

Briefing

Shelter research – In work, but out of a home

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This document contains information and policies that were correct at the time of publication.

Shelter helps millions of people every year struggling with bad housing or homelessness through our advice, support and legal services. And we campaign to make sure that, one day, no one will have to turn to us for help.

We're here so no one has to fight bad housing or homelessness on their own.

Introduction

At Shelter, we know that homelessness has reached crisis levels in England. Since 2010, all forms of homelessness have increased. Rough sleeping has more than doubled. The number of homeless households living in temporary accommodation has risen to more than 79,000. Over 120,000 children are homeless.

However, official figures don't tell us much about the types of families who are becoming homeless. From available data, we know that single parent families are more likely to become homeless than couple parent families, and we know that younger people are particularly affected by homelessness. However, we don't know a lot about their lives beyond this. In particular, we don't know how many of them are in work.

In order to explore this further, Shelter have conducted new analysis of government data. Through this analysis we are able to find out the proportion of homeless families in temporary accommodation, who are in work.

Shelter's analysis shows that in 2017 55% of families living in temporary accommodation were working. This represents over 33,000 families who were holding down a job despite having nowhere stable to live.

With so many families in work but out of a home, it's clear that our current housing and benefit system does not adequately support all hard-working families.

Going back further, we can see that the situation is getting worse. The proportion of families working whilst living in temporary accommodation has increased over time - from 44% in 2013 to 55% in 2017. Alongside the increase in the total population of families living in temporary accommodation (43,750 in 2013 to 60,8520 in 2017), we see that this represents a substantial increase (73%) in the number of working homeless families, from over 19,000 in 2013 to over 33,000 in 2017.

This trend is due to a combination of high private rents, the on-going freeze on housing benefit and a chronic lack of social homes. The government needs to build thousands more homes that are truly affordable and stable for families on low and average incomes, including social homes. We also need a stronger safety net that is fit

for purpose, such as bringing the level of housing benefit in line with local rents. Only then can families be better equipped to cope with a change in circumstance that might lead to homelessness.

Research method

Where is the data from?

- We requested this data from the Department for Work and Pensions (DWP) through the Freedom of Information Act 2000.

What data did we request?

- We requested data on the employment status of housing benefit claimants flagged as in 'temporary or short-term accommodation'¹ as at November 2017 (the most recent data available).
- We requested data for all households, and households who were families with dependent children.
- We requested that this data be provided for the same time period in 2013, 2014, 2015, 2016 and 2017, and be broken down by each region of England.

What does the data show?

- We have concluded that this is the best estimate of the proportion of homeless families that are in work.
- The data we have shows the proportion of families in temporary accommodation who have a housing benefit claim, who are in work. Temporary accommodation for homeless households is mainly funded through the housing benefit system.² Therefore the majority of homeless households have a housing benefit claim.
- The Department of Work and Pensions (DWP) hold a database with information about all housing benefit claimants. There is a flag on the database that says whether or not a claimant household is in temporary accommodation. There is also other information on this database, including the employment status of a claimant household.
- The data covers seven in ten households in temporary accommodation. Households that are not included could be missed out as they are waiting for their housing benefit claim to be processed, or because they are working and

¹ This is field 236 in the Single Housing Benefit Extract (SHBE). We verified with housing benefit data collectors that this field ('temporary or short term accommodation') applies to households who are homeless.

² Councils can apply for a slightly different amount of housing benefit for households in temporary accommodation. Councils often have to top up this amount from their general funds. But housing benefit is the main revenue stream for funding for temporary accommodation.

earning enough to pay for their temporary accommodation without housing benefit. In addition, a small number of households in temporary accommodation have been moved on to universal credit: their homelessness status is no longer recorded.

- We have carried out analysis of wider housing benefit data, and consulted with housing benefit experts to review our findings. This leads us to believe that the working status of the households for whom we have data is unlikely to be characteristically different to all homeless households as a whole. Therefore, we have used the data to estimate the proportion of all homeless households who are in work.
- Separate to the data that we requested we also extracted information from the homelessness tables published by the Ministry of Housing, Communities and Local Government in order to generate the number of families living in temporary accommodation that are working. These tables can be found here: <https://www.gov.uk/government/statistical-data-sets/live-tables-on-homelessness>

Results

Continuing cuts to council budgets, the high cost of housing and cuts to housing benefits have combined to ensure local authorities are finding it increasingly difficult to find suitable, settled homes for families. This means that families who now lose their home are more likely to find themselves living in temporary accommodation, and to be living there for a longer period.

Temporary accommodation (TA) comes in a range of forms and can include cheap hotels, hostels or large houses with a family in each bedroom.

This research shows that the majority of families living in TA are working, and that the proportion of those working has been increasing over time. This has led to a stark increase in the number of families working, that far outstrips the concurrent growth in the population of families in TA.

Families with children

Shelter's analysis indicates that over half (55%) of homeless families in England are in work. This has increased by 25 percent since 2013 (from 44% of families in 2013, to 55% in 2017).

The below table shows the regional differences, including the proportion of families working in 2013 and 2017, and the percentage change between these two points. It shows that London has the highest rate of working families amongst the regions, with six in ten homeless families in work.

The proportion of working families has increased at different rates across the country. In the East Midlands it has increased by over 150%, while in the East of England it has risen by 32%.

Proportion of homeless families in work

	Proportion of homeless families in work (Nov 2013)	Proportion of homeless families in work (Nov 2017)	% change between 2013 and 2017
England	44%	55%	25%
London	47%	60%	28%
North East	33%	22%	-33%
North West	14%	26%	89%
Yorkshire and the Humber	9%	9%	0%
East Midlands	13%	33%	167%
West Midlands	20%	29%	46%
East of England	35%	46%	32%
South East	35%	44%	27%
South West	29%	37%	26%

³

Using the above percentages, we can estimate the total number of families who are working while living in temporary accommodation. We have done this by applying them to the statistics on the total number of families living in temporary accommodation released by the Ministry of Housing, Communities & Local Government.

The below tables shows that the number of homeless families in work has sharply increased by 73% between 2013 and 2017 (19,250 to 33,286). As with the proportions of working families change has differed across England. The number of working families in the East Midlands has risen dramatically and was over 400% higher in 2017 than it was in 2013 (52 families to 274). In the same period they have increased by 36% in Yorkshire and the Humber (24 families to 32).

³ Any disparities in this table are due to rounding.

Number of homeless families in work

	Number of homeless families in work (Nov 2013)	Number of homeless families in work (Nov 2017)	% change between 2013 and 2017
England	19,250	33,286	73%
London	16,121	26,346	63%
North East	20	15	-26%
North West	56	390	592%
Yorkshire and the Humber	24	32	36%
East Midlands	52	274	426%
West Midlands	199	681	242%
East of England	579	1,933	234%
South East	1184	2,358	99%
South West	301	541	80%

Conclusion

Our findings show that, in England, the majority of families who are currently homeless are in work. They also show that the proportion of working families who are homeless has been growing steadily across the last five years.

The absolute number of working families has risen dramatically, from over 19,000 households in 2013 to over 33,000 in 2017. While this has coincided with a sharp increase in the total number of homeless families (43,750 in 2013 to 60,520 in 2017) the rates of change indicate that there is a problem specific to working families. Between 2013 and 2017 the number of working families in temporary accommodation rose by 73%, in comparison to the total population of families which grew by 38%.

Underpinning this trend is the chronic lack of affordable housing. There are currently 1.2 million households on council waiting lists for a new social home: there are four households in need for each home that becomes available each year. Housing benefit is now inadequate across most of the country. Our research shows that by 2020, four fifths (83%) of England will be unaffordable to private tenants claiming housing benefit. Working families are having to turn to the council for emergency help, because they have an increasingly limited range of other options.

The stability, or lack of, in the privately rented sector is also likely to play a role in this trend. Once households find a home they are by no means likely to stay in it. The loss of a private tenancy was the single biggest cause of homelessness in the country in the last year – accounting for 27% of all households accepted as homeless.

These findings show that moving more people into work would not be sufficient to end or address homelessness. In order to end homelessness, we must address the lack of stable, affordable homes across the country.