All Party Parliamentary Group on Ending Homelessness



<u>Formal Meeting Minutes – Roundtable on How to Implement a</u> Cross-Government Strategy

19th March 2025, 9:30am - 10:30am, Committee Room 17, Palace of Westminster

Attendees

Parliamentarians;

Paula Barker MP, Emily Darlington MP, Chris Vince MP, Steve Witherden MP, Lord Best of Godmanstone.

Parliamentary Staff;

Duncan Anderson (office of Lee Pitcher MP), Joss Edwards MP (office of Harpreet Uppal MP).

Speakers;

Vicky Davis (Director of Local Government Value for Money at the National Audit Office), Sophie Boobis (Head of Policy and Research at Homeless Link), Cat Tottie (Policy Manager at Homeless Link), Aiden Greenall (Senior Policy Officer at Crisis), Ahmed (Expert by Experience), Alex Bax (Chief Executive at Pathway).

Steering Group;

Dr Kari Vyas (Psychology on Homelessness Network), Catherine Flay (Restart Lives), Stephanie Morphew (Chartered Institute of Housing), Sam Dalton (Emmaus UK), Ruth Lowe (Health Equals), Anna Yassin (Glass Door), Cicely Ryder-Belson (NHS England), Jenny Liversidge-Wright (The Foyer Federation), Duncan Shrubsole (St Martin in the Fields Charity), Fran Anderson (Justlife), Martin Hilditch (Inside Housing), Simon Hewett-Avison (Homeless Oxfordshire), Patrick Howard (St Mungo's), Philippa Rousell (Changing Lives), Isabelle Ind (DWP), Libby Cooklin (DWP).

Secretariat;

Crystal Hicks (Crisis), Rosie Perkins (Crisis), Matt Bold (Crisis), Laura Clark (Crisis), Abbie Sutcliffe (Consultant to Crisis).

Minutes

Welcome and introduction

Welcome

Paula Barker MP (Co-Chair) welcomed everyone and outlined that this was the APPG's third roundtable on the cross-government strategy for ending homelessness, focusing on the issue of implementation and funding, including how the current funding system is not working, how we can improve it and how changing funding approaches can better encourage a truly cross-government approach to this vital issue in line with the Government's broader objectives.

She spoke about how the issue of homelessness does not just 'touch' MHCLG, but every single government department. She also spoke about how the actions of different government departments, such as the Home Office, inadvertently contribute to the issue of homelessness.

She outlined that the aim of the roundtable series is to build support for an improved funding settlement for homelessness as well as widening the departments and policies considered relevant for ending homelessness in the Spending Review.

Key points:

- The causes and solutions to homelessness touch almost every government department.
- This fact should be reflected in the spending review and in the policies produced by each department.

Speeches by Panel

Vicky Davis – NAO

Vicky Davis outlined the key findings from the NAO's recent <u>report</u> titled: 'The Effectiveness of Government in Tackling Homelessness' published in July 2024.

A key finding was that homelessness had worsened and increased to record levels since the NAO's previous report in 2017, despite the introduction of the Homelessness Reduction Act.

Vicky noted that this was amongst the backdrop of the previous government's housebuilding targets where delivery of new homes had fallen significantly.

Local authorities spent £2.4 billion on homelessness in 2022/23, of which £1.6 billion was spent on temporary accommodation. These figures have risen in the latest financial year (2023/24) to £3 billion and £2.1 billion, respectively.

At the time of the report there had been a 35% increase in the number of households in temporary accommodation between 2018/19 and 2023/24. This has continued to increase in subsequent quarterly releases.

The report highlighted particular concern around children in temporary accommodation and the suitability of B&B accommodation, with about

three thousand households staying in this type of accommodation for more than the statutory limit of 6 weeks, and the knock-on effect this can have on people's life prospects.

Whilst the NAO noted that the Government had improved data collection on homelessness, such as through the development of H-CLIC, there were still areas where this needed to be improved – most notably on out of area placements and on repeat homelessness.

The report found that the temporary accommodation subsidy loss for local authorities was £205 million in 2022/23, up from £40 million ten years prior. Vicky stated that this was due to LHA rates remaining the same over this time whilst the cost of providing accommodation has increased.

Vicky also noted that funding for homelessness is highly complex and fragmented. At the time of the report there were 13 different funds with some bearing on homelessness across three different government departments, all with different mechanisms for allocation.

A key recommendation was for the Government to develop a crossdepartmental approach, a long-term strategy and public targets on homelessness.

Another recommendation was for greater certainty of funding through long-term local government finance settlements to allow more efficient investment in prevention and temporary accommodation, which Vicky acknowledged the Government had now committed to from 2026/27.

Paula Barker MP thanked Vicky for her contribution and noted how startling the figures were. She noted that one of the asks of the APPG was to ensure the welfare system protects everyone from homelessness, by investing in LHA so that it consistently covers at least the lowest 30% of local rents and reducing work disincentives for those claiming housing benefit by reforming the taper rate. She added that the Government should also undertake an overall review of the welfare system that should consider how it works to prevent and end homelessness, including reforming or removing the Shared Accommodation Rate, removing the benefit cap, and removing the bedroom tax.

Key points:

- The rates of homelessness and spend on temporary accommodation are rising exponentially despite efforts to curb this trend.
- Funding for homelessness support is highly complex and fragmented. This system should be replaced with a system built around a simplified long-term local government settlement, allowing councils to invest more efficiently in prevention and temporary accommodation.
- A cross-government approach is also essential.

 Data collection on homelessness has improved, but more progress is needed on repeat homelessness and out of area placements.

Cat Tottie & Sophie Boobis – Homeless Link

Cat Tottie outlined the findings of Homeless Link's <u>report</u> titled 'Breaking the cycle: A homelessness funding system that works for all', published in summer 2024.

The report identified that the Government had lost track of its spending on homelessness and did not have an accurate record of what was being spent where – especially when it comes to the Enhanced Housing Benefit, which is how most of Homeless Link's members are funded.

Cat also set out that through their joint 'Reset Homelessness' campaign with Inside Housing, they had found that £2.1 billion per year was being spent on temporary accommodation and that a significant portion of that was lining the pockets of private companies. For example, £25 million was going to Travel Lodge annually and hundreds of millions of pounds are going to private landlords annually.

Cat argued that this money could be better spent on prevention and supporting people directly.

She set out a series of recommendations for funding including:

- A systemic review of what is being spent on homelessness.
- A new funding model to fund the homelessness system with money redistributed more efficiently. It should follow the following principles:
 - Ring-fenced funding for homelessness this has worked well historically.
 - Long-term funding of at least 5-years prevention is not possible on a short-term settlement.
 - o Cross-departmental this should be Treasury-led.
 - Comprehensive with settlements covering the true cost of providing services.

Sophie Boobis highlighted that the system is deeply impacted by insufficient funding, short termism, and strategies that aren't aligned with funding models.

As it stands, she said that we are not preventing homelessness, and we're not sustainably ending it for too many people. This cannot be solved with tweaks around the edges, it will require a fundamental reset of the homelessness system.

She spoke about some of the principles needed to ensure the system works for people experiencing homelessness and shift it from a crisis-driven state to one where it is rooted in prevention and long-term support.

She highlighted that both the Government and the homelessness system itself works in silos with regards to how they are funded based on a person's background, demographics or experiences. She pointed out the need for a system and strategy that enables a whole system approach and for services to be connected.

Commissioned services need to be recognised as much as the statutory parts of the system, and the Government needs to ensure that the funding model and strategy enables collaboration that considers this kind of holistic approach.

The current funding system with competitive and time-consuming tendering processes has pushed any of the smaller specialist providers to the limit. This has led to a rise in much more generic service offers which are often not suitable for people from particular backgrounds or those with particular support needs.

The system and the strategy must be focused as much as possible around delivering person-centred and trauma-informed care, and ensure that the system itself is not further traumatising people as is currently the case.

Prevention must be embedded at the heart of the strategy. Without this we will never turn off the flow of more people experiencing homelessness.

There must be a shared responsibility for prevention across government with preventative measures being taken wherever the causes of homelessness are appearing.

Paula Barker MP acknowledged the need for trauma-informed provision as experiencing homelessness itself is traumatic, as are the situations that lead to it. She highlighted that one of the APPG's asks for the Government in its upcoming Spending Review is to undertake a systematic review of all homelessness-related spending across government including the currently unknown spend on enhanced Housing Benefit.

Another ask is that the Government develop and deliver a consolidated, ring-fenced homelessness funding system from 2026/27 onwards. And that it restores revenue funding for housing-related support to ensure people are properly supported to gain access to and sustain genuinely affordable housing.

She welcomed the Government's commitment to building 1.5 million homes but noted that this will take time to deliver and that things needed to be done to tackle homelessness in the interim.

Key points:

- The Government does not have an accurate record of what is being spent on homelessness services.
- A systemic review of funding for homelessness services is required to enable a shift towards prevention.
- There is also a need for a consolidated, simplified funding system for homelessness services.
- Private companies and private landlords are increasingly benefitting from the rising public spend on temporary accommodation.
- There must be a shared responsibility for prevention across government with preventative measures being taken wherever the causes of homelessness are appearing.

Aiden Greenall – Crisis & Ahmed – Expert by Experience

Aiden Greenall set out findings from an upcoming piece of policy work that is set to be published in April that is looking at why affordable housing is a building block of health.

There has been extensive engagement with experts across health, housing, local government and welfare as well as experts by experience to understand the ways in which housing interacts with factors like poverty, homelessness and health, and how we can start to address housing affordability to make improvements in these other policy areas.

A key finding was that there is a need to take a deeply preventative approach and to look at these policy areas in a joined-up way when looking at spending and policy.

Housing has a major impact on health, with damp, cold, mouldy, overcrowded homes being incredibly detrimental to someone's mental and physical wellbeing.

Proportionally high housing costs, particularly in the private rental sector, are a major driver of poverty in the UK, and poverty itself is a major health risk.

High rent inflation means that many more people are at risk of homelessness today. This has led to an increased reliance on temporary accommodation which can have huge impacts on the health of the people that are living in often unsuitable, often non-decent accommodation for months, if not years.

A key recommendation from the report to improve housing affordability is for more robust investment in building more social housing with 90,000 new social homes built per year.

Another key recommendation is for better welfare support so that people can afford to stay in their homes, preventing homelessness. Specifically, it recommends that LHA rates by increased to at least the bottom 30% of local rents.

Ahmed spoke about the need for homelessness services to be personcentred and about how his experiences in unsuitable temporary accommodation have impacted his health. He mentioned how he had been housed with people who were using drugs and encouraging him to use even though he was battling addiction and was trying to get back on track.

He also spoke about some of the places where he has lived before secure, decent accommodation where it was damp, the water was not clean and where all he could smell was sewage. Living in this place he described a desire to isolate himself from everyone which he said, in the long run, leads to mental health issues, substance abuse and relapses for those who have experienced them in the past.

He said that the moment people are in suitable accommodation is the moment that they can start getting their life together. He said his new home allows him to focus on his day to day living rather than just surviving.

Paula Barker MP thanked Ahmed for his contribution and acknowledged how important it is to consider health when looking at homelessness. She added that people experiencing homelessness are often in temporary accommodation that is shamefully of very poor standard with mould and other environmental issues that exacerbate existing physical and mental health conditions and can lead to new ones developing.

Key points:

- Housing affordability in inextricably linked to health.
- Increasing housing affordability by building 90,000 social homes per year and permanently pegging the LHA to the bottom 30% of local rents would help prevent homelessness and improve health, reducing costs to the Government in the long-term.
- Temporary accommodation can have particularly detrimental impacts on the physical and mental health of those experiencing homelessness.
- Unsuitable temporary accommodation can itself exacerbate issues such as addiction that keep people trapped in a cycle of homelessness.
- Access to safe, decent, secure housing allows people to address the mental and physical health conditions that have kept them trapped in this cycle.

Alex Bax, Pathway

Alex Bax reiterated how homelessness is incredibly bad for health. New research found 85% of people in the homeless population to be frail (40%) or pre-frail (45%), which is significantly higher than the housed population. This is not just limited to the older homeless population – 20% of under 35s were frail.

People experiencing homelessness are admitted to hospital six times more than the rest of the population, stay twice as long and are two-tothree times as sick. 2-3% of all hospital admissions in England are homeless patients. At least 4,200 people were discharged from an emergency admission to the street.

Medical practitioners have a duty of care to transfer care safely and Pathway stated that this cannot be a safe transfer of care. Particularly where someone is managing diabetes or any long-term health condition.

The costs and harms of street discharge for the individual are very high but so too are the costs to the system as people are more likely to be readmitted.

Pathway creates specialist teams in hospitals that work with people experiencing homelessness during their hospital admission to help change their outcomes and help to get them somewhere safe upon discharge.

The Homelessness and Inclusion Health Barometer published by Pathway last year identified a gap in the system. The Pathway teams in hospital can massively advocate for people in hospital but there is no suitable place for people to go in about 30% of cases, particularly given the health conditions that brought them into hospital in the first place.

For example, someone may be offered a room in a hostel after they have gone into hospital for an alcohol addiction. During their hospital admission they may have got sober for the first time in months and then they must go back to the hostel where everyone else is drinking. From a healthcare point of view this is a disastrous missed opportunity.

Alex also pointed to the example where people who have strokes often go to a neuro rehab unit after discharge from hospital that are funded by the NHS, however those who are homeless are not able to get into these services as they do not have an address.

Intermediate care is a rehabilitative recovery setting where people can stay for several weeks following hospital admission. It avoids readmissions and improves health. NICE guidelines already recommend that intermediate care should be available for people leaving hospital who are homeless.

For hospital staff the time during admission may not be the time to work out someone's housing status and find a safe place for them to go as it can take longer than the person is in hospital for. In some cases, discharge can be delayed to allow this work to take place but at a time where there is a strain on the health service this is unsuitable. It is better done in an intermediate setting where someone can say for longer.

A cost-benefit analysis of creating a national programme of intermediate care for people experiencing homelessness following a hospital admission saved £1.20 for the NHS for every £1 spent. When looking at

public services more broadly there was a £4.30 saving for every £1 spent.

It is estimated that the national programme would require £100 million funding per annum over 10 years. This is just 0.02% of the NHS annual spend.

The 10-year plan for the NHS must include the issue of homelessness and include these kinds of interventions to improve the health outcomes of this population. This must be joined up with investment in housing.

Paula Barker MP agreed that the investment is crucial. One of the APPG's policy asks is for the Government to invest in solutions that will prevent homelessness when leaving the care of a public institution. For example, by scaling up step-down services for people experiencing homelessness that are discharged from hospital, as recommended by the National Institute of Clinical Excellence, to prevent the shameful practice of discharge to the streets.

The APPG is pushing the Government really hard. We will write a letter to Inter-Ministerial Group flagging that homelessness must be included in the 10-year plan.

Key points:

- People experiencing homelessness are admitted to hospital six times more than the rest of the population, stay twice as long and are two-to-three times as sick.
- At least 4,200 people are discharged from an emergency admission to the street each year. This has costs and harms of for both the individual and to the system as people are more likely to be re-admitted.
- A national programme of intermediate care is the missing link that could help to get people off the streets for good and help reduce strain on the NHS.
- Investment in a national programme of intermediate care has a cost-positive effect. For every £1 spent on intermediate care, there are savings to the tune of £1.20 for the NHS alone and £4.30 for all public services.
- The 10-year plan for the NHS must include the issue of homelessness and include these kinds of interventions to improve the health outcomes of this population

General discussion

Chris Vince MP flagged that when previous governments have raised LHA rates and Universal Credit, private landlords have responded by increasing rents by the same amount.

Duncan Shrubsole highlighted that alongside cross-government working there must also be better joining up of the frontline workforce such as those working in the job centre and DWP. He also added that the Government is doing lots of work to engage with the sector to understand what can be done immediately to help end homelessness and what can be done over a 10-year period – however it is not considering any medium-term solutions which are key in the homelessness sector. Finally, he stated that, in light of the recent announcements from the Government, it is important to consider the relationship between people claiming PIP and their ability to get a 1-bed property. He said that many people use their PIP allowance to top up their funds as they are currently only able to get the shared accommodation rate. If you limit people's ability to access PIP then it will leave them consigned to shared accommodation.

Ahmed said that there are lots of barriers within the benefits system to getting back into work.

Simon Hewett-Avison provided examples where local and national policy are actively working against one another to the detriment of residents. He said that that Homeless Oxfordshire offers specialist intermediary care in the form of step-down accommodation for those leaving hospital and also properties to help prevent people from going to hospital in the first place. He noted that whilst people are in hospital they have a priority housing status but then as soon as they move into one of Homeless Oxfordshire's properties, they lose this. He stated that this creates a desire for people to remain in hospital rather than move into intermediary care.

He also highlighted that three people had passed away in temporary accommodation. He said that once people are owed a duty from their local authority they then cannot access the homeless pathway and its supported accommodation where they would be better served.

Fran Anderson flagged that the financial impact of temporary accommodation on local government and the impact on individuals' health were not its only impacts. She said that the overreliance on TA has a significant human cost which may have long-term unintended consequences on individuals' health and wellbeing and the cohesion of communities.

Emily Darlington MP highlighted the importance of locality-based partnerships. She noted different areas have different issues and different availability of services. She stated the need for a funding system that allows the flexibility for the local area to form a 'seamless web of support' that allows it to flex in both statutory and non-statutory services in a way that works best for its residents. People have been trying to do this in Milton Keynes but the funding from central government is very stringent and prohibitive to this. She said that with increased devolution local areas need better flexibility, but not a lack of ringfencing, that allows funding to work best in each locality.

The formation of the Inter-Ministerial Group is a huge step in the right direction to get everyone around the table to help fix a system that currently creates silos and gaps in services. We must stop seeing homelessness as a housing issue and instead as a whole-person issue.

Paula Barker MP suggested that the APPG also write to the Inter-Ministerial Group flagging how welfare reforms that have been announced interplay with people at risk of homelessness.

Key points:

- Reforms to the welfare system announced this week could increase the rates of homelessness.
- Current national policy has the unintended consequence of creating a desire for homeless people to remain in hospital rather than move into intermediary care as it allows them to retain their priority housing status.
- The current funding system prevents local areas from creating the support services best suited to the needs of residents.