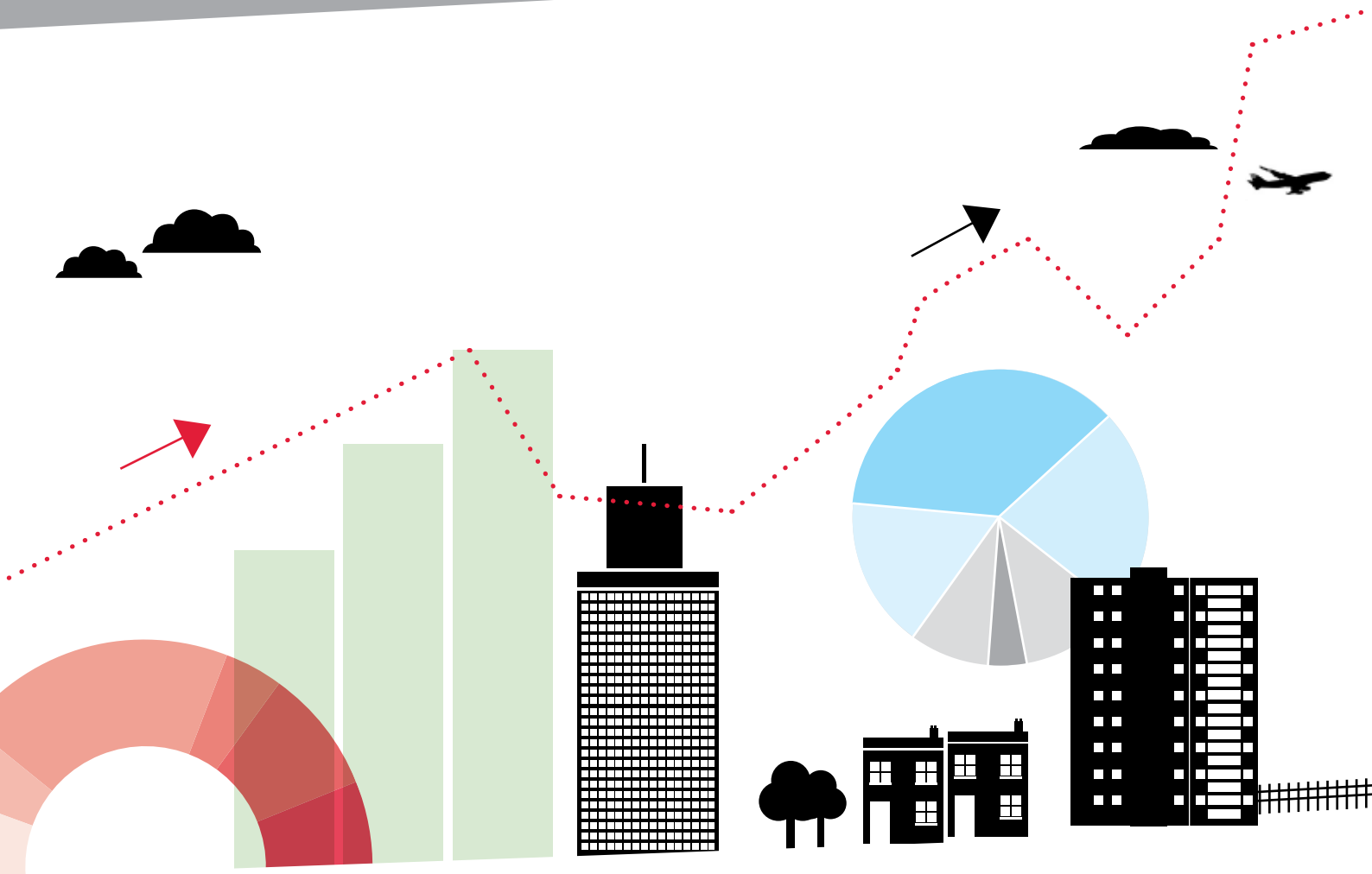


## The homelessness monitor: Northern Ireland 2013

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Executive summary

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## **The homelessness monitor 2011-2015**

The homelessness monitor provides an independent analysis of the impact on homelessness of recent economic and policy developments in Northern Ireland. The key areas of interest are the homelessness consequences of the post-2007 economic recession and the housing market downturn. The other main thrust of inquiry is the likely impacts of the welfare, housing and other social policy reforms, including cutbacks in public expenditure, being pursued by the Coalition Government elected in 2010, and the housing, homelessness and other relevant policies being implemented by the Northern Ireland Executive.

The homelessness monitor Northern Ireland is a longitudinal study, and this first year report provides a 'baseline' account of how homelessness stands in Northern Ireland in 2013. It also highlights emerging trends and forecasts some of the likely changes, identifying the developments likely to have the most significant impacts on homelessness.

While 2013 is the first year of the homelessness monitor in Northern Ireland, the first homelessness monitor for England was published in 2011 and the first homelessness monitors for Scotland and Wales in 2012. We will continue to monitor the impact on homelessness of the economic downturn and effects of welfare and housing reform over the next two years in order to provide a substantive evidence base and will report on them in 2014-2015.

## Executive Summary

### Key points

The Homelessness Monitor series is a longitudinal study that provides an independent analysis of the homelessness impacts of recent economic and policy developments in Northern Ireland and elsewhere in the UK.<sup>1</sup> This report provides a 'baseline' account of how homelessness stands in Northern Ireland in 2013, or as close to 2013 as data availability allows, and we will subsequently track developments till 2015. The study was commissioned in response to concerns that the recession may have driven up homelessness, and also that the Coalition Government's radical welfare reforms and cuts to public expenditure could expose more people to homelessness throughout the UK.

Key points to emerge from this 2013 baseline report for Northern Ireland are as follows:

- One in eighteen (5.7%) of all adults in Northern Ireland say that they have experienced homelessness, with 1.4% saying this had happened in the last five years, and 0.9% sleeping rough or staying in temporary accommodation in that period. There are strong associations between experience of homelessness and younger age groups, social renters and to a lesser extent private renters, and single people and lone parent households.
- Statutory homelessness rose significantly in Northern Ireland in the first years of the millennium, and has remained at historically high levels since 2005/06. In 2012/13 19,400 households presented as homeless in Northern Ireland, with just over half – 9,900 – assessed to be 'Full Duty Applicants'.
- Despite the much more extreme 'boom and bust' experienced in Northern Ireland's housing market than elsewhere in the UK, mortgage repossessions continue to account for only a very small proportion of statutory homelessness cases (3%).
- While the flow of new homelessness cases has remained fairly steady over recent years, the use of temporary accommodation has been steadily rising: placements increased by 11% in the two years to 2012/13, with most of this increase attributable to family households.
- Rates of statutory homelessness acceptances are higher in Northern Ireland than anywhere else in the UK (13.4 statutory acceptances per 1,000 households, as compared with 2.3 in England), partly as a result of policy and administrative practices that differ from those in Great Britain. This may start to change if a Scottish-style 'Housing Options' approach to homelessness prevention is implemented in Northern Ireland.
- There were an estimated 123,000 'concealed' potential household units seeking separate accommodation in Northern Ireland in 2010-12, equivalent to 16.8% of all households. The proportion of sharing households appears to be marginally higher in Northern Ireland than in the UK as a whole, at just under 2%. Overcrowding is less prevalent in Northern Ireland than in the other UK countries, affecting 2.2% (16,000) of households.
- There has been less policy and legal development on homelessness in Northern Ireland than elsewhere in the UK in the post-devolution period, but important changes were introduced by

<sup>1</sup> Parallel Homelessness Monitors are being published for England, Scotland and Wales. All of the UK Homelessness Monitor reports are available from <http://www.crisis.org.uk/pages/homelessnessmonitor.html>

the Housing (Amendment) Act (NI) 2010, including a statutory duty on the Northern Ireland Housing Executive to produce a homelessness strategy. Much of the content of the Homelessness Strategy for Northern Ireland launched in 2012 appears to command consensus, but proposals to move away from “*bricks and mortar hostels*” towards an emphasis on floating support in mainstream housing are more controversial.

- Housing policy in Northern Ireland is also currently subject to a wide-ranging review, including proposals to separate the housing management and other functions of the Northern Ireland Housing Executive, and to transfer these functions to new bodies. Resulting uncertainties have provoked concerns about the delivery of the homelessness service.
- The accompanying fundamental review of social housing allocations seems likely to lead to at least some downgrading in the priority given to statutory homeless households (currently absorbing 73% of all social lets in Northern Ireland). Increasing pressure on the social housing stock is a major cause for concern amongst homelessness stakeholders in Northern Ireland, with the annual number of lettings to new tenants falling from more than 10,000 in the 1990s to around 7,700 by 2011/12.
- The Northern Ireland Executive has introduced, or is due to introduce, most of the welfare reforms now underway in Great Britain, with the significant exception of the bedroom limits<sup>2</sup> (also referred to as the ‘bedroom tax’) on levels of eligible rents for working age households in the social rented sector claiming Housing Benefit, which is likely to apply fully only to new tenants from the spring of 2014. It is estimated that some 32,650 social renters in Northern Ireland would be liable to a reduction in their Housing Benefit if this welfare reform was implemented on the same basis as in Great Britain.
- The shift from Disability Living Allowance to the new Personal Independence Payments for working age claimants, from the spring of 2014, raises particular concerns in Northern Ireland where just over one in ten of the working age population are in receipt of this benefit; more than twice the average level across Great Britain.
- The Universal Credit regime is planned to be introduced in Northern Ireland on a phased basis from the summer of 2014, but this timetable may well be revised in the light of the further delays and difficulties with implementation in Great Britain. Universal Credit will be introduced in a context where the Assembly has already agreed to a series of significant benefit cut backs, totaling some £730 million per annum by 2014/15. This is equivalent to some £630 a year in income losses for every working age adult in Northern Ireland, more than in any other country or region within the UK.
- 2013 has at last begun to see tentative signs of recovery at the UK level. However, Northern Ireland is also characterised by low levels of pay, and household incomes, compared to the rest of the UK. Rates of economic inactivity are also higher than in Scotland, Wales and England. Moreover, being disproportionately dependent on public sector employment Northern Ireland is unusually exposed to the labour market impact of public expenditure cuts now in train.

<sup>2</sup> The term ‘bedroom limits’ is used throughout this report as a less loaded and more straightforward description of the limits than either the ‘bedroom tax’ or ‘spare room subsidy’ limits.

## Introduction and methods

A wide definition of homelessness is adopted in this Homelessness Monitor series to enable a comprehensive analysis taking account of:

- People sleeping rough.
- Single homeless people living in hostels, shelters and temporary supported accommodation.
- Statutorily homeless households – that is, households who seek housing assistance from local authorities as being currently or imminently without accommodation.
- ‘Hidden homeless’ households – that is, people who are, arguably, homeless but whose situation is not ‘visible’ either on the streets or in official statistics. Classic examples would include households subject to severe overcrowding, squatters, people ‘sofa-surfing’ around friends’ or relatives’ houses, those involuntarily sharing with other households on a long-term basis, and people sleeping rough in hidden locations. By its very nature, it is difficult to assess the scale of and trends in hidden homelessness, but some particular elements of the hidden homeless population are amenable to statistical analysis and it is these elements that are focused upon in this report. These include overcrowded households, as well as ‘concealed’ households and ‘sharing’ households.

While 2013 is the first year of the Homelessness Monitor in Northern Ireland, the first Homelessness Monitor for England was published in 2011, with the English 2012 and 2013 updates now available.<sup>3</sup> From 2012, there have also been Homelessness Monitors published for Scotland and Wales.<sup>4</sup> With future editions published at regular intervals,

this series will track developments across the UK till 2015.

Three main methods are being employed in this longitudinal study in Northern Ireland:

1. Reviews of relevant literature, legal and policy documents.
2. Annual key informant interviews with a sample of well-placed stakeholders from across a range of relevant sectors (six key informants participated in 2013).
3. Detailed statistical analysis of a) relevant post-2007 economic and social trends in Northern Ireland; and b) the scale, nature and trends in homelessness amongst the four subgroups noted above.

## Causation of homelessness

The Homelessness Monitor series is underpinned by a conceptual framework on the causation of homelessness that is used to inform our interpretation of the likely impacts of economic and policy change.

Theoretical, historical and international perspectives all indicate that the causation of homelessness is complex, with no single ‘trigger’ that is either ‘necessary’ or ‘sufficient’ for it to occur.<sup>5</sup> Individual, interpersonal and structural factors all play a role – and interact with each other – and the balance of causes differs over time, across countries, and between demographic groups.

With respect to the main structural factors, housing market trends and policies appear to have the most direct impact on levels of homelessness, with the influence of labour market change more likely to be a lagged and diffuse, strongly mediated by welfare arrangements and other contextual factors.<sup>6</sup>

<sup>3</sup> To access these reports see <http://www.crisis.org.uk/pages/homelessnessmonitor.html>

<sup>4</sup> To access these reports see <http://www.crisis.org.uk/pages/homelessnessmonitor.html>

<sup>5</sup> Fitzpatrick, S. (2005) ‘Explaining homelessness: a critical realist perspective’, *Housing, Theory & Society*, 22(1): 1-17.

<sup>6</sup> Stephens, M., Fitzpatrick, S., Elsinga, M., Steen, G.V. & Chzhen, Y. (2010) *Study on Housing Exclusion: Welfare Policies, Labour Market and Housing Provision*. Brussels: European Commission. [http://www.sbe.hw.ac.uk/documents/Fitzpatrick\\_et\\_al\\_2010\\_Study\\_on\\_Housing\\_Exclusion\\_Welfare\\_policies\\_Labour\\_Market\\_and\\_Housing\\_Provision.pdf](http://www.sbe.hw.ac.uk/documents/Fitzpatrick_et_al_2010_Study_on_Housing_Exclusion_Welfare_policies_Labour_Market_and_Housing_Provision.pdf)

Often the individual vulnerabilities, support needs and ‘risk taking’ behaviours implicated in some people’s homelessness are themselves rooted in the pressures associated with poverty and other forms of structural disadvantage.<sup>7</sup> At the same time, the ‘anchor’ social relationships which can act as a primary ‘buffer’ to homelessness, can be put under considerable strain by stressful economic circumstances.<sup>8</sup> Thus deteriorating structural conditions could also be expected to generate more ‘individual’ and ‘interpersonal’ vulnerabilities to homelessness over time.

There is international evidence that well-targeted policy interventions, if they are adequately resourced and effectively governed, can achieve positive outcomes on homelessness even in the face of challenging structural trends, such as worsening housing affordability, rising unemployment or poverty.<sup>9</sup>

This conceptual framework led us to consider how the changing institutional, economic and policy context in Northern Ireland may affect the complex structural factors that can drive homelessness, including via impacts at the more individual and interpersonal level.

### The institutional framework

In the 1999 devolution settlement the Northern Ireland Assembly was given full legislative powers in respect of devolved functions. However, the Assembly has been suspended on several occasions, with the longest period of suspension being from 2002 till 2007, with devolved powers returning to the UK Secretary of State for Northern Ireland during that period. Housing and homelessness policies are fully devolved

functions in Northern Ireland, and social security arrangements are also formally and constitutionally devolved, although in most cases the Northern Ireland Executive adheres to the principle of ‘parity’ with welfare benefits in Great Britain (see further below).

The strategic housing authority is the Northern Ireland Housing Executive (NIHE), and it is the NIHE (rather than local authorities) that has statutory responsibility for responding to homelessness. Local authority housing was transferred to the NIHE in 1971 to counter discrimination in allocations, and by most accounts appears to have successfully established itself as a non-sectarian organisation.<sup>10</sup> There is, however, currently an ongoing major review of the landlord and other functions of the NIHE, with potentially significant implications for responses to homelessness, as discussed further below. The Department for Social Development (DSD) is the ‘sponsoring department’ for the NIHE and works with the NIHE in the development of homelessness and housing policy for Northern Ireland.

### The homelessness implications of the economic and housing market recessions

While 2013 saw signs of economic recovery at the UK level, income levels are relatively low in Northern Ireland, and rates of economic inactivity relatively high. Moreover, being disproportionately dependent on public sector employment, Northern Ireland is unusually exposed to the labour market impact of public expenditure cuts. There was a sense from our key informant interviews that there is ‘much worse to come’

7 McNaughton, C. (2008) *Transitions through Homelessness: Lives on the Edge*. Basingstoke: Palgrave Macmillan.

8 Lemos, G. & Durkacz, S. (2002) *Dreams Deferred: The Families and Friends of Homeless and Vulnerable People*. London: Lemos & Crane; Tabner, K. (2010) *Beyond Homelessness: Developing Positive Social Networks*. Edinburgh: Rock Trust. <http://www.therocktrust.co.uk/wp-content/uploads/2012/08/REPORT-FINAL4.pdf>

9 Busch-Geertsema, V. & Fitzpatrick, S. (2008) ‘Effective homelessness prevention? Explaining reductions in homelessness in Germany and England’, *European Journal of Homelessness*, 2: 69-95.

10 Paris, C., Gray, P. & Muir, J. (2003) ‘Devolving housing policy and practice in Northern Ireland 1998-2002’, *Housing Studies*, 18(2): 159-175; Paris, C. (2008) ‘The changing housing system in Northern Ireland 1998-2007’, *Ethnopolitics*, 7(1): 119-136.

with respect to consequences for both unemployment and homelessness.

The 1990s decline in homelessness witnessed in Great Britain was not apparent in Northern Ireland, and the past decade has seen statutory homelessness trends for Northern Ireland continue to contrast sharply with the remainder of the UK, with both presentations and 'Full Duty' cases doubling in the six years to 2005/06 and remaining at historically high levels thereafter (see further below). These unique Northern Irish trends on statutory homelessness in part reflect the much more extreme 'boom and bust' in the housing market in the jurisdiction than that experienced elsewhere in the UK, heavily influenced by developments in the Irish economy and housing market south of its border. Northern Ireland's housing market effectively collapsed in the period 2007-2011, with average mix-adjusted prices falling by 33%. This has left behind a higher proportion of households with negative equity than anywhere else in the UK, and there remain significant problems in terms of restoring confidence to such a severely dislocated market.

While standard metrics suggest that housing affordability in Northern Ireland has substantially improved since 2007, access to home ownership has in fact remained problematic due to the reduced flow of mortgage funds. There have been just some 5,000 advances for first time buyers a year in Northern Ireland since 2008, lower than at any time over the past thirty five years. In this context, the rapidly expanding private rented sector in Northern Ireland (the sector has tripled in size over the last twelve years) has brought a welcome flexibility to the wider housing market. That said, evidence from England indicates that the insecurity of

the private rented sector is associated with more 'pressured moves' than other tenures, and the ending of private tenancies is becoming an increasingly prominent cause of homelessness, particularly in London.<sup>11</sup>

### Housing policies

Housing has benefited from a high priority policy status in Northern Ireland relative to the rest of the UK, at least when measured in terms of the proportion of public expenditure devoted to it.<sup>12</sup> However, Northern Ireland does not have a larger proportion of social housing than the rest of the UK. The more distinguishing characteristic is that while housing associations are now the larger part of the social sector in Great Britain, in Northern Ireland the NIHE retains by far the majority of the social sector stock, and while virtually all new social housing in Northern Ireland is provided by housing associations, they still account for less than a quarter of the total.<sup>13</sup>

The numbers of social sector lettings available to new tenants has declined over recent decades in Northern Ireland, not least as a long-term consequence of the Right to Buy. In the 1990s new lettings averaged a little over 10,000 a year, while over the last decade they averaged nearly 8,400. In 2011/12 they fell to 7,691. Though completions of new social sector dwellings held up throughout 2012, they are set for decline in 2013,<sup>14</sup> and this is likely to be reflected in a similar decline in levels of new lettings. The growing pressure on social housing stock is cause for major concern amongst homelessness stakeholders in Northern Ireland.

Housing policy in Northern Ireland is currently subject to a wide ranging review, following on from the publication of the *'Facing the*

11 Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S. & Watts, B. (2012) *The Homelessness Monitor: England 2013*. London: Crisis. <http://www.crisis.org.uk/data/files/publications/HomelessnessMonitorEngland2013.pdf>

12 Wilcox, S. (2012) 'The quickening pace of devolution', in Pawson, H. & Wilcox, S., *UK Housing Review 2011/12*. Coventry: CIH.

13 Pawson, H. & Wilcox, S. (2013) *UK Housing Review 2013*. Coventry: CIH.

14 DSD (2013) *Northern Ireland Housing Bulletin October – December 2012*. [http://www.dsdni.gov.uk/october\\_-\\_december\\_2012\\_internet\\_copy.pdf](http://www.dsdni.gov.uk/october_-_december_2012_internet_copy.pdf)



*Future: Housing Strategy for Northern Ireland'* consultation paper in 2012.<sup>15</sup> The central and most significant proposal was for the separation of the housing management and other functions of the NIHE, and for the transfer of these function to new bodies. The momentum of the consultation exercise was carried forward by a Ministerial Statement in February 2013,<sup>16</sup> and 'strategic design requirements' are due to be put forward and approved by March 2014, with detailed design plans developed and approved by March 2015. The target date for implementation is March 2017.

There have been widespread concerns provoked by such a fundamental structural review process, not least with respect to the division of responsibilities on implementing homelessness policy as between the new regional housing body and the new landlords to succeed NIHE.

Another major element of this process is a fundamental review of social housing allocations policy – described as 'extremely sensitive' in Northern Ireland because of the implications for residential segregation along religious lines. Segregated housing means that demand for social housing from one community cannot be met from supply within the other group's territory, even if the two areas may be in close proximity. This has led to a situation, particularly in some areas of Belfast, whereby some Protestant neighbourhoods are under-occupied whilst neighbouring Catholic areas suffer from overcrowding and a shortage of supply.

The results of that review of social housing allocation has now been published,<sup>17</sup> and its proposed reforms have been put out for consultation.<sup>18</sup> The report recommends the retention of a primarily needs based approach to allocations, but with applicants placed in priority bands. Within those bands allocations to applicants are proposed to be based on waiting time. Quite how this would work would depend on how the bands are constructed, and where homeless applicants sit within that structure. It is expected, however, that this review will lead to at least some a downgrading in the priority currently given to statutory homelessness in Northern Irish housing allocations (currently absorbing 73% of all social lets).

### Homelessness policies

The statutory homelessness framework was introduced later in Northern Ireland than elsewhere in the UK, as the original Housing (Homeless Persons) Act 1977 covered only Great Britain, and was introduced in Northern Ireland by the Housing (NI) Order 1988.<sup>19</sup> The homelessness legislation has subsequently been incorporated into separate legislation for different parts of Great Britain, but the relevant legislation for Northern Ireland remains 'the 1988 Order' as amended by the Housing (NI) Order 2003 ('the 2003 Order'),<sup>20</sup> and the Housing (Amendment) Act (NI) 2010 ('the 2010 Act').

There have been fewer policy and legal developments on homelessness in Northern Ireland over the past decade or so than elsewhere in the UK, which may in part reflect

15 DSD (2012) *Facing the Future: Housing Strategy for Northern Ireland. Consultation on Northern Ireland Housing Strategy 2012-2017*. <http://www.dsdni.gov.uk/housing-strategy-consultation.pdf>

16 DSD (2013) *Proposals for Social Housing as Outlined in the Social Housing Reform Programme, Minister's Oral Statement to the Assembly on 26 February 2013*. [http://www.dsdni.gov.uk/index/publications/ministers\\_speeches/ministers-oral-social-housing-reform-260213.htm](http://www.dsdni.gov.uk/index/publications/ministers_speeches/ministers-oral-social-housing-reform-260213.htm)

17 Gray, P., Keenan, M., McAnulty, U., Clarke, A., Monk, S & Tang, C. (2013) *Research to inform fundamental review of social housing allocations policy. Final Report: Conclusions and Recommendations*. University of Ulster/University of Cambridge. <http://www.dsdni.gov.uk/fundamental-review-of-allocations-policy.pdf>

18 Northern Ireland Executive (2013) 'McCauley Starts Debate on Future of Social Housing Allocation', *Northern Ireland Executive News Release*, 10<sup>th</sup> December: <http://www.northernireland.gov.uk/index/media-centre/news-departments/news-dsd/news-dsd-101213-mccauley-starts-debate.htm>

19 The Housing (NI) Order 1988 (SI 1988/1990 NI.23)

20 The Housing (NI) Order 2003 (SI 2003/412 NI.2)



the fact that devolution has been suspended for significant periods of time.<sup>21</sup> Thus Northern Ireland has not experienced the kind of wide ranging reviews of the legislative framework on homelessness seen elsewhere in the UK.<sup>22</sup> In particular, there has been less strengthening of the statutory safety net for young people in Northern Ireland than elsewhere in the UK in recent years,<sup>23</sup> and 16 and 17 year olds are not automatically granted priority need, nor are children leaving care (though key informants noted recent improvements in joint working in this area). A separate Code of Guidance on Homelessness does not exist for Northern Ireland.

We have, however, now entered a period of intense policy activity on homelessness in Northern Ireland. First, the 2010 Act introduced a new independent homeless review and appeal process for dissatisfied applicants. This means that, for the first time in Northern Ireland, homeless applicants have the opportunity to exercise a statutory right to have a homelessness decision reviewed by the NIHE and then looked at on appeal, on a point of law, by the county court. The 2010 Act also introduced a new duty on the NIHE to provide advice on homelessness and its prevention to anyone in Northern Ireland who requests it, free of charge.

The 2010 Act also gives the NIHE a duty to formulate and publish a homelessness strategy, updated every five years. The *'Homelessness Strategy for Northern Ireland 2012-2017'* was published in April 2012,<sup>24</sup> and much of its content appears to command

consensus, particularly the heralding of a greater emphasis to be given to homelessness prevention. However, delay in publishing the Strategy coupled with major contextual changes since it was formulated – particularly the radical nature of welfare reform – has raised concerns about implementation, with some key informants concerned that the positive objectives of the Strategy will now be very difficult to realise in practice.

Hostels and other homeless accommodation are subject to potentially far reaching reform in the context of both the homelessness and draft 'Supporting People' strategy for Northern Ireland.<sup>25</sup> In particular, there is a clearly flagged intention to move away from *'bricks and mortar hostels'* towards the provision of floating support in mainstream housing as the default response. While there is considerable controversy over the 'remodelling' of hostels implied in this,<sup>26</sup> including the potential shift towards a 'Housing First'-style model now being heavily promoted at European level,<sup>27</sup> there was a broad recognition of the need to 'streamline' and rationalise access to floating support services, that have expanded in Northern Ireland, but in a relatively uncoordinated fashion.

Another potentially radical shift in Northern Ireland may be signalled by the recent significant engagement with the Scottish 'Housing Options' preventative approach with a view to the introduction of something similar in Northern Ireland, as a means of making a "significant contribution to reducing homelessness".<sup>28</sup> The introduction of the

21 Wilcox, S. & Fitzpatrick, S. with Stephens, M., Pleace, N., Wallace, A. & Rhodes, D. (2010) *The Impact of Devolution: Housing and Homelessness*. York: JRF. <http://www.jrf.org.uk/sites/files/jrf/impact-of-devolution-long-term-care-housing.pdf>

22 Gray, P. & Long, G. (2009) 'Homelessness policy in Northern Ireland: Is devolution making a difference?', in Fitzpatrick, S., Quilgars D. & Pleace, N. (eds.) *Homelessness in the UK: Problems and Solutions*. Coventry: CIH.

23 Quilgars, D., Johnsen, S. & Pleace, N. (2008) *Youth Homelessness in the UK: A Decade of Progress?*, York: JRF. <http://www.jrf.org.uk/sites/files/jrf/2220-homelessness-young-people.pdf>

24 NIHE (2012) *Homelessness Strategy for Northern Ireland 2012-2017*. Belfast: NIHE. [http://www.nihe.gov.uk/homelessness\\_strategy\\_for\\_northern\\_ireland\\_2012-2017.pdf](http://www.nihe.gov.uk/homelessness_strategy_for_northern_ireland_2012-2017.pdf)

25 NIHE/SP (2012) *Housing Related Support Strategy 2012-2015*. [http://www.nihe.gov.uk/housing\\_related\\_support\\_strategy.pdf](http://www.nihe.gov.uk/housing_related_support_strategy.pdf)

26 CRISPP (2013) *Supporting People Housing Related Support Strategy: consultation response*. [http://www.nifha.org/filestore/documents/responses\\_to\\_consultations/CRISPP\\_SP\\_consult\\_May13.pdf](http://www.nifha.org/filestore/documents/responses_to_consultations/CRISPP_SP_consult_May13.pdf)

27 Busch-Geertsema, V. (2013) *Housing First Europe: Final Report*. <http://www.servicestyrelsen.dk/housingfirsteurope>

28 p.28 in Mahaffy, R. (2013) *Preventing Homelessness: The Housing Options Approach. A Review of the Scottish Experience and Considerations for Northern Ireland*. Paper presented at Preventing Homelessness – The Housing Options Approach Seminar, Ballymena, Northern Ireland, 11<sup>th</sup> October 2013.

Housing Options framework – whereby households approaching a local authority for assistance with housing are given a formal interview offering advice on all of the various means by which their housing problems could be resolved<sup>29</sup> – has led to very significant falls in recorded statutory homeless across Great Britain in recent years.<sup>30</sup>

### The impact of welfare reform

Throughout the Monitor series we argue that homelessness rates are critically influenced by welfare benefits provisions, as well as by housing access and supply factors. Under the terms of a ‘concordat’, in most respects the Northern Ireland government has tended to pursue a policy of ‘parity’ with the policies operated elsewhere in the UK,<sup>31</sup> especially given that divergence from those policies requires it to fund any consequential costs.<sup>32</sup> There have, however, been occasional exceptions, notably Housing Benefit payments for private tenants are still being paid directly to landlords, rather than being more typically paid to claimants, as is now the case in the rest of the UK.

In this context Northern Ireland has introduced, or is due to introduce, most of the welfare reforms now underway in Great Britain.

Reforms to the Local Housing Allowance (LHA) regime in Northern Ireland were thus introduced on the same basis, and timetable, as for the rest of the UK. Thus, from April 2011 maximum LHA rates have been based on an assessment of 30<sup>th</sup> percentile level

rents in each market rental area, rather than the median level that previously applied. From the same date the four-bedroom rate became the maximum available, with the abolition of higher rates for larger dwellings. From January 2012 the Shared Accommodation Rate (SAR) applied for young single people was extended to apply to those aged from 25 to 34, and more generally the lower LHA rates introduced in April 2011 began to be applied to existing claimants. Since April 2013 all LHA rates are being updated in line with the Consumer Price Index where that is below the level at which 30<sup>th</sup> percentile rents have increased in each area.<sup>33</sup> These changes resulted in variable, but often significant, reductions in LHA rates across the Broad Rental Market Areas in Northern Ireland. In several areas the reductions exceeded £10 per week, and in percentage terms the reductions amounted to as much as 20%.

A survey of landlords indicated that, of these LHA reforms, it has been the extension of the SAR provisions to single people aged 25-34, together with the impact of the switch to 30<sup>th</sup> percentile levels of the already low SAR rates, that was causing the most concern.<sup>34</sup> This corresponds with the evidence from Great Britain, which showed that in the 20 months since the SAR reforms have been in operation there, this has resulted in a 14% reduction in the numbers of young single people in receipt of Housing Benefit able to secure accommodation in the private rented sector.<sup>35</sup>

While there are concerns about other housing related welfare reform measures that have now

29 DCLG (2006) *Homelessness Prevention: A Guide to Good Practice*. London: DCLG. Welsh Assembly Government (2004) *The Prevention of Homelessness: Advice Note*. Cardiff: Welsh Assembly Government <http://wales.gov.uk/desh/publications/housing/preventhomeless/guidee?lang=en>;

30 Fitzpatrick, S., Pawson, H., Bramley, G. & Wilcox, S. (2012) *The homelessness monitor: Great Britain 2012 Executive Summary*. London: Crisis. [http://www.crisis.org.uk/data/files/publications/TheHomelessnessMonitor\\_GB\\_ExecutiveSummary.pdf](http://www.crisis.org.uk/data/files/publications/TheHomelessnessMonitor_GB_ExecutiveSummary.pdf)

31 DWP & DSD (2002) *Concordat between the Department for Work and Pensions and the Department for Social Development Northern Ireland*. London: DWP. [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/214343/dwp-dsd-concordat.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/214343/dwp-dsd-concordat.pdf)

32 HM Treasury (2007) *Funding the Scottish Parliament, National Assembly for Wales and Northern Ireland Assembly: Statement of Funding Policy*. London: HM Treasury. [http://webarchive.nationalarchives.gov.uk/+http://www.hm-treasury.gov.uk/d/pbr\\_csr07\\_funding591.pdf](http://webarchive.nationalarchives.gov.uk/+http://www.hm-treasury.gov.uk/d/pbr_csr07_funding591.pdf)

33 DSD (2012) *Private Rented Sector in Northern Ireland Newsletter Issue No 3*. [http://www.dsdni.gov.uk/prs\\_newsletter\\_issue\\_3.pdf](http://www.dsdni.gov.uk/prs_newsletter_issue_3.pdf)

34 Beatty, C., Cole, I., Green, S., Kemp, P., Marshall, B., Powell, R. & Wilson, I. (2012) *Monitoring the impact of recent measures affecting Housing Benefit and Local Housing Allowances in the private rented sector in Northern Ireland*. London: DWP. <http://www.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/monitoring-impact-changes-lha-summary-early-findings.pdf>

35 Fitzpatrick, S., Pawson, H., Bramley, G. & Wilcox, S. (2013) *The homelessness monitor: England 2013*. London: Crisis. [http://www.crisis.org.uk/data/files/publications/HomelessnessMonitor\\_England\\_2012\\_WEB.pdf](http://www.crisis.org.uk/data/files/publications/HomelessnessMonitor_England_2012_WEB.pdf)

begun to apply, either in full or on a phased basis, across Great Britain, none of them have yet been introduced in Northern Ireland. The total benefit cap is due to be introduced in the spring of 2014, alongside the bedroom limits<sup>36</sup> on eligible rent for tenants in the social rented sector claiming Housing Benefit. However, only a small number (620) of households are expected to be impacted by the total benefits cap in Northern Ireland, although those households have on average five children.<sup>37</sup>

The impact of the bedroom limits will also be limited as while it will be introduced in the spring of 2014, it is understood that this will initially be only in respect of new tenants, with some form of exemption or transitional protection for existing tenants. This arrangement will, however, cost the Northern Ireland Government some £17 million in the first year, with costs declining over time as an increasing number of tenants become subject to the limits.<sup>38</sup> While it had been estimated that the bedroom limits, if applied across the board, would have impacted on some 32,650 tenants with either the NIHE or housing association landlords,<sup>39</sup> no estimates have been made of the likely impact of the revised arrangements. Nor is it clear at this stage how long the Northern Ireland government is prepared to fund the costs involved in limiting the provisions only to new tenants, or precisely what form the measures to protect existing tenants will take.

The shift from Disability Living Allowances to the new 'Personal Independence Payments' for working age claimants, scheduled for introduction from the spring of 2014, are

a cause of particular concern in Northern Ireland where just over one in ten of the working age population are in receipt of DLA; more than twice the average level across Great Britain. Current working age DLA claimants will face new assessments, and a trial exercise led to an estimate that around 25% of existing claimants will not qualify for the new benefit. Based on the numbers of working age DLA claimants at November 2012, this suggests that almost 30,000 will cease to receive any assistance based on their medical condition. A further 33% are estimated to see a reduction in their award, with 19% unchanged, and 23% receiving an enhanced award.

The Universal Credit regime is planned to be introduced in Northern Ireland on a phased basis from summer 2014, but this timetable may well be revised in the light of the further delays to implementation in Great Britain. In Northern Ireland, however, it is notable that benefit payments in respect of housing costs are proposed to continue to be made direct to landlords, and the Northern Ireland Executive have requested that DWP provide an IT system for Northern Ireland that is capable of supporting those payment arrangements.<sup>40</sup>

While Universal Credit as a whole is not in itself an initial cost saving measure, it will be introduced in a context where the Assembly has already agreed to a series of significant cut backs in the levels of available benefits, including the Housing Benefit reforms discussed above, and the levels of support available for child care costs. In total the

<sup>36</sup> Officially these bedroom limits have been designated as the 'spare room subsidy' limits, but they have been more widely referred to as the 'bedroom tax'. The term 'bedroom limits' is used throughout this report as a less loaded and more straightforward description of the limits than either of the alternatives.

<sup>37</sup> DSD (2013) *Northern Ireland Benefit Cap Information Booklet*. Belfast: DSD. <http://www.dsdni.gov.uk/impact-of-benefit-cap.pdf>

<sup>38</sup> Clarke, L. (2013) 'Bedroom tax deal wins Northern Ireland a four year reprieve', *Belfast Telegraph*, 8<sup>th</sup> November: <http://www.belfasttelegraph.co.uk/news/local-national/northern-ireland/bedroom-tax-deal-wins-northern-ireland-a-four-year-reprieve-29633007.html>

<sup>39</sup> DSD (2013) *Changes to Housing Support under Welfare Reform in Northern Ireland*. Belfast: DSD. <http://www.dsdni.gov.uk/ni-changes-to-housing-support-information-booklet.pdf>

<sup>40</sup> Northern Ireland Assembly (2012) *Statement to the Assembly Welfare Reform Bill Second Stage, Minister for Social Development*. Hansard, (Official Report), 9<sup>th</sup> October. <http://www.niassembly.gov.uk/Documents/Official-Reports/Plenary/2012-13/Plenary%209.10.12%20ONEBOOK%20REVISED.pdf>

various cut backs will by 2014/15 result in annual savings in Northern Ireland totaling some £730 million,<sup>41</sup> equivalent to some £630 a year in lost benefit income for every working age adult in Northern Ireland. This is far greater than the estimated average losses of some £470 a year per working age adult across the whole of Great Britain, and more than in any other country or region within the UK.

## Emerging trends in homelessness

### Trends in visible homelessness

There is little statistical monitoring data available on trends in 'visible' homelessness in Northern Ireland, other than the NIHE 'statutory assessment' statistics. With regards to rough sleeping, however, it is generally acknowledged that numbers are very small, albeit that concerns were raised that this may change as a result of both the expected hostel remodelling programme (see above) as well as the recession and ongoing welfare cuts.

In 2012/13 some 19,400 households presented as homeless in Northern Ireland. Of these, just over half – some 9,900 – were assessed to be 'Full Duty Applicants' (FDA) (equivalent to acceptance as unintentionally homeless and in priority need). Although the flow of new homelessness cases has remained fairly steady since 2005/06, the use of temporary accommodation has been steadily rising. Placements increased to 4,880 in 2012/13, an 11% rise over the preceding two years, with most of this increase attributable to family households.

Rates of statutory homelessness acceptances are notably higher in Northern Ireland than anywhere else in the UK. In 2012/13, statutory acceptances per 1,000 households in Northern Ireland ran at 13.4, as compared with 11.8 in Scotland (where the 'priority need' criterion has been abolished), with the equivalent figures in Wales and England much lower again (4.2 and 2.3 respectively). This reflects in part the fact that acceptances have fallen in England and Wales as a result of the vigorous implementation of the homelessness prevention/Housing Options model.<sup>42</sup> There has also been a more recent but similarly substantial drop in levels of statutory homelessness in Scotland as a result of the later adoption of the Housing Options model.<sup>43</sup> As noted above, a Scottish-style Housing Options approach is now being considered for Northern Ireland as a means of making a "significant contribution to reducing homelessness".<sup>44</sup>

Another contributory factor to the high rates of statutory homelessness in Northern Ireland may be local administrative traditions on the treatment of certain categories of applicant. In particular, older people whom it is unreasonable to expect to continue to occupy their current accommodation (e.g. because they cannot manage the stairs), are treated as statutorily homeless in Northern Ireland whereas they are generally accommodated via mainstream allocation processes elsewhere in the UK.

This local policy nuance probably also helps to explain the strikingly high proportion of

41 Beatty, C. & Fothergill, S. (2013) *The impact of welfare reform on Northern Ireland*. Sheffield: Centre for Regional Economic and Social Research, Sheffield Hallam University. <http://www.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/impact-welfare-reform-ni.pdf> Note: The figures quoted above have been adjusted to take account of the decision in NI to defer the implementation of the bedroom limits.

42 Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S. & Watts, B. (2012) *The Homelessness Monitor: England 2013*. London: Crisis. <http://www.crisis.org.uk/data/files/publications/HomelessnessMonitorEngland2013.pdf>; Fitzpatrick, S., Pawson, H., Bramley, G. & Wilcox, S. with Watts, B. (2013) *The Homelessness Monitor: Wales 2012*. London: Crisis. [http://www.crisis.org.uk/data/files/publications/05-13\\_HomelessnessMonitor\\_Wales\\_web.pdf](http://www.crisis.org.uk/data/files/publications/05-13_HomelessnessMonitor_Wales_web.pdf)

43 Fitzpatrick, S., Pawson, H., Bramley, G. & Wilcox, S. (2012) *The homelessness monitor: Scotland 2012*. London: Crisis. [http://www.crisis.org.uk/data/files/publications/HomelessnessMonitor\\_Scotland\\_2012\\_complete.pdf](http://www.crisis.org.uk/data/files/publications/HomelessnessMonitor_Scotland_2012_complete.pdf)

44 p28 in Mahaffy, R. (2013) *Preventing Homelessness: The Housing Options Approach. A Review of the Scottish Experience and Considerations for Northern Ireland*. Paper presented at Preventing Homelessness – The Housing Options Approach Seminar, Ballymena, Northern Ireland, 11<sup>th</sup> October 2013.

social housing allocations accounted for by statutory homeless cases in Northern Ireland. In 2011/12 lettings to homeless households made up 73% of all NIHE lettings to new tenants, as compared with 42% of all social lets in Scotland, and only 18% of all local authority lets to new tenants in England.<sup>45</sup>

The overall profile of causes of statutory homelessness in Northern Ireland has stayed fairly stable in recent years, save for an increase in the absolute and relative importance of the 'accommodation not reasonable' category that concerns mainly older people requiring rehousing for health or social care reasons as noted above. It is particularly relevant to note that mortgage default continues to account for only a very small proportion of total presentations in Northern Ireland (3%), albeit that the numbers in this category did rise markedly in the two years to 2009/10 – coinciding with the onset of Northern Ireland's housing market collapse in the period 2007-2011.<sup>46</sup> While the rising trend of mortgage defaults has continued thereafter from this very low base,<sup>47</sup> the changing incidence of homelessness due to 'loss of rented housing' has shown a somewhat more complex trend, with the past three years seeing a gradual increase (to 15% of all presentations by 2012/13), but with the numbers remaining below those recorded in 2006/07 and 2007/08.

Taken as a whole, this relative stability with respect to both trends in the overall levels and causes of statutory homelessness in Northern Ireland suggests that there are only limited signs thus far that the recent economic recession and welfare changes discussed above have fed through into measured homelessness.

### Trends in hidden homelessness

People may be in a similar housing situation to those who apply to housing authorities as homeless, that is, lacking their own secure, separate accommodation, without formally applying or registering with NIHE or applying to other homelessness agencies. Such people are often referred to as 'hidden homeless'. A number of large-scale/ household surveys enable us to measure some particular categories of potential hidden homelessness: *concealed households*; households who are *sharing* accommodation; and *overcrowded* households. In addition, we are able to provide an analysis of the social distribution of *past experiences of homelessness* (both 'visible' and 'hidden'), based on the UK Poverty and Social Exclusion (PSE) Survey 2013.

We estimate that there were 123,000 *concealed*<sup>48</sup> potential household units seeking separate accommodation in Northern Ireland in 2010, including 16,800 couples and lone parents, 63,000 non-dependent adult children and 43,400 other singles, equivalent overall to 17% of all households in the jurisdiction. This is 4% points higher than the comparable UK-wide figure, due to a higher proportion of families with non-dependent children co-residing. Concealed households have increased slightly in the last two years, after previous slight falls between 1997 and 2010.

Another indirect indicator of concealed households is *reduced household formation*. For the age group between 25 and 34, there are some fluctuations but a general tendency for Northern Ireland to catch up and begin to exceed UK with respect to the formation of new households. This could be indicative of both an easier general housing market and economic improvement following the peace agreement;

<sup>45</sup> Tables 97b, 103 and 104 in Pawson, H. & Wilcox, S. (2013) *UK Housing Review 2013*. Coventry: CIH.

<sup>46</sup> Table 47b in Pawson, H. & Wilcox, S. (2013) *UK Housing Review 2013*. Coventry: CIH.

<sup>47</sup> Choice of phraseology here reflects acknowledgement that 2011/12 and 2012/13 figures have been adjusted to allow for missing data (i.e. missing cases have been distributed pro rata to recorded data).

<sup>48</sup> 'Concealed households' are family units or single adults living within other households, who may be regarded as potential separate households that may wish to form given appropriate opportunity.



equally, the recent fluctuations could reflect the very dramatic fluctuations in the housing market in Ireland (North and South) in the late 2000s. An upward blip in 2012 may reflect the increased availability of private rental lettings.

The number of *sharing households*<sup>49</sup> appears to be marginally higher than in the UK as a whole at just under 2%. Sharing is concentrated in both private and social renting (3%) but is not unknown in the owner occupier sector (0.8%). Sharing has seen a long-term decline across the UK, which may reflect improving housing availability but also probably changes in the private rented sector and its regulation. However, the indicator for sharing appears to be rather inconsistent over time for Northern Ireland and it is difficult to discern a clear trend, given its relative rareness and small sample numbers.

*Overcrowding*<sup>50</sup> is less prevalent in Northern Ireland than in the other UK countries, affecting about 16,000 households (2.2%). Crowding is more common in social renting (3.4%) and lower in owner occupation (1.2%); and higher for families and other working age households (2.9%) than among older households (0.5%), although the rate for families is much less than across UK as a whole.

Analysis of the UK Poverty and Social Exclusion Survey 2012<sup>51</sup> indicates that one in eighteen (5.7%) of all adults in Northern Ireland say that they have experienced homelessness, with 1.4% saying this had happened in the last five years, and 0.9% sleeping rough or staying in temporary accommodation in that period. The implied annual rate of homelessness in Northern Ireland is 0.28% of adults, or 4,150 individual instances per year.<sup>52</sup> There are strong associations between experience of

homelessness and younger age groups, social renters and to a lesser extent private renters, and single people and lone parent households. There are also strong relationships with low income and current experience of material deprivation.

## Conclusion

This is a time of enormous flux in Northern Ireland with respect to both homelessness and housing policies, as well as great trepidation associated with the implementation of the UK Government-led welfare reform agenda. Going forward, we would expect to see significant upward pressures on homelessness as a result of both welfare cuts and housing market pressures, particularly the declining supply of social housing lets. That said, if the Housing Options model is introduced in Northern Ireland with the same vigour as it has been elsewhere in the UK, that could be a 'game changer' with regard to statutory homelessness levels, cutting across the countervailing effect of the underlying structural drivers of homelessness and acute housing need.

As well as tracking the headline trends in both visible and hidden forms of homelessness until 2015, our ongoing study will continue to monitor the profile of those affected, and highlight any significant changes in this as the impacts of recession and welfare reform are played out over the next couple of years.

The evidence provided by this Homelessness Monitor going forward will provide a powerful platform for assessing the impact of economic and policy change on some of the most vulnerable people in Northern Ireland.

<sup>49</sup> 'Sharing households' are those households who live together in the same dwelling but who do not share either a living room or regular meals together. This is the standard Government and ONS definition of sharing households which is applied in the Census and in household surveys. In practice, the distinction between 'sharing' households and 'concealed' households is a very fluid one.

<sup>50</sup> 'Overcrowding' is defined here according to the most widely used official standard - the 'bedroom standard'. Essentially, this allocates one bedroom to each couple or lone parent, one to each pair of children under 10, one to each pair of children of the same sex over 10, with additional bedrooms for individual children over 10 of different sex and for additional adult household members.

<sup>51</sup> For details of the PSE 2012 see <http://www.poverty.ac.uk/pse-research/pse-uk-2012>

<sup>52</sup> This has been calculated straightforwardly by multiplying the proportion who report having been homeless over the past 5 years (PSE) x adult population (Census) / 5. This assumes even temporal spacing of homelessness, and only one episode per person.



## About Crisis

Crisis is the national charity for single homeless people. We are dedicated to ending homelessness by delivering life-changing services and campaigning for change.

Our innovative education, employment, housing and well-being services address individual needs and help homeless people to transform their lives. We measure our success and can demonstrate tangible results and value for money.

We are determined campaigners, working to prevent people from becoming homeless and advocating solutions informed by research and our direct experience.

We have ambitious plans for the future and are committed to help more people in more places across the UK. We know we won't end homelessness overnight or on our own. But we take a lead, collaborate with others and together make change happen.

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## Homelessness ends here