



Repossessions and vulnerability to homelessness

Leslie Morphy, Crisis Chief Executive
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What is Crisis?

Crisis is the national charity for single homeless people

Our purpose is to end homelessness

We aim to transform lives and prevent homelessness

We deliver a range of services – education, employment, housing and well being

We do research and campaign on behalf of homeless people



The recession and its challenges

Recession is an immediate crisis for people and for systems

Repossessions have been exacerbated by the recession

It will create long term challenges for government

Unemployment and loss of home most immediate challenge

But those who are already homeless/vulnerably housed, out of work and poor are most vulnerable



Crisis YouGov Survey (December 2008)



Key findings

41% of adults in Britain know someone who has lost their job due to the economic downturn

9% of those with a mortgage or paying rent were struggling

In Private Rented Sector 31% worried that they could lose their home; 12% struggling to pay the rent

A third would lose their home within 3 months of losing their main source of income. For those privately renting figure rises to 61%

The poorest are three times more likely to have difficulty with rent/mortgage

A large, solid grey shape that starts as a thin horizontal line at the bottom and tapers upwards to a wider horizontal line at the top, resembling a trapezoid or a wedge.

Repossessions

46,000 in 2008

75,000 expected in 2009

12,800 in first quarter of 2009. 50% less in same period of 2008 (8500)

Mortgage rescue schemes limited in size and scope

Buy-to-let repossessions still rising - 88% increase from first quarter of previous year

Buy-to-let mortgages with more than 3 months arrears increased by more than 235% between 2008 to 2009



Impact of repossessions increased by unemployment



Unemployment 2.2 million now - predicted to increase to more than 3 million by 2010

Potentially unemployment will climb to a rate of 11%

25% of Local Authorities seen an increase in number of homeless (LGA survey)

56% anticipate an increase

45% have had an increase in Housing Benefit applications

54% had more people seeking welfare or debt advice



Impact of repossessions adds to existing demand for housing



House building has not kept up with demand

Gov target of new houses 3,000,000 by 2020; current estimate 1.6 million

Low cost home ownership one of biggest casualties of the recession - only 10,787 low-cost home ownership starts in 2008/09

59% decline in house start applications compared with previous year

5 million people predicted to be on social housing waiting lists by 2010

Tens of thousands of hidden homeless households



As homelessness organisation in U.K. how should we respond



Support those at risk of losing their homes particularly for private tenants/
reform private rented sector

Wider homelessness safety net

Action to end rough sleeping

Skills development, training, retraining

Build more social housing

Homelessness ends here

