Homelessness: the visible effect of austerity

April 2019 · Tom Copley AM
Over 130 homeless Londoners died in 2017. That, more than any other, is a statistic to make us stop and think about what is happening on our doorstep. In the biggest city in one of the richest countries in the world, these tragedies should not be happening.

Rough sleeping on London’s streets is increasing. Nearly 650 homeless Londoners perished on our streets between 2013 and 2017. [ONS, Deaths of homeless people in England and Wales] This truly awful situation is largely borne out of this Government’s shameful pursuit of austerity.

Nobody could accuse Londoners of turning a blind eye. This past winter has showed the generosity of Londoners and the huge desire to help the homeless and to tackle the problem. The Mayor of London unveiled the TAP London contactless donation points across the city, where members of the public can make an easy £3 donation to a coalition of 22 charities doing fantastic work to tackle homelessness and support rough sleepers. More than £240,000 has been raised, and 45,000 individual actions have been taken, whether that is a donation or referring a vulnerable rough sleeper to StreetLink through their app.

However, homelessness and rough sleeping has a myriad of causes that public spirit alone will not be enough to reduce the numbers.
Since 2008/09, the number of rough sleepers in London has more than doubled. 2017/18 saw a slight decline – the first in a decade – but the quarterly statistics from the end of 2018 suggest that it may rise again. [GLA, Rough sleeping in London - CHAIN reports]

Homelessness is not just about rough sleeping. There are as many as 12,500 “hidden homeless” individuals, without a permanent home and not receiving support – sleeping on a friend’s sofa, squatting, and sleeping in other insecure accommodation.

In addition, there are more than 54,000 households in London living in temporary accommodation, including 87,000 children, in bed and breakfasts, hostels, poor quality private rented flats, and whole families often have to share rooms. These figures have risen dramatically since 2010/11. [MHCLG, Live tables on homelessness]

The statistics are clearly shocking. But, given the Government’s attitude towards society’s most vulnerable individuals, who have born the brunt of welfare cuts since 2010, can we be surprised?

What are the causes?
The National Audit Office say that since 2010, “there has been a substantial and unprecedented rise in the proportion of households who qualified for temporary accommodation after the end of an assured shorthold tenancy”. Before 2011-12, this accounted for up to 15% of households eligible for support. By 2017, the end of a private tenancy was the reason for 39% of homelessness cases – the single biggest cause. [National Audit Office, “Homelessness”, September 2017]

The report makes it clear that this is linked to affordability and welfare measures. Private rents increased by 24% between 2010 to 2017, while median earnings only increased by 3%, and the Local Housing Allowance was reduced and capped from 2011. Housing benefit paid to those in need has not kept up with rising rents, and the effects have been worst in London. In some parts of central London, there is a “shortfall” of around £370 per week between the current capped housing allowance and the cost of eligible housing. These austerity policies have made private rented housing increasingly unaffordable for thousands of Londoners, pushed them into arrears and, sadly, in many cases homelessness. In April, the Government finally announced that it will end Section 21 “no fault” evictions, a long overdue measure, but one that should provide some greater security of tenure to private renters.

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We are seeing an increasing number of people experiencing real problems with the way universal credit is working for them […] What this means in practice is that some people can’t pay their rent and lose accommodation and they stay homeless for longer because they are seen as risky by landlords.

Bill Tidnam, Chief Executive of Thames Reach, which runs hostels for the homeless across London

However, the transition to Universal Credit has further worsened the situation. The delays to payments are pushing households into larger arrears, contributing to homelessness. An investigation by the BBC found that council tenants who had been moved onto Universal Credit had arrears £400 larger than those still claiming housing benefit. [BBC News, "Universal credit: Rent arrears double for benefit claimants", November 2018]
What needs to happen
The Government has weakened our social fabric and stripped away safety nets, and it is vulnerable Londoner's who have suffered the most. We cannot allow this continue, and we must fight back.

At City Hall, the effort is already underway. Last June, the Mayor of London Sadiq Khan published our first ever Rough Sleeping Plan of Action, setting out how City Hall will use its powers and resources to end rough sleeping in the capital.

The Mayor currently spends £8.5 million per year on services to tackle rough sleeping, including 24/7 outreach teams and No Second Night Out hubs – and recently announced a further £7 million to support rough sleepers.

Last year, City Hall invested £15 million in buying 330 homes for vulnerable Londoners at risk of becoming homeless, and this last winter saw Sadiq Khan doubling the size of his street outreach team and increasing the frequency with which cold-weather shelters opened London-wide. In April this year, the Mayor also announced he was investing £11m in 200 innovative modular homes through the PLACE scheme, to deliver high-quality but low-cost temporary accommodation for families in areas of the highest need.

The Mayor, the GLA and Londoners are doing what they can. But to truly tackle and eradicate rough sleeping, we need the Government to give their full support. The Mayor’s Rough Sleeping Plan of Action shows that £574 million is required to end this scourge and fund a wide package of support from shelters and outreach to longer-term specialised mental health services.

But there’s also no getting away from the fact that we need to build more homes. Under the current Mayor, City Hall is directly funding the development of new council housing for the first time, investing £1 billion in delivering 11,000 much needed council homes. But London needs 42,000 new genuinely affordable homes every year, which would require four times as much Government funding as currently given.

The cold bite of austerity is nowhere felt greater than on London’s streets in the winter. The former Chancellor in 2015 justified spending cuts as “fixing the roof while the sun is shining”, but the cruel impact of cuts since 2010 has left tens of thousands more Londoners without a roof of their own. We are long past crisis point.

This Mayor has made it his priority to tackle London’s homelessness, and has enacted policies and programmes that have helped treat the problem. Yet the root causes lie with central Government’s austerity policies, and it is their refusal to take the action required that has brought us to where we are today and leaves all Londoners worse off.