J. (2021) *The COVID-19 crisis response to homelessness in Great Britain*. Online: CACHE <https://housingevidence.ac.uk/publications/the-covid-19-crisis-response-to-homelessness-in-great-britain/>

<sup>30</sup> Note that, at least in England, it is understood that this number does not fully encompass those provided with emergency accommodation during the COVID-19 pandemic under the national Everyone In program.



rough sleeping and unconventional accommodation represent a small proportion of core homelessness, while sofa surfing represents by far the largest overall segment of core homeless households at any one point in time, with hostels and unsuitable forms of temporary accommodation lying somewhere in between.

Inter-jurisdictional differences in the overall level of core homelessness have persisted over the last decade, and were still present in 2020 despite the relatively larger impact of COVID-19 response measures in England. The explanation is likely to lie in the different housing market pressures in the three countries (highest in England), the incidence of poverty and other deprivations (relatively high in Wales), and differences in social housing supply (larger in Scotland) and homelessness policies (more inclusive in Scotland). The numbers of core homeless households are projected to grow yet further in England (reaching 1.19% of households by 2040), with this growth particularly concentrated in London, unless policy steps are taken to correct this negative direction of travel.

Statistical modelling indicates that the most effective policy interventions for reducing core homelessness in all three countries include: rehousing quotas for core homeless groups in the social rented sector; increasing the Local Housing Allowance rate; raising the level of Universal Credit payments; expanding the availability of Housing First and associated support measures; and maximising the use of prevention tools by local authorities. Such policies in concert could reduce total core homelessness by 34% in England, 30% in Wales, and 42% in Scotland. These policies could also reduce rough sleeping and unsuitable temporary accommodation by half to two-thirds in the relatively short term, with the latter eliminated in Scotland. Policies with more modest beneficial effects on levels of core homelessness

include increased housing supply, and appropriate implementation of the UK Government's 'levelling up' agenda. That said, increased housing supply has a bigger impact on housing affordability, reduction in wider forms of housing need, improved prospects for households in need, as well as on reducing overall temporary accommodation of all kinds, and may be crucial to the feasibility of stronger action on rehousing quotas and the expansion of Housing First.

### Conclusion

This comparative analysis lays bare the extent to which England lags behind Wales and, especially, Scotland with regard to both homelessness policies and outcomes. While the scale of the challenges are, inevitably, larger, and more complex in Great Britain's largest country, many of the weaknesses that England exhibits as compared with its smaller neighbours are the direct result of policy choices. The statistical projections analysis demonstrates that there is nothing inevitable about a deteriorating position on homelessness in England, or indeed elsewhere in Great Britain: different policy choices would beget different outcomes.

Looking ahead, the Homelessness Monitor series will continue to interrogate homelessness policies, trends, and outcomes across the three Great Britain countries at least until 2026. Inspired by the insights revealed in this comparative Great Britain analysis, we also plan to conduct periodic cross-jurisdiction analysis of the type in this report with the aim of providing pointers to valuable lessons that each country can gain from policy developments and best practice elsewhere.

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