

"I don't know what the winter's going to bring": experiences of homelessness during a cost of living crisis



Report by
Michael Allard

Acknowledgements

This research would not have happened without the involvement of many, many people.

Most importantly, the research would not exist if 40 people who have faced homelessness hadn't generously shared their difficult experiences with us. We hope the interviews you took part in go on in some way to help you and others who find themselves losing or without a home.

We would not have completed these interviews without help from Crisis Skylights and other homelessness services, who introduced us to many of our interviewees and were providing them with crucial support.

Other important partners in this work included Siáron Hughes and Helen Thomas, as well as Jordan McLaren and Josh Glendinning at Opinium – thank you all.

Finally, there isn't space to thank all the Crisis colleagues who helped with this project, but special thanks are due to Rebekah Stroud, Ben Sanders, Cuchulainn Sutton-Hamilton, Francesca Albanese, Laura Payne, Ruth Jacob, Jasmine Harris, Rhiannon Sims, Saskia Neibig, Michelle Gray and Carey Hill.

Crisis head office

66 Commercial Street
London E1 6LT
Tel: 0300 636 1967

www.crisis.org.uk
Copyright Crisis 2022
ISBN 978-1-78519-086-5
Crisis UK (trading as Crisis).
Registered Charity Numbers:
E&W1082947, SC040094.
Company Number: 4024938

Foreword

Poverty has always been one of the biggest drivers of homelessness. It's exhausting, it chips away at people and it pushes them to the brink. For years, Crisis has helped people who struggle to afford the most basic essentials and feel trapped because they don't have enough money to move into a safe, settled home. In 2022, as the cost of rents, energy, and food have soared, we now face the prospect of thousands more people becoming homeless.

If there was ever any doubt over the role housing plays in the cost of living crisis, this report offers a clear reminder. Our survey suggests that nearly one million households on low incomes fear eviction this winter, and around three million are having to skip meals so that they can cover the cost of housing. Interviews with people facing homelessness reveal the awful sacrifices they are being forced to make to get through the next month without losing their home, like avoiding travelling to see family because it would cost too much or pawning treasured possessions.

People who rented privately were particularly exposed to sudden economic shocks, lacking the security needed to avoid being suddenly pushed into homelessness because of a no-fault eviction notice or an increase in their rent. One person described being evicted through no fault of her own three times in the space of five years, making it harder to care for other household members with severe health needs because of the 'constant homelessness hanging over our heads.'

The research also provides further proof that the cost of living crisis is being felt more harshly by some people than by others. We heard about the stress of being put on a more expensive energy pre-payment meter to recover debt, putting people at risk of having no heating this winter. Our survey findings show that people from Black, Asian and other minoritised ethnic groups are more likely to have been in poor housing conditions this year and are nearly twice as likely to expect to face eviction this winter. We also saw how the cost of living uniquely affects people who have been homeless. Interviewees in unsuitable temporary accommodation often had to pay more than necessary for their food, travel and laundry – something even harder for people who are restricted from accessing income through benefits or work because of their immigration status. The survey also points to people with past experience of homelessness being most at risk of losing their homes this winter.

It doesn't have to be this way. We can make the private rented sector a more secure way to live. The UK government must deliver on its assurances and end no-fault evictions. While many benefits are being uprated in line with inflation, Local Housing Allowance remains set at an outdated level, leaving millions with a huge shortfall between their housing benefit and the actual cost of renting a new home. In-tenancy rent increases should also be tied to an inflationary measure – so that people do not have the carpet ripped out from under them with an unmanageable rent hike, at a time when they are already hugely limited by their current income.

But we need to go further. More financial support must be considered for those at risk of or experiencing homelessness – including those who are not able to access the benefits system because of issues with eligibility. Much more needs to be done to prevent homelessness from happening in the first place. We desperately need more homes across Great Britain. The Welsh and Scottish governments must deliver on their current commitments, and the UK government needs to be more ambitious and build 90,000 social homes a year for the next 15 years.

It's a daunting task but the cost of doing nothing will be far greater. Aside from our obvious responsibility to prevent hundreds of thousands of people from the devastating consequences of homelessness on their health, wellbeing and being able to fulfil their potential, ending homelessness also makes sense on economic terms alone. The cost of living crisis is posing new challenges, but Crisis will not relent in our journey to end the homelessness of the people we meet and in finding solutions to end homelessness for good, across Great Britain.



Matthew Downie
Chief Executive, Crisis

Executive summary

This research shows how the 2022 cost of living crisis is driving thousands of people into homelessness. Unaffordable housing and other rising costs are forcing people to lose their homes and many people are trapped in homelessness as it becomes harder to cover the living costs of a new home. People are making terrible sacrifices whilst homeless, and over one in four (29%) low-income households say that they will need to skip meals to keep up with their housing costs this winter.

Key findings¹

The 2022 cost of living crisis has pushed many people into homelessness. On any given night in 2020 around 227,000 households in Great Britain were experiencing the worst forms of homelessness including sofa surfing, rough sleeping and living in cars, tents and non-residential buildings. Modelling shows this number could increase to over 300,000 households next year.² But even before the cost of living crisis hit, years of unaffordable housing, rising living costs, and widespread poverty led thousands of people into homelessness, and meant thousands more were barely managing to pay for their housing and living costs.

The socio-economic impacts of the Covid-19 pandemic then exposed even more people to homelessness.³

Currently, hidden in the crisis of families forced to choose between heating and eating, is a housing crisis where the cost of rents eat up more and more of people's incomes. Low-income households are disproportionately affected by the cost of living crisis and, since the pandemic, rents in Great Britain have been steadily climbing to unaffordable levels. Between April and June 2022, they have risen at the fastest annual rate for 16 years, before reaching record highs in the autumn.⁴

1 These research findings are based on qualitative interviews with 40 people who had been at risk of or experienced homelessness during 2022, and an online survey with 2,000 people, who were nationally representative of low-income households in Great Britain (those with an income in the bottom 40% of all household incomes, adjusted for household size and composition).

2 See Watts, B., Pawson, H., Bramley, G., Young, G., Fitzpatrick, S. and McMordie, L. (2022) *The Homelessness Monitor: Great Britain 2022*. London: Crisis <https://www.crisis.org.uk/ending-homelessness/homelessness-knowledge-hub/homelessness-monitor/about/the-homelessness-monitor-great-britain-2022/>

3 Ibid.

4 Rightmove (2022) *Rental Trends Tracker: Q1 2022*. and *Q2 2022*. Rightmove: Online. <https://hub.rightmove.co.uk/q1-rental-trends-tracker-2022/>; and <https://hub.rightmove.co.uk/rental-trends-tracker-q2-2022/>

Against this backdrop, over two thirds (71%) of low-income households in our survey said their overall household spending increased since November 2021. Over half of low-income renters (51%) said their rent had increased and 84% of all low-income households said their food and grocery costs had gone up.

One in ten (10%) low-income households were already behind with their housing payments (either rent or mortgage). This is higher (16%) amongst households who were in receipt of housing benefit reflecting both decreases in income and the shortfalls often paid by people living in the private rented sector who are in receipt of Local Housing Allowance. Analysis⁵ carried out in October 2022 showed just 8% of properties in England were affordable on Local Housing Allowance rates, which are frozen at a level based on rents from 2018–2019. There were also concerns about meeting housing costs over the winter with nearly one in four (24%) low-income households in receipt of housing benefit saying they will be behind with their housing payments.

In interviews we heard about people facing homelessness because their rent rose to an unaffordable level. Other people could no longer afford their housing and living costs overall when their income had stayed the same or decreased due to other pressures in their lives such as health issues and loss of work. In some cases, this meant that people who thought they had left homelessness behind were now at risk of returning to it.

“I was in a situation where I wasn’t even earning enough money to be able to pay for the rent that I

had currently for two years been paying, which was £870 a month, plus all of the other bills. And then of course when [the landlord] came back to me he said ‘I put it up to £1,200 because that is the going rate’ and I just thought I have no hope in hell of being able to find that extra money, because it was hand to mouth pretty much all the time.”

(Interviewee)

“I’m paying out £756 rent for a one-bedroom flat... plus the rates on this flat are £175 a month. So again, it’s put me in the situation where, yes, I’ve got a roof over my head, and I’m working, but I don’t have any spare cash. It’s just the cost of everything. I’ve just had an energy bill come through and it’s got £2,093 on it, and I’m thinking, what the bloody hell is that all about? ...I don’t have the heating on, I daren’t put the heating on, and I’ve got things like that coming through the door for me. I’m thinking Jesus Christ, where do you go from here?”

(Interviewee)

The cost of living crisis is creating huge insecurity for people living in the private rented sector on low incomes. Between July and September 2022, claims to evict tenants following a no-fault, Section 21 notice, and other claims by private landlords in England, had exceeded the levels seen immediately before the pandemic.⁶ Across England 19% more households were facing homelessness in the first half of 2022 because of issues with private rented sector accommodation compared to the same period of time in 2019.⁷

“Just after a few months of us being moved here the landlord says that he will be selling... He has got a number of properties and he is basically selling them all off because he’s retiring and this is the last house that he has that he wants to sell.”

(Interviewee)

Many people who responded to the survey were worried about their future living situation and meeting their housing costs. One in eleven (9%) low-income households said it was likely they would face eviction in the coming winter.

Access to affordable housing has also become even more difficult. Around half (49%) of survey respondents said they were not confident about being able to afford to move into a home that required a month’s rent in advance as well as a deposit also worth one month’s rent, a common requirement in private rented housing. There were also issues with people on housing benefit struggling to cover the shortfall between Local Housing Allowance and the actual cost of their rent, which would mean they had less money to spend on other outgoings such as food, bills and transport.

“It is very difficult, because it’s capped at five weeks’ deposit plus the month’s rent in advance, so straight away you’re looking at the best part of £2,000 for a one-bedroom place anyway, just to step through the door.”

(Interviewee)

“I’ve looked and with my financial situation most of the private rents are too expensive. I’m going to be out of pocket each month because I’ll be paying like nearly between £70 and £100 per month towards top up on the rent. That is money I can’t afford to lose.”

(Interviewee)

What was particularly worrying, however, was that many people who were living in – or were expecting to move into – social housing were concerned about how sustainable this was when the cost of living was so high. Despite social housing being the most affordable rent available, it was unclear how they would manage affording everyday costs in the future.

“I’m struggling. Really struggling... I have been in a little bit of debt with living here and everything... Once my health gets picked up and everything, I will have to move into my own place. And that will worry us.”

(Interviewee)

People made enormous compromises and sacrifices to survive and to try and avoid homelessness. In the survey, over one in four of all respondents (23%) described having skipped meals during the last 12 months to save money, and 29% said that they would likely need to skip meals to keep up with their housing costs over the coming winter. This proportion rises to 43% among households with children.

“I get... this prepared [meal], the frozen one, so I just warm them up, and I just eat that, and I eat very little. Like once a day, or sometimes not even that. Just tea and biscuits. That is what I eat.”

(Interviewee)

“You have to sacrifice some things in order to, yeah, to make ends meet. Well at times you’ve just go to [go], ‘it is easier to sacrifice something like that than not having gas and electric or the money to pay rent and end up back on the streets.’”

(Interviewee)

⁵ Crisis and Zoopla (2022) *Falling short: Housing benefit and the rising cost of renting in England* https://www.crisis.org.uk/media/248340/zoopla_briefingv8-1.pdf

⁶ Ministry of Justice (2022) *Mortgage and Landlord Possession statistics: July to September 2022*. MoJ: Online. <https://www.gov.uk/government/statistics/mortgage-and-landlord-possession-statistics-july-to-september-2022>

⁷ Department for Levelling Up, Housing and Communities (2022) *Live tables on homelessness*. DLUHC: Online. <https://www.gov.uk/government/statistical-data-sets/live-tables-on-homelessness>.

Others talked about taking extreme measures, like scrapping their car that was costing too much to run, borrowing money from a loan shark, shoplifting food, and selling their treasured belongings – including a wedding ring.

“I had had that ring on most of my life, and then to have to be in a situation where you’ve got to sell probably one of your last treasures, and it’s like you’ve just got to do it. So I pawned it... that month I thought great, I’m able to buy a bit of food and maybe pay an extra bill or put some more petrol in the car, but you can’t keep doing that because I don’t have any more jewellery.”
(Interviewee)

For people living in temporary accommodation provided by their local authority there were unique challenges associated with rising costs which meant many people were trapped in this situation. People often paid more for food and washing clothes because of inadequate facilities. Households in settled accommodation but at risk of homelessness were also facing higher costs because they were on pre-payment meters for their gas and electricity.

“I haven’t got a cooker and I haven’t got a big fridge, so I haven’t got freezer space and I’ve got very little actual storage space for like bulk buying, so I can’t do any of that in terms of like buying cheaper groceries. I can’t batch cook. I use a microwave to cook all my meals so I get a lot of ready meals and like half prepared meals which are at a bit of a premium. You know there is not even counter space to chop vegetables and stuff, so it’s not easy for me to go to market for example and buy like 10kg of potatoes at a cheap price and then cook up batches of things. I can’t

really do that. I would do it if I could because I’m pretty good at that sort of stuff. So I definitely pay more.”
(Interviewee)

This research also reveals how some groups have been disproportionately affected by the cost of living crisis. Reflecting other research highlighting structural inequality and discrimination, people from Black, Asian and other minoritised ethnic groups were around twice as likely (16%) as people identifying as White (7%) to say they were expecting to face eviction this winter. People with past experience of homelessness were two and half times more likely (24%) than others to say this, pointing to a worrying trend that people with past experience of homelessness may be at heightened risk of becoming homeless again.

In the interviews, we also met people with disabilities whose health and living situation meant they faced increased food and travel costs, and we heard from people who struggled with not being able to receive any income from work or benefits to help them navigate the cost of living, due to conditions attached to their immigration status.

“I haven’t [gone to a food bank] because... I cannot carry. If I go in a cab it’s the same thing, like I can’t carry because I’m too weak... I will get a panic attack anywhere and always I am scared I will get a panic attack so I take cabs... Now I’m scared to even call a cab, because cabs are costing more, just to even go to my hospital appointments.”
(Interviewee)

Experiences of homelessness and the fear of being at risk exerted a huge toll on people’s mental health. People described how they felt anxious not knowing where they would get the money to pay for housing and other essentials and feeling concerned about the impact of turning off their heating.

“It’s one of the hardest things that I’ve ever had to do, spreading so little amount of money out over the monthly period to just survive, just on groceries, bills, and it’s sort of living day-to-day and then it’s like utility bills as well, and there is no room for a treat of any sort, it’s diabolical, it is really, really hard.”
(Interviewee)

“I am worried. I don’t know what the winter’s going to bring. We’re in a cold snap now and the winds have been really bad, and we’ve had a few storms here. I live close to a mountain and it can get cold here, so I am just hoping that my son stays in the job that he’s got, I hope that I might be able to get some part-time work, working from home.”
(Interviewee)

It was particularly troubling to hear people who were in accommodation say they were spending a lot of time alone in their home, because the cost of travelling to see other people, and/or spending money on food or drink with them, was too high. This had the devastating consequence that some people said they couldn’t spend time with their children.

“I don’t run a car anymore because I can’t afford it. I can’t just sort of go for a drive or take my kids out or anything or go and see my daughter.”
(Interviewee)

“I can’t believe sometimes that I have to say no to meeting friends and family because I can’t afford the petrol to go over to the friend or family member to have a meal, because I’m thinking if I use the petrol to go over to visit them although you know you will benefit from a nutritious meal and a chat and it will be lovely because you’ve got comfort, you are then thinking no, I can’t do that, because I do need that £10 of petrol money to get to work the next day. You

know, to be in a situation where you’re having to choose from comfort or necessity and petrol to be able to do that bit of travelling, to earn your wages, it is a real sorry state of affairs, I feel anyway.”
(Interviewee)

Recommendations

1. To stop people becoming homeless because of unaffordable rent increases, there should be a limit placed on in-tenancy rent increases in all three nations so that they are always tied to an inflationary measure. The UK Government must also invest in Local Housing Allowance so that it covers at least the bottom third of rents in a local area, to help people stay in and access affordable housing without having to make up the shortfall between housing benefit and the true cost of private rents.
2. The UK Government must urgently bring forward the Renters’ Reform Bill to improve the private rented sector in England, including by ending no-fault evictions and introducing a decent homes standard. In Wales, it is important that the Welsh Government ensures the successful implementation of the Renting Homes Act, which seeks to provide better protection for those facing ‘no-fault’ evictions.
3. In England, the UK Government urgently needs to set out a coherent housing strategy to deliver affordable homes for all people who need them, including the delivery of 90,000 social rented homes a year for the next 15 years. In Wales, the Welsh government needs to deliver on its target of 20,000 social homes by 2026. In Scotland, the Scottish Government must make swift progress on its commitment to deliver 110,000 affordable homes by 2031/32, meeting interim targets.

4. The UK government should consider pausing deductions from Universal Credit for anyone who is at risk of or experiencing homelessness. More broadly, across Great Britain, all levels of government should continue to consider additional targeted financial support to help those at increased risk of homelessness, including those with restricted eligibility for benefits.
5. The research revealed both how the cost of living crisis puts people with long-term health conditions facing homelessness at a disadvantage and leads people to face isolation as they struggle with mental health challenges. The UK Government should develop a cross-government strategy to reduce health inequalities. In Wales, it will be important for the Welsh Government to continue to consider health in its work to end homelessness.

Crisis head office

66 Commercial Street
London E1 6LT
Tel: 0300 636 1967

www.crisis.org.uk

Copyright Crisis 2022

ISBN 978-1-78519-086-5

Crisis UK (trading as Crisis).

Registered Charity Numbers:

E&W1082947, SC040094.

Company Number: 4024938



**Together
we will end
homelessness**