

Country Profile: UNITED KINGDOM

Third Overview of Housing Exclusion in Europe 2018



The data: An explosion in demand for temporary accommodation

- Between 2011-2017, households living in temporary accommodation increased by 60%.
- March 2017: **77,240** households in temporary accommodation, **120,540** children (+73% since 2011).
- **88,410** households applied for homeless assistance in 2016-2017.
- **105,240** households under threat of homelessness were helped to stay in their homes by local authorities in 2016-2017 (i.e. an increase of **63%** compared to 2009-2010).
- The number of people sleeping rough **4,134** increased by **134%** from an autumn night in 2010 to an autumn night in 2016.

<u>Housing costs among highest in Europe for poor households in UK</u>

- Between 2010-2016, poor people saw the cost of housing increasing by **45%.** This figure is the second highest in Europe, with Bulgaria and Portugal experiencing similar levels. (Here 'poor' means having an average income lower than 60% of the national median income).
- On average, poor households spend 47.4% of their disposable income on housing higher than the EU average and countries such as Spain, Poland, France, Romania and Italy.
 Spending more than 40% of one's income on housing is known as housing cost overburden and is generally regarded as the benchmark above which general welfare and standard of living is threatened.
- **12.3%** of the general population spend more than 40% of their disposable income on housing.
- In general, the number of households spending more than **40%** of their income on housing has increased by **70%** since 2010.
- **8.7%** of poor households were in rent or mortgage arrears in 2016.

- **14.4%** of poor households were living in **overcrowded conditions** in 2016 below the EU average of 29.8% but higher than countries such as Ireland, Belgium and Spain.
- **14.2%** of poor households had financial difficulties in maintaining an **adequate temperature** in their home in 2016.

The under 30s: overburdened with housing costs

- **50%** of poor 18-24 year olds are over-burdened by housing costs an increase of **32%** since 2012.
- **22.9%** of poor 18-24 year olds live in overcrowded conditions an increase of **15%** since 2015.
- The under 30s have been particularly affected by the budget cuts and austerity policies of the last few years, as well as the government's 'stay-at-home' policy that places the responsibility on parents to ensure their child's transition to independence. This is also common in countries such as Germany, Denmark and the Netherlands.¹

Non-British nationals

- In general, non-British nationals are **2.6 times** more likely to be in housing cost overburden than British nationals and, along with foreigners in Italy, Sweden, Germany, Austria and France, they face worse housing conditions in the UK than national citizens.
- **50%** of young EU citizens (aged 18-24) in the UK living below the poverty line were overburdened by housing costs the EU average is 43%.

A chronic lack of affordable housing

- In London, between 2010 and 2016, private rents increased by **24%, eight times** the increase in average incomes over the same period.
- In England, the increase in private rents is **three times** that of average incomes (except in the North and East Midlands, where the opposite is observed)².
- The chronic lack of affordable housing in England is the result of various factors. Housing construction has not kept pace with the increase in demand since the 1980s, especially in London; the construction of public housing has fallen, and that of private housing has been impacted by various economic recessions.
- Recent years have seen a sharp rise in private rental housing (+80% between 2003 and 2014), an increase in social rental housing belonging to housing associations (+42%), a stagnation of owner-occupied housing (+0.3%) and a reduction in social rented housing owned by local authorities (-32%)³.
- The proportion of households accepted as homeless by local authorities as a result of the end of an insecure rental lease (assured shorthold tenancy)⁴ increased from 11% in 2009/10 to 32% in 2016/17.⁵ In London, this proportion also increased over the same period from 10% to 39%.

¹ See FEANTSA/Foundation Abbé Pierre (2017), *Locked Out - Housing Solutions for Young People Transitioning to Independence*. <u>http://www.feantsa.org/download/fea-006-17-affordable-housing-series en ok5260372895965834463.pdf</u> ² National Audit Office (2017), *Homelessness in England*, <u>https://www.nao.org.uk/report/homelessness/</u>

³ DCLG Housing Statistics, Table 104, Live Tables on Housing Stock, <u>www.communities.gov.uk</u>

⁴ This form of lease is the standard rental contract in England leading to a rental insecurity which is unique in Europe. In addition, recent changes in legislation have allowed local authorities to offload their obligation to house homeless households in the private rental sector, exposing these households to significant rental insecurity.

⁵ National Audit Office (2017), *Op. Cit.*

• Lease expiries in the private sector have become the number one cause of statutory homelessness in England – causing an increase of 74% in households eligible for temporary housing since 2009/10.

Welcome to the UK: Rough sleeping deemed an abuse of free movement rights

- A guide published by the Home Office in February 2017 considered sleeping rough to be an abuse of the right of residence and thus adequate basis for deportation. According to this first version of the Guide - it was amended in December 2017 - sleeping rough was considered an abuse of the right of residence, which led to the possibility of expelling EU nationals or members of their homeless family.
- The adoption of this legislation formalised a practice of deportation <u>that goes back several</u> <u>years</u>. This allowed the authorities to substantially increase the number of people deported. <u>Government statistics</u> show that in the first three months of 2017, the number of forced deportations of EU citizens increased by 26% compared to the same period the previous year. Between September 2016 and September 2017, more than <u>5,000 EU citizens</u> were returned to their country of origin.
- On 14 December 2017, the United Kingdom Supreme Court ordered the government to stop deporting homeless EU citizens, after ruling that its controversial policy referring to sleeping rough as an abuse of treaty rights, was illegal. This decision held that it was contrary to EU law for the Home Office to define sleeping rough as an abuse of the right to freedom of movement. It also claimed that the policy in question was discriminatory and amounted to a systematic illegal verification of the residence rights of EU nationals.
- This decision is in line with <u>Commissioner Jourová's recent statements</u>, which had ensured that homelessness did not affect the right of an EU citizen to live in another Member State. Following the Supreme Court decision, the Home Office published a revised version of the Guide, in which any reference to homelessness as an abuse of treaty rights was deleted.

Criminalisation of homelessness

• There is growing debate about the increasing use of **Public Space Protection Orders**⁶. In Nottingham (UK), **anti-begging posters published by a council were b**anned by the Advertising Standards Authority (ASA) for "reinforcing negative stereotypes"⁷.

The Government's 'light-touch approach'

In its 2017 report on homelessness, the National Audit Office (NAO) criticised the Department for Communities and Local Government, responsible for homelessness, for having adopted a 'light-touch approach'.⁸ It highlighted in particular the fact that the Department requires each local authority to develop a strategy to combat homelessness, while shirking responsibility for evaluating the content or progress of these strategies.

With a reduction in the number of social housing units⁹ and in the number of private landlords agreeing to work with local authorities to house homeless people, the NAO stated that local

⁶ Public Protection Orders Campaign by Liberty: <u>https://www.liberty-human-rights.org.uk/campaigning/public-space-protection-orders-0</u>

⁷ Nottingham anti-begging posters banned by advertising authority : <u>http://www.bbc.com/news/uk-england-nottinghamshire-37488612</u>

⁸ In the words of the National Audit Office (2017), Homelessness Report. <u>https://www.nao.org.uk/report/homelessness/</u>

⁹ National Audit Office (2017), Housing in England – Overview. <u>https://www.nao.org.uk/report/housing-in-england-overview/</u>

authorities' ability to address the increase in homelessness is hampered by the limited housing options available for homeless people.

The NAO also noted the absence of an inter-ministerial strategy for preventing and combating homelessness in England. Despite the existence of guiding principles for homelessness prevention and intervention, specific programmes with local authorities and working jointly with other government departments (Health, Justice, Work and Pensions, Home Office), the NAO believes that with the absence of an inter-ministerial strategy, it is not possible to evaluate the efficiency of resources used by the Department to combat homelessness.

The light-touch approach was also, according to the NAO, characterised by the absence of any evaluation by the UK government on what is causing the increase in all types of homelessness since 2011.

Despite the growing gap between the explosion in house prices and income stagnation, and despite the impoverishment of the most vulnerable people, the UK government has not evaluated the impact of its reforms on these worrying trends. Among other effects, the 2011 reform to housing allowances has, according to the NAO, contributed to the increase in homelessness by making rental housing costs even more unaffordable to those on benefits. According to the same report, 'It is difficult to understand why the Department persisted with its light touch approach in the face of such a visibly growing problem. Its recent performance in reducing homelessness therefore cannot be considered value for money. [...] The Department's recent performance in reducing homelessness therefore cannot be considered value for money. '¹⁰.

Wales: Stand-out region

Wales is the only region in Europe where local authorities are legally obliged to prevent homelessness, by supporting people at risk of losing their home and finding a solution within 56 days. Users must have access to different housing options and must be able to secure the situation before, or immediately after, losing their home. Good practices for preventing homelessness are being implemented in different local authorities across Wales, and this has contributed to a reduction in the number of homeless people in the region between 2012 and 2015 despite a hostile context with regard to the housing market and reforms to social welfare.

Quote from FEANTSA Director, Freek Spinnewijn

"Housing exclusion and homelessness have taken dramatic proportions in the UK. For almost all indicators the UK scores bad in a European perspective and the situation has often worsened over the last few years. Especially worrying are the massive increase of rough sleepers (137% increase since 2010) and homeless people in temporary accommodation (73% increase since 2011). The situation of young people on the housing market is also becoming hopeless. 20% of people aged between 18 and 24 are in housing cost-overburden – up 50% from 5 years ago. Increasing attempts to criminalise the homeless by local authorities is certainly not unrelated to the spike in homelessness."

¹⁰ 'Homelessness in all its forms has significantly increased in recent years, driven by several factors. Despite this, government has not evaluated the impact of its reforms on this issue, and there remain gaps in its approach. It is difficult to understand why the Department persisted with its light touch approach in the face of such a visibly growing problem. Its recent performance in reducing homelessness therefore cannot be considered value for money'. Amyas Morse, Head of the National Audit Office, 13 September 2017.