# GENERAL SYNOD

### Homeless Task Force: A background note from the Secretary General

#### Summary

- Levels of rough sleeping and homelessness are both rising rapidly, and have also been rising up the political agenda.
- A shortage of affordable housing, due in part to reductions in Housing Benefit payments to private tenants, is a major driver of homelessness, restricting access to stable housing for households who are homeless or at risk of becoming homeless. Homelessness is also a symptom of a broader housing crisis, widely attributed to an endemic shortfall of new housing supply relative to need.
- The Government has responded by setting targets to eliminate rough sleeping by 2027 and committing to publishing a long-term strategy to prevent and tackle homelessness. The Homelessness Reduction Bill came into effect in April 2018, and should ensure people receive more support to find secure housing before they become homeless.
- The Church of England, through its parish network, is actively involved in providing a wide range of formal and informal support to homeless people, such as winter night shelters and drop-in centres. Some churches are also involved in providing supported housing through church-linked initiatives, such as Green Pastures.
- Staff at Mission and Public Affairs and Lambeth Palace are working together to design a major Church of England initiative on homelessness and housing policy.

#### Scale and trends in homelessness

- 1. Homelessness has gone up the political and media agenda over the past year, due partly to an ongoing rise in levels of rough sleeping. Official estimates of rough sleeping have more than doubled since 2010, with around 4,800 people sleeping rough at the time of the last snapshot survey in Autumn 2017. These are widely seen to be under-estimates.
- 2. The number of homeless households living in temporary accommodation has also risen sharply up from 48,000 at the end of 2010 to 79,000 by the end of 2017 (though still below the peak of 101,000 in 2004/05). More than two-thirds of temporarily housed households are in London, but homelessness is a growing problem throughout the UK. In London, 40% of councils said the number of people seeking help from their homelessness services had risen over the past year; the corresponding figure was 62% in the North of England and 76% in the Midlands. Losing a private sector tenancy is now the most common cause of homelessness.<sup>1</sup>
- 3. Official homelessness statistics are problematic, because they do not take into account the hidden homeless. Crisis estimates that there were around 142,000 "core homeless" households in England in 2016, of which the largest single category was sofa surfers (59,000). This figure is projected to rise to 166,000 by 2026 and to double by 2041 on current policies, with the sharpest growth being in households living in "unsuitable temporary accommodation", such as B&B placements.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> MHCLG (March 2018), 'Statutory homelessness and prevention and relief, October to December 2017.

<sup>&</sup>lt;sup>2</sup> Crsis (June 2018), 'Everybody In: How to end homelessness in Great Britain'.

4. Available evidence points to Local Housing Allowance reforms as a major driver of homelessness. As housing benefit levels are no longer tied to rents, this is making it increasingly hard for lower income households to access private rented accommodation, despite the strong growth in the sector overall. Combined with a reduction in the social housing stock, this helps explain why most local authorities in England are struggling to find stable housing for homeless people in their area. According to the Joseph Rowntree Foundation's Homelessness Monitor, 89% reported difficulties finding private rented accommodation for homeless people, whilst 70% had difficulties finding social housing.<sup>3</sup>

## Policy responses to homelessness

- 5. Homelessness is an acute manifestation of a broader housing crisis. The Government's White Paper, 'Fixing our broken housing market', identified an endemic shortage of housing as the main cause: "for too long, we haven't built enough homes". Since the 1970s, there have been an average of 160,000 new homes a year, against an estimated need of between 225,000 to 275,000 to keep up with demographic changes and compensate for years of under-supply.<sup>4</sup> The ratio of house prices to average earnings has more than doubled in 20 years, making home ownership unaffordable for a growing share of population, especially younger households. Private rents are also rising fast for similar reasons, alongside problems with unreasonable letting fees, overcrowding, and poor conditions. (This is the dominant view, but some economists have argued that there is not a housing shortage and that increasing the housing supply will not solve the housing crisis. They point to other factors, such as property speculation, and distributional issues, such as lower-than-average growth in the earnings of younger adults, as well as tighter housing benefit restrictions.<sup>5</sup>
- 6. The White Paper (WP) sets out a series of proposals for increasing the supply of new homes by speeding up the planning process, investing in local infrastructure, unblocking development on vacant sites, and diversifying the construction industry. Whilst the proposed long-term solution is to build more homes, the WP recognises the need to intervene to help households affected by the housing crisis in the short-term.
- 7. Many of the measures outlined in the WP are aimed at helping aspiring home owners to get on the housing ladder by offering tax incentives and subsidies, such as the Help to Buy scheme, Lifetime ISAs and Starter Homes, as well as extending Right To Buy discounts to housing association tenants. For private sector tenants, the Government has committed to banning letting agent fees and is proposing to make the private sector more 'family-friendly' by promoting longer tenancies on new build rental homes.
- 8. Lastly, the Government supported the Homelessness Reduction Bill, which came into effect in April 2018. It places additional duties on local authorities to increase the assistance offered to people who are homeless or at risk of becoming homeless, including personalised plans and help securing accommodation, regardless of whether they are in 'priority need'. The Lords Spiritual supported the Bill in its passage through the House of Lords, and the major homelessness charities were also supportive. However, they were keen to point out that changes in legislation are not enough in isolation, and that these new duties will need to be adequately funded and underpinned by significant improvements in the structural context, which has deteriorated as a result of recent welfare reforms.

<sup>&</sup>lt;sup>3</sup> Crisis and JRF (April 2018), 'The Homelessness Monitor: England 2018'.

<sup>&</sup>lt;sup>4</sup> Department for Communities and Local Government (February 2017), 'Fixing our broken housing market'.

<sup>&</sup>lt;sup>5</sup> For example: <u>https://medium.com/@ian.mulheirn/part-1-is-there-really-a-housing-shortage-89fdc6bac4d2</u>

- 9. The options for councils charged with preventing homelessness are narrowing, as benefit-reliant households are priced out of the private rented sector in some parts of the country; social landlords, too, are increasingly nervous about letting to households whose incomes are so low that even social rents are becoming unaffordable. Changes in payment arrangements under Universal Credit could exacerbate these issues.
- 10. In its September 2017 report, the National Audit Office was critical of the Government's performance in reducing homelessness, in particular its failure to assess the impact of its welfare reforms on homelessness; it's 'light touch' approach to working with local authorities; and the lack of a cross-government strategy to tackle homelessness.<sup>6</sup> In response, the Government published a Rough Sleeping Strategy with targets to halve rough sleeping by 2022 and end it by 2027, backed up by £100 million of funding over two years. The strategy incorporates a stronger focus on stopping people becoming homeless in the first place, as well as targeted support to help them off the street and into long-term accommodation.<sup>7</sup> Homelessness charities welcomed the plans as a significant step forward, but said that more needs to be done to address the structural causes of homelessness, in particular the chronic shortage of low cost housing and a benefits system that does not cover the cost of housing.
- 11. Separately, the Government is considering introducing 3-year tenancies in the private rented sector, with a break-out clause after 6 months; this is designed to provide more stable homes for tenants, by protecting them against being evicted without good reason after the initial 'probation' period. Other steps the Government is taking to improve the sector include banning letting fees, capping deposits, and setting up a database of rogue landlords and agents.<sup>8</sup>
- 12. The charity Crisis also published a major report on homelessness in June 2018, with the backing of the Archbishop of Canterbury. This set out specific policies for ending homelessness within a decade, including building 100,000 new social homes a year, rolling out the Housing First programme to provide homes and long-term support to homeless people with complex needs, strengthening rights for private tenants, and increasing Housing Benefit to cover private rents. PWC estimated that the proposals would cost £9.9 billion over ten years and deliver benefits worth £26.4 billion.<sup>9</sup>
- 13. The Church of England is one of many organisations that should consider its role in working together towards the shared vision of ending homelessness in this country. The provision of 7,000 supported housing units by the Church of England alone, as proposed in the paper that accompanies this PMM, is almost certainly unaffordable and unrealistic. But there are many ways in which the Church already does, and could potentially do more to, play its part in tackling homelessness. These are considered further below.

# Church responses to homelessness

- (a) Local responses
- 14. Anglican clergy identify homelessness as a growing problem affecting their local community, with 23% saying it was a major or significant issue in the 2017 survey, up from 14% in 2011. The 'Church in Action' survey also found that 6% of Anglican

<sup>&</sup>lt;sup>6</sup> National Audit Office (Sept 2017), 'Homelessness': <u>https://www.nao.org.uk/report/homelessness/</u>

<sup>&</sup>lt;sup>7</sup> MHCLG (Aug 2018), 'Rough Sleeping Strategy'

<sup>&</sup>lt;sup>8</sup> MHCLG (July 2018), 'Overcoming the Barriers to Longer Term Tenancies in the Private Rented Sector'

<sup>&</sup>lt;sup>9</sup> See footnote 2.

parishes were running a night shelter and 4% were running other homeless services, such as drop-ins. Many more parishes were supporting homeless people in other ways: in total, 71% of churches report doing something to address homelessness, including organised activities, active signposting and informal help.<sup>10</sup>

- 15. One of the fastest growing areas of work is the rapidly expanding Church and Community Night Shelter (CCNS) network. According to Housing Justice's latest Impact Report, the number of projects in the network increased from 65 to 107 in the last two years, providing shelter during the winter months to nearly 3,000 people experiencing homelessness across England and Wales (up from around 1,400 in 2012/13). Many of these shelters are hosted in church buildings and run by church volunteers, contributing to the overall total of 273,605 volunteer hours.<sup>11</sup>
- 16. Green Pastures, a national Christian social enterprise, is another major church-linked initiative to tackle homelessness. Through its network of over 55 partner churches and Christian organisations, it offers housing and care to over 900 people in the UK. Green Pastures receives loans from investors (who are paid 5% p.a.), which is used to purchase supported accommodation for homeless people, whilst their local partners help maintain the properties and care for residents.
- 17. Many parishes run a wide range of bespoke services for homeless people, including drop-in centres, community cafes, emergency accommodation, mentoring programmes, and homelessness prevention work in schools. Living Well Bromley is one of many such projects, offering a diverse mix of activities for its community of homeless people and others with complex needs, including a community lunch every Friday, an art therapy group, and a community garden, as well as a benefit clinic and help with addiction. Living Well is part of the ministry of Holy Trinity Beckenham, in the diocese of Rochester, and works closely with other churches and partner organisations, such as the Bromley Drug and Alcohol Service.
- (b) National responses
  - 18. Last year, the Archbishop of Canterbury published an important book, *Reimagining Britain: Foundations for Hope*, which included a chapter on housing policy as a cornerstone for building a more robust and flourishing society. Staff at Mission and Public Affairs and Lambeth Palace have been working together to design a major Church of England initiative on homelessness and housing policy which would address the full complexity of the issues and focus especially on the Archbishop's concern that housing policy should be understood in terms of its ability to create viable communities and not just buildings.
  - 19. This work will consider questions of homelessness and the Church's response in the broadest context and it would be helpful if any proposals from Synod in this area were expressed in a flexible form so that they can be developed as part of this major new work on housing and community policy.

William Nye, Secretary General

January 2019

<sup>&</sup>lt;sup>10</sup> Church of England and Church Urban Fund (Feb 2018), Church in Action 2017: A national survey of church-based social action': <u>https://www.cuf.org.uk/church-in-action-2017</u>

<sup>&</sup>lt;sup>11</sup> Housing Justice (2018), 'Church and Community Night Shelter Impact Report 2017'.