

Living in limbo

Survey of homeless households
living in temporary accommodation



Shelter

Temporary
accommodation is
typically not secure,
suitable or affordable





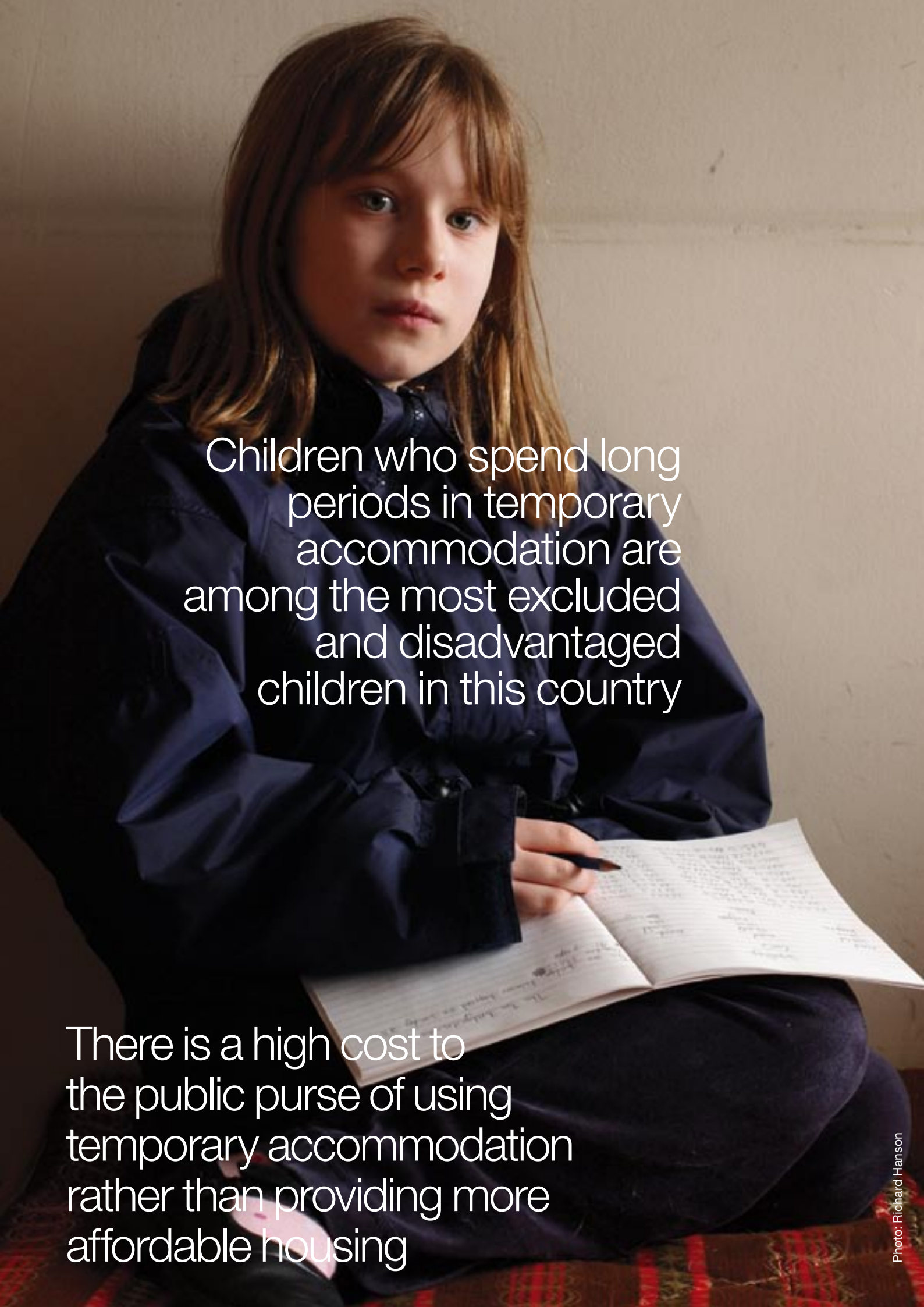
Homeless children living in temporary accommodation are some of the most deprived children in this country, missing out on schooling, on play, and opportunities to develop



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‘I feel like I am
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Cover photograph by Nick David

To protect the identity of the children mentioned in this report, models have been used in photographs and some names have been changed.

Summary

Homelessness and temporary accommodation

'Homelessness means loss, loss, loss... It is not just the loss of a home, maybe of a partner or of family life, of supportive friends or of a known community. It involves the loss of confidence and self esteem. The loss of opportunities. These losses are less obvious... and the long-term effects on children in particular and the stigma of homelessness are not ever really taken on board. It's not just the reasons why people become homeless that are important but what it does to you.' Health worker¹

'I have been living in temporary accommodation for 5 years and every year I have been put in a new area so I had to change the school for my child.'

'I have been bullied and discriminated against. I am sharing a room with a thief. I have moved eight times in 18 months so I am very stressed and depressed and feel insecure and unstable. The damp in some places made my asthma worse.'

'My children need permanent housing. For nine years we have lived on the move.'

Homeless people's responses to Shelter survey

The insecurity and isolation of living in temporary accommodation compounds losses that people experience on becoming homeless. The acute shortage of social rented housing means that local authorities sometimes place homeless households in temporary accommodation for months or years before they can make them an offer of permanent housing. At the end of September 2003, there were 93,930 homeless households living in temporary accommodation provided by local authorities.²

Temporary accommodation is typically not secure, suitable or affordable for homeless people. Some of it is in private rented housing, some is shared hostels and bed and breakfast hotels and some is hard-to-let council stock. Most is provided at high rents, creating poverty traps for people and relying on housing benefit to meet the cost. Although considerable progress has been made in reducing the use of bed and breakfast accommodation for homeless families with children, the continuing growth in the wider use of temporary accommodation remains a significant concern.

For families, living in temporary accommodation means constant insecurity and disruption through placements outside their local area and enforced moves for administrative reasons, such as leases with private landlords expiring. In London during March 2003, half of households in bed and breakfast accommodation and 15 per cent of all homeless households in other temporary accommodation were housed outside their home borough.³

Homeless children living in temporary accommodation are some of the most deprived children in this country, missing out on schooling, on play, and opportunities to develop and grow in a healthy living environment. The Government has signalled its commitment to addressing this. On 4th May 2004 the Government announced that it had met its target to end the long-term use of bed and breakfast hotels for homeless families with children. This is a significant achievement. However, if the Government is going to meet its target to end child poverty, significantly more investment in permanent, affordable housing is needed, to address the wider issue of nearly 100,000 homeless households in all forms of temporary accommodation.

Key findings of the survey

Shelter sent a questionnaire to 2,000 homeless households living in temporary accommodation and received responses from 417 people. The responses to this survey provide strong evidence of the negative effects that living in temporary accommodation has on people's health, their children's education and their opportunities to work.

- More than half the people had been waiting in temporary accommodation for an offer of permanent housing for more than a year
- Over three quarters of the people (78 per cent) said that they had a specific health problem, and half said that they were suffering from depression
- Over half the people said that their health or their family's health had suffered due to living in temporary accommodation
- People who had been living in temporary accommodation for over a year were twice as likely as people who had been living there for less than three months to report that their health has suffered as a result
- Children had missed an average of 55 school days due to the disruption of moves into and between temporary accommodation
- Two thirds of respondents said their children had problems at school; and nearly half described their children as 'often unhappy or depressed'
- Only a fifth of families with children aged under four years were accessing Sure Start
- Over three quarters of households (77 per cent) had no family member working. The reasons for this included health or mobility problems, the insecurity of their accommodation, high rents and worries about changes to benefits
- Problems such as ill health and economic inactivity were not confined to those living in bed and breakfast or hostel accommodation. People living in flats and houses reported similar levels of these problems.

The cost of using temporary accommodation

There is a high cost to the public purse of using temporary accommodation rather than providing more affordable housing. We compared the needs of currently homeless households in our survey with the needs of recently homeless households now in social housing. On this basis, we estimate that the additional annual expenditure associated with the use of temporary accommodation is around £500 million, including:

- around £300 million on rent-related expenditure linked to higher rents and greater dependency on housing benefit
- around £90 million on additional take up of out-of-work benefits (income support) by one in four households
- around £50 million on out-of-school provision for children missing around eight weeks more school than other deprived children
- around £30 million on additional take up of sickness benefits (incapacity benefit) by one in twelve households
- around £10 million on additional visits to the GP due to worse health among one in four households.

This rent figure does not take account of capital subsidies for social housing. So it should be offset against investment in affordable housing. The figure presented here is undoubtedly an underestimate:

- additional needs and services not explicitly linked to living in temporary accommodation have not been quantified or costed, for example, children's behavioural problems resulting in exclusion from school
- it is based on cautious estimates of the cost of services, for example, the average income support payment to a single adult is used as a cost of benefits for a whole household with no member in work
- it does not take into account the long-term costs of living in temporary accommodation. Persistent, severe and unmet needs arising from a stay in temporary accommodation, such as long-term ill health and unemployment or children missing school have long-term effects and costs.

Key recommendations for the 2004 Spending Review

Living in temporary accommodation compounds the isolation and loss experienced by homeless families and children. The evidence from our survey demonstrates the unacceptable costs to individuals and to the public purse of using temporary accommodation to meet housing need. The long-term solution is increased investment in affordable housing, as set out in other parts of our Spending Review submission. But investment in a new deal for homeless people is needed now, in order to address the immediate needs of over 90,000 homeless households and over 100,000 homeless children currently living in temporary accommodation:

- An innovation fund should be set up to provide support services for all homeless people to enable people to cope with their stay in temporary accommodation and link into other services to meet their health, social care and employment needs. This should be funded through the Homelessness and Housing Support Directorate. Over time, this funding could be absorbed within the Supporting People programme which will fall under the new directorate.
- New funding to support homeless children should be made available through the Homelessness and Housing Support Directorate. Currently, services for children are not covered by Supporting People and the long term future of the Children's Fund is uncertain. It is important that funding is provided for Children's support worker posts in tenancy sustainment and support teams, which work with homeless families.
- Funding should be provided within the Sure Start programme to ensure that existing services can meet the needs of homeless families in the area or set up a mobile Sure Start service specifically for families in temporary accommodation. In the nine local authority areas our survey covered, there are 21 local Sure Start programmes. Despite this, only a fifth of families with children aged under four years were accessing the service.
- Start up funding should be provided for the development of notification and information-sharing systems between local authority departments that need to have contact with homeless households placed in temporary accommodation. This would replicate the 'NOTIFY' system in London, a joint initiative between the GLA and ALG, set up with support from the Homelessness Directorate. It uses information provided by London borough housing departments to notify social services, local education authorities and primary care trusts, in authorities where households are placed. The Green Paper, Every Child Matters proposes a range of measures to improve information-sharing between local agencies. It is essential that these measures are co-ordinated with the homelessness functions of local housing authorities. Children in homeless families are often at risk and are often not in contact with key agencies or services.

- Dedicated Educational Welfare services are needed for homeless children. Education Welfare Officers should work closely with schools and families to help homeless children access school places, arrange transport, help arrange alternative educational provision where necessary and identify support needs relevant to their education.
- Financial support should be provided for school-related costs and support to cover the cost of bus passes and other transport costs, additional school uniforms needed when homeless children have to change schools, and money for extra-curricular activities such as homework and after-school clubs and school trips.
- Flexible funding is needed for projects to support the re-integration of homeless children into school through an addition to the Vulnerable Children Grant (VCG) introduced in 2003.
- New measures are needed to improve affordability for homeless households in temporary accommodation. Shelter, the ALG, the GLA and the NHF have lobbied over the last four years for changes to the financial framework for temporary accommodation to move to a grant-based system instead of relying on housing benefit subsidy. This would significantly improve work incentives and implementing it would be cost-neutral.

Without significantly increased investment in social housing, the numbers of homeless households living in unsatisfactory temporary accommodation is likely to remain high. Other sections of our submission provide an estimate of the number of additional affordable homes required. The Spending Review is an important opportunity to provide resources for this.

Introduction

At the end of September 2003, there were 93,930⁴ homeless households living in temporary accommodation provided by local authorities. The experience of living in temporary accommodation, often of poor quality and in cramped conditions, can have a significant effect on people's health and well-being.

The Government has recognised the problems faced by homeless households living in temporary accommodation, particularly families with children, and is taking steps to address them. From March 2004, there will be a ban on the long-term use of bed and breakfast hotels for homeless families with children. However, the number of homeless households in all forms of temporary accommodation continues to increase.

The Government is planning to issue statutory guidance to local authorities to ensure existing minimum standards are met for all temporary accommodation, that additional standards are met for bed and breakfast accommodation and that homeless households are able to access basic services. These improvements are welcome, but will not address some of the worst features of temporary accommodation such as lack of choice, insecurity, frequent moving, displacement and high rents.

Children who spend long periods in temporary accommodation are among the most excluded and disadvantaged children in this country, with low rates of school attendance and educational attainment, poor health and impaired physical and mental development. Addressing housing need must therefore be central to measures to tackle child poverty.

About the survey

In October 2003 Shelter sent out questionnaires to households living in temporary accommodation in nine local authorities: three in London, two in the South East and four in the South West, North and Midlands. A total of 2,046 questionnaires were sent out and we received 417 completed questionnaires. The overall response rate was 20 per cent, which is good for a survey of this type.

Compared to the national figures, our survey included a higher proportion of households living in London. This reflects the size of the London authorities rather than the response rate.

Table 1: Where households are living (%)

	Shelter survey	Local authority figures
London	68	60
South East	14	14
Other areas	18	26
Total	100 (417)	100 (93,930)

Sources: Shelter temporary accommodation survey 2003, ODPM (2003) Statutory Homelessness: England third quarter 2003.

About this report

The first five sections of this report set out the findings from our survey under the following section headings:

1 People living in temporary accommodation

2 Housing circumstances and views about housing

3 Health

4 Children's education and well-being

5 Work, training and benefits

The final sections set out Shelter's own estimates of the costs of temporary accommodation and recommendations for the 2004 Spending Review.

Survey findings

1 People living in temporary accommodation

1.1 Summary

Our survey sample is broadly representative of the 93,930 homeless households living in temporary accommodation provided by local authorities in England. Around half the people living in temporary accommodation are families with children. More than two thirds in our survey were families with children. Most of these families were lone parent households.

Black, Asian and mixed race people are over-represented among homeless households accepted by authorities. Nearly a third accepted as homeless nationally and over 60 per cent in London are non-white. The full reasons for this are not clear although non-white people are more likely to suffer from the problems that lead to homelessness, including low incomes, unemployment and poor housing. Over a third (35 per cent) of people in our survey described themselves as Black, Asian or mixed race. This partly reflects the concentration of homeless households living in temporary accommodation in London.

Many homeless people experience multiple problems, which lead to homelessness more than once, such as domestic violence, financial debts or tensions with neighbours. Just under half (44 per cent) of people in our survey had been homeless at least once before.

1.2 Household composition

More than two thirds (68 per cent) of households responding to our survey were families with children and a third were single people, couples or other adult households. Nearly half of respondents were lone parents living with children. Nationally, just over half (54 per cent) of homeless households living in temporary accommodation are families with dependent children.

Table 2: Households with and without dependent children

	Shelter survey (%)	Local authority figures (%)
Household with children	68	54
Household without children	32	46
Total	100 (417)	100 (93,930)

Sources: Shelter temporary accommodation survey 2003, ODPM Statutory Homelessness: P1E returns, third quarter 2003.

1.3 Age of respondents

Our survey covers relatively young households compared to all households in England. A third (31 per cent) of respondents to the survey were aged between 16 and 24 years of age and over half (53 per cent) were aged between 25 and 44 years old. Local authorities do not collect information on the ages of homeless people they accept and provide accommodation for. However, younger age groups are likely to be over-represented among statutory homeless households living in temporary accommodation since many are families with children.

1.4 Ethnic origin

Just over half of the people who responded to our survey (57 per cent) described themselves as White. Over a third (34 per cent) described themselves as Black or Black British, six per cent described themselves as mixed race and five per cent stated another ethnic origin.

Homelessness statistics compiled by local authorities show that, on average, a quarter of households accepted as homeless and in priority need are from a minority ethnic group.⁵ Nationally, only nine per cent of the population are from ethnic minority groups.

Table 4: Ethnic origin of respondents

	Shelter survey %	Local authority homelessness acceptances %
White	57	71
Black/Black British*	24	10
Asian/Asian British**	5	6
Mixed race	6	-
Other	8	7
Total responses	100 (404)	100 (31,046)

Sources: Shelter temporary accommodation survey 2003, ODPM Statutory Homelessness: England third quarter 2003.

* Category used in ODPM stats is 'African/Caribbean'

** Category used in ODPM stats is 'Indian/Pakistani/Bangladeshi'

1.5 Repeat homelessness

Nearly half the people said that they had been homeless at least once before their current stay in temporary accommodation. Around a fifth of people had been homeless on several occasions. Recent figures from the ODPM suggest that ten per cent of homelessness acceptances were repeat acceptances across England, although levels ranged from zero to 48 per cent. Our question does not capture only homeless acceptances by the council, but also previous periods of homelessness, which may have been temporary arrangements with family or friends.

Table 5: How many times have you been homeless before this time?

	Number	%
None	210	56
1	91	24
2	43	11
3	15	4
4 or more	19	5
Total	378	100

Source: Shelter temporary accommodation survey 2003.

2 Housing circumstances and views about housing

2.1 Summary

Temporary accommodation usually takes the form of privately rented flats and houses leased by local authorities or housing associations, as well as hostels and bed and breakfast hotels. The large-scale use of temporary accommodation reflects the acute shortage of social rented housing.

The temporary housing sector is characterised by near market rents, largely subsidised through housing benefit, and yet a large proportion of temporary accommodation used by councils is in poor condition. The Government is currently taking steps to address poor standards in temporary accommodation.

Local authorities' long-term use of temporary accommodation is concentrated in London, where the shortage of affordable and social rented housing is most acute. However, the use of temporary accommodation has also risen outside the capital. Authorities often procure and use temporary accommodation in areas outside the local borough. Such placements outside may see families split up or forced to make long journeys to access services such as schools and GPs.

- About three quarters (77 per cent) of people in our survey had been living in temporary accommodation for more than six months. Half of the households, and 60 per cent in London, had been waiting for more than a year.
- A third of people in our survey reported problems with their accommodation including damp and poor cooking facilities.
- Around a fifth of people in our survey said they were a long way from services and over half said they felt isolated from friends and family.
- Fear of crime and drugs were also problems in areas where people were placed. Just under half (44 per cent) said they did not go out as much as they would like because they had a fear of crime and half (51 per cent) were worried about people taking drugs in their local area.

2.3 Types of accommodation

Households who responded to our survey were living in a range of housing types, mostly flats (53 per cent) or houses (19 per cent). A substantial minority (14 per cent) were living in bed and breakfast hotels and six per cent were living in hostels. Nationally, a similar proportion of homeless households were living in bed and breakfast hotels (12 per cent). But a higher proportion than in our survey were living in hostels or women's refuges (11 per cent).

Table 6: Type of accommodation (percentage of households)

	Shelter survey (%)	Local authority figures* (%)
Flat	53	-
House	19	-
Bedsit	7	-
Bed and breakfast hotel	14	11
Hostel / women's refuge	6	11.5
Other	1	-
Total	100 (415)	100 (93,930)

Sources: Shelter temporary accommodation survey 2003 ,ODPM Statutory Homelessness: England third quarter 2003.

*Accommodation is classified by ownership or management (i.e. LA stock/private sector leasing) rather than accommodation type

Reflecting the concentration of homelessness and housing shortages in London, nearly all of the respondents who were living in bed and breakfast hotels were from London boroughs (51 out of 59 households). Over a third of respondents living in bed and breakfast hotels (21 households) had been living there for more than a year.

2.4 Length of stay

Most people who responded to our survey had been living for months or years, rather than weeks in temporary accommodation. Half of our respondents (51 per cent) had been living in temporary accommodation for a year or more. Reflecting the shortage of housing in London and the South East, 62 per cent of respondents in London had been living in temporary accommodation for more than a year, compared to 43 per cent of households living in the South East and only 18 per cent of households in other areas.

Table 7: Length of stay in temporary accommodation (%)

	Region		
	London	South East	Other
Under 6 weeks	9	8	19
6 weeks to 3 months	8	16	24
3 to 6 months	10	20	15
6 months to a year	11	13	24
1 year or more	62	43	18
Total	100 (281)	100 (61)	100 (72)

Source: Shelter temporary accommodation survey 2003.

2.5 Views about accommodation

More than a third of respondents (35 per cent) agreed with the statement that their housing was 'damp and mouldy' and a third (31 per cent) felt that cooking facilities in their home were 'poor and unhygienic'. People living in bedsits, bed and breakfast hotels and hostels were more likely to be concerned about the cooking facilities in their accommodation. Some of the most negative descriptions of accommodation came from people living in hotel and hostel accommodation:

'The temporary accommodation 'hostel' where I live is not in a good condition for a mother with children. The bathroom is dirty and the toilet is disgusting. I have been living here for 11 months and have never seen anyone coming to disinfect and clean the toilet. Inside this room I feel like I am in prison. I am afraid my baby feels the same way as me. I have been depressed since I was pregnant and this room does not help me to get well. My baby started to walk when she was seven months and now she is fourteen months and I have been here in this room. The front door is open all the time and anyone can come and do whatever they want to do because the other people who live in the hostel do not respect others. I am afraid of diseases that can be transmitted in the toilet because I am sharing a toilet with three men plus visits from women.'

Table 8: Reported problems in different types of accommodation

	Total (%)	Flat or house (%)	B&B hotel (%)	Hostel/ women's refuge (%)	Bedsit (%)
It is damp and mouldy	35	35	34	38	30
The cooking facilities are poor and unhygienic	31	25	41	58	38
Total number of responses	388	278	56	24	26

Source: Shelter temporary accommodation survey 2003.

2.6 Views about the local area

Many people expressed concerns about the areas in which they were placed in temporary accommodation. Just under half of respondents (44 per cent) agreed with the statement 'I do not go out as much as I would like because I am worried about crime in my area' and half (51 per cent) were worried about the number of people taking drugs in their area.

Access to services was also a problem for some households. A fifth of respondents said that they lived a long way from facilities such as shops and schools.

'I live on an estate where everyone is scared of a family that take crack cocaine. The children bully me and my children. The abuse is obscene.'

'I personally have no choice but to live in a hostel before I get my flat. The hostel is depressing and I honestly do not feel safe in here'.

'We all hate this house because we have been robbed in this house and it is a bad area and there is racism'.

'The area is a high crime and drug area. I live on the main road where it happens. I have a baby and I get scared of coming out.'

2.7 Support networks and social isolation

Out of area placements and previous damaged relationships mean that many homeless people feel extremely isolated in their accommodation – 44 per cent said that they feel isolated from friends and family and half (49 per cent) said that they do not feel able to easily call on their support. Both single homeless people and families said that they feel isolated and unsupported. Children have also lost friendship networks through moving:

'The school is on the other side of town so none of her (my daughter's) friends can visit. It makes it hard for them to keep friends.'

3 Health

3.1 Summary

The physical condition, stress, insecurity, inconvenience and expense of living in temporary accommodation takes its toll on people's health and well-being. Health problems can be directly caused by problems with the physical quality of the housing – such as asthma exacerbated by damp inside properties. Other health problems are linked to lifestyles imposed by shared accommodation, such as a poor diet linked to inadequate shared cooking facilities. The uncertainty and stress associated with enforced frequent moves and not knowing how long a placement in temporary accommodation will be can manifest itself in a range of health problems.

Most households in our survey (78 per cent) reported a specific health problem, such as depression, eczema or asthma. Almost half (49 per cent) of households said that their health had suffered due to living in temporary accommodation. More than half (56 per cent) said that they were suffering from depression. The survey results show that the longer respondents have been living in temporary accommodation, the greater their health problems become and the worse they feel their health has become as a result of living in temporary accommodation.

The increase in health problems caused by living in temporary accommodation results in more frequent use of health services. About two fifths (38 per cent) of people in our survey reported more frequent visits to their GP or hospital since becoming homeless. People in our survey who had been living in temporary accommodation for more than a year reported more health problems and greater use of health services.

3.2 Interpreting the responses

Studies of the validity of self-reported data have shown that there is a high level of agreement between self-reporting and medical examinations, and between self-reporting and doctor diagnosis of specific conditions.⁶

There are difficulties in disentangling health problems arising from people's stay in temporary accommodation and health problems linked to stressful or violent experiences in someone's past or unmet support needs, such as a mental health problem that may have led to their homelessness. We asked questions and analysed the results to try and isolate the impact of living in temporary accommodation upon people's health.

3.3 Types of health problem

When asked to state in what ways their health had suffered, survey respondents mentioned a number of health problems. The most common problems were depression, other mental health problems, eczema, asthma, chest or breathing problems and repeat vomiting or diarrhoea. Other problems included migraines, stress, back problems, high blood pressure, anxiety or panic attacks, arthritis and heart problems.

Overall, 78 per cent of homeless households reported at least one specific health problem. This incidence of health problems appears high when compared to other surveys of self-reported health. In the General Household Survey, 32 per cent of people reported a longstanding illness, disability or infirmity. The figures for people who are not in work were 46 per cent of men and 37 per cent of women.⁷

Levels of poor health were higher among single people and couples without children. The high rate of mental health problems among childless households is likely to reflect the fact that local authorities have a duty to house people who are vulnerable due to ill health.

Table 9: Types of health problem reported

	Total (%)	Households with children (%)	Households without children (%)
% with any health problem	78	74	87
Depression	56	49	71
Skin problems/eczema	27	27	25
Asthma	24	23	27
Other chest/breathing problems	21	20	23
Other mental health problems	19	11	35
Repeat vomiting/diarrhoea	13	11	17
Total number of responses	375	255	120

Source: Shelter temporary accommodation survey 2003.

3.4 Depression

The most striking finding of this survey was the high level of depression associated with homelessness and living in temporary accommodation. Nearly half of parents with children and 71 per cent of childless people reported being depressed.

People's comments show that depression was related to a number of factors, including their current housing situation, previous traumatic experiences and uncertainty about their future. Rates of depression were highest among people who had recently become homeless (living in temporary accommodation for less than three months) and those who had been living in temporary accommodation for a very long period (more than a year). Depression among the first group could be related to the circumstances in which they became homeless, while in the second group, it is more likely to reflect their current housing situation and uncertainty about the future.

'I hope that the period of living in temporary accommodation gets limited as much as possible, especially for families with young kids because instability at that stage leads easily to depression.'

'No stability for me has meant increased depression and anxiety and relapsing on drugs due to the eviction.'

'I have more virus infections and my depression has increased as I don't feel secure here.'

'Me and my family are suffering from depression. We are afraid because there was a burglary in our current home last year.'

3.5 Length of stay and impact on health

Overall, half of people said that their health or their family's health had suffered due to living in temporary accommodation. People who had been living in temporary accommodation for more than a year were more likely to report damage to their health through living in temporary accommodation.

Table 10: Do you feel the health of you or your family has suffered due to living in temporary accommodation?

	Length of stay in temporary accommodation		
	< 3 months	3 months - 1 year	> 1 year
Yes	35	39	60
No	65	61	40
Total (number)	100 (93)	100 (103)	100 (202)

Source: Shelter temporary accommodation survey 2003.

When asked specifically about their own health, a large proportion of respondents (41 per cent) said that their health had got 'worse' since they moved into temporary accommodation. A quarter (26 per cent) of people who had been in temporary accommodation for more than a year felt that their health had got 'much worse'.

Table 11: Since you have been housed in temporary accommodation by the council, how does your health compare to how it was before?

	Length of stay in temporary accommodation		
	< 3 months	3 months - 1 year	> 1 year
Better	24	26	20
Same	34	38	38
Worse	42	36	42
Total (number)	100 (96)	100 (104)	100 (208)

Source: Shelter temporary accommodation survey 2003.

3.6 Type of accommodation and impact on health

People living in shared accommodation including bed and breakfast hotels and hostels were more likely to report health problems than people living in self-contained accommodation. This partly reflects the health needs of single homeless people, who are more likely to be living in hostels or bed and breakfast hotels, and partly the impact of the accommodation.

Table 12: Reported health problems in different types of accommodation

	Flat or house (%)	B&B hotel (%)	Hostel/ women's refuge (%)	Bedsit (%)
% with any health problem	76	90	83	71
Depression	53	71	70	46
Other mental health problem	17	35	26	4
Skin problems/eczema	28	27	17	25
Asthma	25	25	30	13
Other chest/breathing problems	19	29	30	21
Repeat vomiting/diarrhoea	11	21	13	13
Total number of responses	272	52	23	24

Source: Shelter temporary accommodation survey 2003.

Some health problems were directly linked to the physical condition of the accommodation, such as damp exacerbating asthma. Others arose from unsuitability or insecurity of the accommodation or problems with other residents.

'Son has breathing problems. The damp in the flat and heat causes him to get a cold regularly.'

'I am blind and need to be accommodated in a place which is suitable for blind people.'

'I have been bullied and discriminated against. I am sharing a room with a thief. I have moved eight times in 18 months so I am very stressed and depressed and feel insecure and unstable. The damp in some places made my asthma worse.'

3.7 Use of health services

Levels of GP registration were reasonably high (95 per cent), compared to 99 per cent nationally. Two fifths of households (38 per cent) reported more frequent visits to their doctor or a hospital since they became homeless. Findings from the General Household Survey indicate that higher rates of GP consultation are associated with lower income, economic inactivity and worse health.

Table 13: Since becoming homeless, have you seen a doctor more often, less often or about the same as before you became homeless?

	Number	%
More often	148	38
About the same	211	54
Less often	35	8
Total	394	100

Source: Shelter temporary accommodation survey 2003.

4 Children's education and well-being

4.1 Summary

Frequent moving and disruption associated with living in temporary accommodation makes it difficult for children to keep school places, maintain their attendance and do well at school. Two fifths of parents (43 per cent) reported that their children had missed school due to their housing situation. On average, children had missed 55 days of school equivalent to quarter of the school year. One in ten parents (11 per cent) said that at least one of their children did not have a school place at all for the term. Parents also said their children had long journeys to school and had problems with transport.

The trauma of becoming homeless and the stresses associated with living in temporary accommodation affect children's mental and emotional well-being. Over two fifths (42 per cent) of parents said that their child was 'often unhappy or depressed'. Children also experienced a lot of problems at school, including bullying and behavioural problems. One in ten parents (11 per cent) said that their child had been given a statement of Special Educational Needs and one in ten said their child had been suspended, excluded or expelled from school.

Parents are also finding it difficult to access childcare and support for young children. In the nine local authority areas our survey covered, there are 21 local Sure Start programmes. Despite this, only a fifth of families with children aged under four years were accessing Sure Start programmes.

4.2 Impact of living in temporary accommodation on children

About half (49 per cent) of parents said that their children's education had suffered as a result of living in temporary accommodation. Problems parents identified for their children included changing schools, travelling long distances to school, suffering emotional instability, lacking space to do homework, missing school and having to make new friends. A lot of comments made the link between frequent moving and problems at school:

'I have been living in temporary accommodation for 5 years and every year I have been put in a new area so I had to change the school for my child.'

'My children need permanent housing. For nine years we have lived on the move.'

Table 14: In what ways has your child(ren)'s education suffered?*

	%
Having to change schools	24
Emotional instability/psychological problems	21
Travelling long distance to schools	13
Long way from school	10
Lack of space in accommodation to play or do homework	11
Affected school work	11
Child has missed some school	10
Having to change friends	10
Total number of responses	62

Source: Shelter temporary accommodation survey 2003.

*Open question to those who said that their children's education had suffered as a result of living in temporary accommodation

4.3 School places and attendance

One in ten (11 per cent) parents said that one or more of their children did not have a school place for the term. Just under half of parents (43 per cent) said that at least one of their children had missed some school because of their housing situation. A third of parents said that all of their children had had to miss some school. The main reasons are summarised in the table opposite.

Table 15: Why has your child had to miss some school?*

Reasons given	%
Transport problems	33
No school places/unable to get a school place	22
Unsettled/ having to move	20
Tiredness/lack of sleep/noisy neighbours	10
Mobility problems	8
Depression/health condition affecting parent	8
No money for transport to school	6
Problem with house/no place to live	4
Other	6
Total number of responses	49

Source: Shelter temporary accommodation survey 2003.

* Open question to respondents who said their child(ren) had missed some school

Among the 48 families who said that their child had missed some school, two thirds (32 parents) had a child who had missed up to four weeks, nearly a quarter (11 parents) said a child had missed between one and six months of school and one in ten (five parents) said a child had missed more than six months of school. The average amount of school time missed by any one child was 55 days, which is equivalent to quarter of the school year. Nationally, an average of nine school days are missed in a year.⁸

4.4 Travel to school

Roughly half of parents (55 per cent) said at least one of their children had a daily school journey of more than 30 minutes. Around one in six (16 per cent) said that it took more than an hour. Nationally, the average journey to school takes 20 minutes for children aged 5-10 years and 25-30 minutes for children aged 11-16 years.⁹ Again, parents placed in accommodation outside their local area commented on problems getting to school and one parent linked this to her son's problematic behaviour outside school.

'The council sometimes moves us to accommodation far away from my children's school forcing us to travel at least two hours a day.'

4.5 Problems at school

The majority of parents who responded to this question (68 per cent) said that their children had experienced problems at school. Well over a third of parents (42 per cent) said that their child was 'often unhappy or depressed'. Other common problems included their child playing truant, finding it difficult to make or keep friends, being bullied or picked on at school and having temper tantrums (see table 16). One parent commented on severe bullying experienced by her son out of school:

'My son cannot go out alone because of bullies - they carry weapons.'

Just over one in ten parents (11 per cent) said their child had been given a statement of Special Educational Needs (SEN) and one in ten had a child who been suspended, expelled or excluded from school. Nationally 250,500 pupils in schools (3 per cent of pupils) had statements of SEN in 2003.¹⁰ However, the high proportion of homeless children in this survey given a statement of SEN could reflect problems that existed before they became homeless, resulting in a statement only after their homelessness. Also, some children may have developed needs but have not been given a statement.

Table 16: Have any of your child(ren) experienced any of the following since becoming homeless?

Experience	%
Often being unhappy or depressed	42
Finding it difficult to make or keep friends	30
Having temper tantrums	29
Being bullied/picked on by other children	25
Being given a Statement of Special Educational Needs	11
Being suspended, expelled or excluded from school	10
Playing truant	9
Other	11
No, none of these	32
Total number of responses	118

Source: Shelter temporary accommodation survey 2003.

4.6 Support for parents and young children

Sure Start is an area-based programme located in the most deprived wards. In the nine local authority areas our survey covered, there were 21 Sure Start programmes. Despite this, only a fifth of homeless families with children aged under four years said they were accessing Sure Start. Nearly half (46 per cent) said that they did not need the service. This may suggest a lack of awareness or information about the kinds of support offered to parents and children under this programme.

Table 17: Use of services for children

	Number using service	% of all families	% of families who said they need a service
Childcare	33	15 *	31
Pre-school/nursery school	63	41**	-
Sure Start (services for under 4s)	26	20**	-

Source: Shelter temporary accommodation survey 2003.

* per cent of all families with children

**per cent of families with children of 4 years and under who responded to question

5 Work, training and benefits

5.1 Summary

High rents and the insecurity of temporary accommodation prevent people from moving into work and training. This blocks perhaps the most important long-term route to escaping poverty and homelessness. People in our survey reported very low levels of engagement in work and training. Seventy-seven per cent of people lived in a household where no one worked and 55 per cent of people lived in a household where no one was either in work or enrolled on training. The reasons people gave included health or mobility problems, not knowing how long they would be in their home, high rents and worries about changes to benefits.

Although still high, the proportion of people not working was slightly lower before people became homeless (63 per cent). Higher levels of economic inactivity persist while people are living in temporary accommodation. They also do not decrease to pre-homelessness levels, even among people who have been living in temporary accommodation for more than a year (74 per cent). Low levels of engagement in work result in very high levels of benefit dependency, with 91 per cent of respondents being in receipt of full (48 per cent) or partial (43 per cent) housing benefit.

5.2 Work

The vast majority of households (77 per cent) had no household members in work. A minority (eight per cent) said that their partner was currently working and 17 per cent said that they were working.

Among respondents, there was a 40 per cent decrease in employment levels following homelessness – from 28 per cent in work to only 17 per cent.

Table 18: Work status of household members

	Current work status %	Work status directly before becoming homeless %*
Respondent working	17	28
Partner working	8	11
No household members working	77	63
Total number of responses	406	401

Source: Shelter temporary accommodation survey 2003.

* This was a separate question asking whether people were working directly before they became homeless

Households without children were less likely to have a household member in work (89 per cent), but rates of economic inactivity or unemployment were also high among families with children (71 per cent).

5.3 Training and education

A quarter of households included someone taking part in training or education. The rate was higher for people living in hostels (39 per cent) and young people aged 16-24 years (28 per cent). Equal proportions of people with and without children were enrolled on training or education programmes.

5.4 Barriers to work and training

Physical and mental health problems were commonly reported as reasons for people not taking part in work, training or education.

Lack of childcare was the main barrier to work for parents with children. Other financial barriers to work included high rents and potential changes to benefits.

The insecurity of living in temporary accommodation was also a significant barrier to work and this appears to become an increasing problem over time.

'My rent is £125 per week and if I wanted to work then how on earth am I supposed to afford my rent when I will only probably earn around £100 to £150 per week? I hear other people saying that their rent is no more than £60 to £80 per week because their flats are unfurnished but still I don't think my rent should be that much. Because my rent is so high it stops me from working because still earning money I will not afford to pay my rent and also I will need to put my baby into a playgroup, which costs money as well. My family cannot take care of my baby because none of my family members wants to be in touch with me. Basically I am all by myself with my 14-month baby girl.'

'The property is very expensive and not worth £246 weekly. Housing benefit was paying £44 towards our rent and this has left us in very huge rent arrears because we can't afford £200 weekly. I'm working and paying £80 weekly towards rent. I'm going to be homeless again because the housing association has applied for accelerated re-possession. I don't want to go through this again because it is very stressful. I'm a temporary worker and this is going to affect my earnings because I have to take time off to cater for this situation. I have spent three and a half years in temporary accommodation and I'm very unhappy about the condition of where I live.'

Table 19: Barriers to work, training and education

	Household with children (number)	Household without children (number)
Health/mobility problems	22	54
Mental health problems	27	20
Lack of childcare	41	-
High rents mean cannot afford it	28	17
Worried about changes to benefits	25	20
Don't know how long I will be living here	13	13
Total number of responses	143	87

Source: Shelter temporary accommodation survey 2003.

5.5 Length of stay in temporary accommodation

Overall, people who had been living in temporary accommodation for more than one year were slightly more likely to have a job. But among households without children, a greater proportion who had been living in temporary accommodation for more than a year (91 per cent) were not in work.

Table 20: Proportion of household members working (%)

	Length of stay in temporary accommodation		
	< 3 months	3 months – 1 year	> 1 year
Respondent working	12	17	20
Partner working	10	6	8
No household members working	81	78	74
Total number of responses	94	103	206

Source: Shelter temporary accommodation survey 2003.

5.6 Housing benefit

The vast majority of households in our survey (91 per cent) were receiving some housing benefit to cover their rent. Around half of people (48 per cent) said that housing benefit covered their full rent and two fifths (43 per cent) said that housing benefit paid some of their rent.

Policy implications

The findings from Shelter's survey of households living in temporary accommodation highlights the significant negative effects of this experience on the health and well-being of children and adults alike.

This final section looks at the implications of these findings in two ways:

- By calculating the wide range of additional costs to the public purse which may arise from a stay in temporary accommodation
- By setting out clearly Shelter's recommendations for future policy and expenditure to tackle the problems highlighted by this research.

Estimate of the cost implications of temporary accommodation

From our survey, it is clear that living in temporary accommodation has negative effects on people's health, their mental well-being, their children's education and their opportunities for work and training. Associated with these negative effects are increased use of services and benefits, which mean additional costs to the public purse.

We compared the needs of currently homeless households in our survey with the needs of formerly homeless households now in social housing. On this basis, we estimate that the additional annual expenditure associated with the use of temporary accommodation is around £500 million, including:

- around £300 million on rent-related expenditure linked to higher rents and greater dependency on housing benefit than similar households in social housing
- around £90 million on additional take up of out-of-work benefits (income support), based on an estimate that one in four workless households are unemployed due to living in temporary accommodation (over and above 'standard' rates of unemployment)
- around £50 million on out-of-school provision for children missing school, based on an estimate that children miss eight more weeks of school a year than other similarly deprived children
- around £30 million on additional take up of sickness benefits (incapacity benefit), based on an estimate that one in twelve households out of work due to illness have health problems that prevent them working which are related to living in temporary accommodation
- around £10 million on additional visits to the GP due to worse health, based on an estimate that a quarter of ill households are in ill health due to living in temporary accommodation.

This figure does not take into account capital or revenue subsidies for social housing. The Association of London Government (ALG) estimated for London in 2002 that the Government would save in excess of £1 billion in direct costs (in net present value terms over 30 years) if the 50,000 households then living in temporary accommodation in London only were housed in permanent accommodation.¹¹ This estimate was based on

a projection that the population in temporary accommodation would increase by 5,000 a year in London. In fact, it has increased by more than this and in October 2003 there were nearly 63,000 households living in temporary accommodation in London.

The figure presented here is undoubtedly an underestimate:

- additional needs and services not explicitly linked to living in temporary accommodation have not been quantified or costed; for example, children's behavioural problems resulting in exclusion from school
- it is based on cautious estimates of the cost of services; for example, the average income support payment to a single adult is used as a cost of benefits for a whole household with no member in work.
- it does not take into account the long-term costs of living in temporary accommodation. Persistent, severe and unmet needs arising from a stay in temporary accommodation, such as long-term ill health and unemployment or children missing school have long-term effects and costs.

The costing exercise is divided into three stages:

1. An estimate of additional needs arising from a stay in temporary accommodation
2. An estimate of the costs of services to meet these needs
3. The final calculation based on the number of people living in temporary accommodation.

The detailed calculations are set out in appendix 2

Recommendations for the 2004 Spending Review

The evidence from our survey demonstrates the unacceptably high costs associated with the use of temporary accommodation to the households concerned and to the public purse. As set out in the other parts of our Spending Review submission, the long-term solution is increased investment in social housing. There is, however, an urgent need to invest now to implement a new deal for homeless people to address the immediate needs of over 90,000 homeless households currently living in temporary accommodation.

Access to services and support

Our survey clearly shows that many people living in temporary accommodation have high levels of social, support and health care needs. Extremely high rates of depression and social isolation were reported among adults and emotional and psychological problems among children. The trauma experienced by both adults and children on becoming homeless, often linked to experiences of domestic violence and relationship breakdown, is often not addressed. A clear priority is to make resources available to meet these needs. We recommend:

- An innovation fund should be set up to provide support services for all homeless people to enable people to cope with their stay in temporary accommodation and link into other services to meet their health, social care and employment needs. This should be funded through the Homelessness and Housing Support Directorate. Over time, this funding could be absorbed within the Supporting People programme which will fall under the new directorate.
- New funding to support homeless children should be made available through the Homelessness and Housing Support Directorate. Currently, services for children are not covered by Supporting People and the long term future of the Children's Fund is uncertain. It is important that funding is provided for Children's support worker posts in tenancy sustainment and support teams, which work with homeless families.
- Funding should be provided within the Sure Start programme to ensure that existing services can meet the needs of homeless families in the area or set up a mobile Sure Start service specifically for families in temporary accommodation. In the nine local authority areas our survey covered, there are 21 local Sure Start programmes. Despite this, only a fifth of families with children aged under four years were accessing the service.
- Start up funding should be provided for the development of notification and information-sharing systems between local authority departments that need to have contact with homeless households placed in temporary accommodation. This would replicate the 'NOTIFY' system in London, a joint initiative between the GLA and ALG, set up with support from the Homelessness Directorate. It uses information provided by London borough housing departments to notify social services, local education authorities and primary care trusts in authorities where households are placed. The Green Paper, Every Child Matters proposes a range of measures to improve information-sharing between local agencies. It is essential that these measures are co-ordinated with the homelessness functions of local housing authorities. Children in homeless families are often at risk and are often not in contact with key agencies or services.

Children's educational welfare

Our survey clearly shows that children are missing out on education due to frequent moves into and between temporary accommodation. The majority of respondents (68 per cent) said that at least one of their children was experiencing problems at school related to having to change schools, emotional or psychological problems or long journeys to school. We recommend that the following educational support services are funded through Local Education Authorities' (LEAs) standards fund grants, which should take into account levels of homelessness in the local area, for example through sensitivities to pupil turnover in schools:

- Dedicated Educational Welfare services are needed for homeless children. Education Welfare Officers should work closely with schools and families to help homeless

children access school places, arrange transport, help arrange alternative educational provision where necessary and identify support needs relevant to their education.

- Financial support should be provided for school-related costs and support to cover the cost of bus passes and other transport costs, additional school uniforms needed when homeless children have to change schools and money for extra-curricular activities such as homework and after-school clubs and school trips.
- Flexible funding is needed for projects to support the re-integration of homeless children into school through an addition to the Vulnerable Children Grant (VCG) introduced in 2003, this is not currently targeted at homeless children, but is aimed at looked after children, children with medical needs, gypsy and traveller children, asylum seekers, young carers, school refusers, teenage parents and supporting young offenders.
- Access to educational psychology services for homeless children, to address the trauma experienced by children on becoming homeless and related emotional and behavioural problems.

Affordability

At present, large numbers of homeless people on very low incomes are spending years in expensive temporary accommodation. This increases social exclusion and denies them opportunities to get into work and training. Our survey found that 77 per cent of respondents were living in a household where no-one worked. A quarter of people said specifically that high rents meant that they could not afford to work. Among families with children, 28 per cent said that high rents were a barrier to work. We recommend:

- Measures to improve affordability for homeless households in temporary accommodation. Shelter, the ALG, the GLA and the NHF have lobbied over the last four years for changes to the financial framework for temporary accommodation to move to a grant-based system instead of relying on housing benefit subsidy. This would significantly improve work incentives and implementing it would be cost-neutral.

Appendix 1

Research methodology

Between August and October 2003, Shelter undertook a survey of people living in temporary accommodation. Eleven local authorities were approached, of which nine took part. They included authorities in London, the South East, the South West, Midlands and the North.

For local authorities with fewer people living in temporary accommodation, questionnaires were sent to every household, whereas local authorities with a large number of people in temporary accommodation were sent questionnaires to every seventh household.

Letters explaining how questionnaires were to be distributed were sent to each local authority. Memos were also sent to local authority staff not directly involved with the survey, informing them about the survey and how to respond to queries. Spare questionnaires were sent to each local authority to cater for the fluctuation of homeless households.

The total number of questionnaires sent by local authorities to households living in temporary accommodation was 2,046. Four hundred and seventeen questionnaires were returned. The closing date for the survey was 13 October 2003.

In order to reach as many non-English speakers in our survey, we offered to translate the questionnaire into six languages; Arabic, Bengali, Chinese, French, Somali and Turkish. Very few people, however, requested this. To boost the response rate, we offered £5 gift vouchers (either Boots or Marks and Spencer) for every questionnaire completed and returned to us.

Appendix 2:

Estimating the additional costs of temporary accommodation

The section on Policy Implications in the main report set out Shelter's estimate of the additional cost of using temporary accommodation. This appendix sets out in detail the methods used to make the calculations.

The basic approach is:

1. to compare the needs of currently homeless households living in temporary accommodation with the needs of recently homeless households now living in social housing, assuming that these additional needs can be attributed to living in temporary accommodation
2. to estimate the cost of services to meet these needs
3. to calculate the total cost of services based on the number of households currently living in temporary accommodation
4. to test out the impact of using different parameters/costs on the final calculation.

The final table sets out the potential long-term costs associated with the use of temporary accommodation, which are not quantified or included in the estimate.

1) Estimating additional needs arising from a stay in temporary accommodation

Homeless people often have greater health and social care needs related to the circumstances in which they became homeless, such as being a victim of domestic violence, losing their job or having an existing mental health problem. Also, councils only accept single homeless people for re-housing if they have existing health or social care needs that make them vulnerable. This means it is difficult to disentangle needs that already existed from those that arose through people's stay in temporary accommodation. However, the survey itself, and comparison with similarly deprived (formerly homeless) households in stable housing, provides clear evidence of the links between people's ill health and unemployment and their temporary accommodation:

- people directly linked their health problems, such as depression and asthma, to living in temporary accommodation
- people commonly identified high rents in their temporary accommodation, insecurity of their accommodation and worries about changes to benefits as reasons for not working
- people's health became worse with longer stays in temporary accommodation
- levels of ill health and unemployment were significantly higher among currently homeless households in our survey and recently homeless households living in social housing.

Evidence from the survey of the impact of living in temporary accommodation

The survey findings clearly show that living in temporary accommodation damages the health and well-being of individuals and families. Half of the respondents said that their health or the health of their family had suffered as a direct result of living in temporary accommodation. Levels of engagement in work and training were lower after people became homeless than before.

Table 21: Impact of living in temporary accommodation over time

Indicator	Before homeless	Length of stay in temporary accommodation		
		< 3 months	3 months - 1 year	> 1 year
Respondents				
% respondents not in work	72	88	82	80
% respondents with health problem	-	73	78	81
Households				
% households no member in work	63	81	78	74
% respondents who say household health suffered due to accommodation	-	35	39	60

Source: Shelter temporary accommodation survey 2003.

Comparison with formerly homeless households living in social housing

For the purposes of costing, we have compared the needs of homeless households currently living in temporary accommodation to households living in social housing who have been homeless in the recent past. Our survey of 417 households provides information about the first group.

For our 'baseline' or 'control' group, we used information about 109 households who took part in the National Child Development Survey 1999/00, who had been homeless in the last ten years and who were currently renting from the council or a housing association. The National Child Development Survey is a birth cohort study carried out by the Institute of Education. All the respondents in 1999/00 were aged 42, so the control group had been homeless between the ages of 33 and 42, which is slightly older than the average age of respondents to our survey. An alternative 'control' group are used in the sensitivity analysis at the end of this appendix.

Table 22: Difference in health and employment of homeless households and formerly homeless households now renting from the council or a housing association

	Shelter survey	NCDS (baseline)
Respondents		
% respondents suffering from health problem*	78	53
% respondents suffering from depression	56	32
% respondents not in work	83	51
Households		
% households with no member in work	77	44
% households - no member in work due to health problem	26	18
% households - no member in work for other reason	51	26
% households receiving housing benefit	91	50

Sources: Shelter temporary accommodation survey 2003, National Child Development Survey 1999/2000, Institute of Education, ODPM Survey of English Housing (SEH) 2000/01.

* Question in Shelter survey was 'Do you have any of the following health problems?' with respondents asked to tick all boxes that applied. The question in the National Child Development Survey was 'Do you have any long-standing illness, disability or infirmity? By long-standing I mean anything that has troubled you over a period of time, or that is likely to affect you over a period of time?'

Comparison of homeless children with other deprived children

Unfortunately, none of the major household surveys contain detailed information about children's well-being or school attendance. For this reason, we have compared the number of school days missed by children in our survey to school attendance among children living in deprived wards where Sure Start programmes are located. This is a less satisfactory measure since the housing situation of children in these areas is not known. What is known is that these areas are the 260 most deprived wards in England, so they are likely to contain children from low-income families.

We asked parents how much time each of their children had missed from school since they became homeless. The average number of school days missed by children was 55 days. This figure was converted into a percentage of half-days missed for purposes of comparison (see table opposite).

Table 23: The average number of school days missed by children in temporary accommodation and children in deprived (Sure Start) areas

	Shelter survey	Sure Start areas	England
% of school sessions (half days) lost due to authorised and unauthorised absences	37	9	7
Average number of school days missed per year	55	13.5	10
Average number of weeks of school missed	11	2.7	2.3

Sources: Shelter survey, DfES 2000/01, Sure Start National Evaluation report June 2003.

2) Additional expenditure on services

The second task is to assign a unit cost for services provided to a homeless household to meet needs arising from their stay in temporary accommodation. We have used indicators where we are confident that the problem is related to people's stay in temporary accommodation and where it is possible to relate this to additional service use with associated costs.

Rents

The cost of rents in temporary accommodation is derived as a weighted composite average rent for all types of temporary accommodation, based on the regional distribution of temporary accommodation use and on the proportions of different types of accommodation used. The workings are shown in tables 24 and 25 providing a composite rent of £104.70 a week, or £5,444 a year, compared to a social rent (again weighted by regional distribution of homeless households) of £62.95 a week, or £3,273 a year.

Benefits

The unit annual cost of welfare benefits used for a household with no member in work is the average national amount of income support that one household member receives over 52 weeks. This is an underestimate since some workless households have more than one person receiving benefits. The average amount of income support is £72 per week. This gives a total annual cost per household of $52 \times £72 = £3,744$.

The unit annual cost of sickness benefits for a person who is economically inactive due to health or mobility problems is the average national amount of incapacity benefit they would receive over 52 weeks. The average amount of incapacity benefit is £83 a week. This gives a total annual cost per household (with sick member) of $52 \times £83 = £4,316$.

Health services

The unit annual cost of health services for a person who has health problems is the average cost of four additional consultations with a GP per year. The cost of a GP consultation is derived from existing information about unit costs of an hour of patient contact including prescription costs (£127).¹² This gives an annual cost per person of two GP consultations costing around $4 \times £127 = £508$.

Children's out-of-school provision

The cost of services to provide for children who have missed long periods of school is estimated as the average weekly cost of out-of-school provision. Among 69 homeless children of school age in Manchester, children who had missed school were typically receiving extra educational support.^{*} The Audit Commission report Missing Out estimated the average weekly costs of various forms of out-of school provision, including costs for a placement in a Pupil Referral Unit (PRU), the specialist unit and home tuition. On average, these forms of provision are three times the cost of mainstream school – between £110 and £140 a week, compared to £40 a week for mainstream school placements. We have used a cost of £80 a week – the difference between the two figures.^{**}

^{*} Internal monitoring for Shelter's Manchester Education Project, 2004

^{**} Audit Commission (1999) Missing Out, LEA management of School Attendance and Exclusion, London: Audit Commission

3) Final Calculation

Table 24: Expenditure on rents and housing benefit in temporary accommodation provided by local authorities

	(a) PRS reference rent	(b) % homeless households	(c) Weighted components	(d) LA rent	(e) % homeless households	(f) Weighted components
London	£106.51	82	87.33	£61.68	37	22.82
South East	£68.78	11	7.57	£53.43	20	10.69
South West	£60.15	4	2.41	£45.64	8	3.65
East Midlands	£48.52	0	0.00	£41.66	5	2.08
Eastern	£60.32	1	0.60	£48.60	12	5.83
West Midlands	£57.24	0	0.00	£42.69	6	2.56
Yorkshire and Humberside	£49.40	1	0.49	£39.87	6	2.39
North East	£52.05	0	0.00	£39.28	5	1.96
North West & Merseyside	£56.09	0	0.00	£43.34	2	0.87
			£98.40			£52.86

(a) These are reference rents for the private rented sector for 2001/02, Housing Corporation Rent Guides: rent tables 2002.

(b) These are the proportions of homeless households living in leased private accommodation in the different regions.

(c) These figures are the components of the private rent, weighted by region.

(d) These figures are the average rents for local authority rented accommodation in 2001/02, Housing Corporation Rent Guides: rent tables 2002.

(e) These are the proportions of homeless households living in housing association or local authority stock in the different regions, ODPM Statutory Homelessness: England third quarter 2003.

(f) These figures are the components of the local authority rent, weighted by region – this may be an underestimate since it is based on LA not RSL rents.

Table 25: Composite rent for all temporary accommodation provided by local authorities

	% homeless households	Rent	Weighted components
Hostels	14	£65.27	9.14
B&B	14	£313.14	43.84
Leased	30	£98.40	29.52
LA/HA stock	33	£52.86	17.44
Other*	9	£52.86	4.76
			£104.70

* The local authority rent figure is used here, which is likely to be an underestimate

Table 26: Weighted rent for social housing

	% households	Rent	Weighted components
North	6	£46	£2.76
Midlands	13	£49	£6.37
London	58	£69	£40.02
Rest of South	23	£60	£13.80
	100		£62.95

Source: ODPM Survey of English Housing 2001/02.

Table 27: Final calculation of additional cost/rents for temporary accommodation provided by local authorities

	(a) TA survey %	(b) NCDS %	(c) social rent	(d) Composite TA rent	(e) Total cost
Receipt of housing benefit	91	50	£62.95	£104.70	£311,627,349

- (a) This is the proportion (%) of the 417 households in our survey in receipt of housing benefit
- (b) This is the proportion (%) of the 109 households in the National Child Development Survey 1999/2000 in receipt of housing benefit
- (c) This is the average rent (derived Table 26) for social rented housing, based on figures from the Survey of English Housing 2001/02
- (d) This is the composite rent for temporary accommodation based, weighted by region and type of accommodation (derived in Tables 24 and 25)
- (e) This is the additional rent-related cost of temporary accommodation due to higher rents and greater dependency on housing benefit, using the formula $(a \times d) - (b \times e)$ multiplied by 93,930 (the number of households in temporary accommodation).

Table 28: Calculation of expenditure on health services and welfare benefits

Indicator of need	(a) TA survey %	(b) NCDS (baseline) %	(c) Difference % points	(d) No. of homeless households	(e) Annual cost per household	(f) Total cost
Unemployed/economically inactive (benefits)	51	26	25	23,482.5	£3,744	£87,918,480
Out of work due to ill health (incapacity benefit)	26	18	8	7,683.5	£4,316	£33,161,874
Suffering from health problem (GP services)	78	53	25	23,482.5	£508	£11,929,110

(a) This is the proportion (%) of the 417 households in our survey who were affected by the problems listed. The total proportion of households with no member in work is the sum of the first two rows – 77% of households in our survey.

(b) This is the proportion (%) of the 109 households in the National Child Development Survey 1999/2000 (who were renting from the council or a housing association and who had been homeless), who were affected by the problems listed.

(c) This figure is the (percentage point) difference between the two proportions (a) and (b) – reflecting the additional needs of households in temporary accommodation.

(d) This figure is our estimate of the additional numbers of people ill or unemployed due to living in temporary accommodation, i.e. people who would have been better off if they were in stable accommodation. This is calculated by multiplying the total number of households living in temporary accommodation provided by local authorities (93,930 households) by the proportion under (c).

(e) This is the cost per household of meeting needs, including welfare benefits and GP services, as described in the section above.

Table 29: Cost of missed school for homeless children

(a) Average number of weeks of school missed by homeless children in temporary accommodation	11 weeks
(b) Average number of weeks of school missed by children in Sure Start areas	2.7 weeks
(c) Additional weeks missed by homeless children (a) minus (b)	8.3 weeks
(d) Number of homeless children living in temporary accommodation*	72,000
(e) Total number of school weeks missed (c) times (d)	598,000
(f) Average weekly cost of out-of-school provision (over and above mainstream provision)	£80
(g) Total cost of additional out-of-school provision for homeless children (e) times (f)	£47,800,000

* This estimate is derived from the local authority quarterly P1E homelessness returns, extrapolating the proportions of pregnant households and households containing one, two or three dependent children, each to whom the local authority has a duty, and applying the same proportions to the 54 per cent (51, 268) of pregnant households and households with children living in temporary accommodation.

4) Sensitivity analysis

Alternative parameters could be used to produce a cost estimate, including:

1. A different group of formerly homeless people living in social housing whose needs are compared to people in our survey
2. Different estimates of unit costs for health, welfare benefits, rents and children's services to meet needs of people living in temporary accommodation.

Factoring in these different estimates provides a range of costs between £400 million and £550 million.

1. Different baseline group

Survey of English Housing

We looked at needs among 571 households who took part in the Survey of English Housing 2000/01, who had been accepted by the local authority as homeless in the past ten years and were now living in social housing. We did not use this sample as our baseline group in the main cost estimate, because questions about health were not asked. However, the sample may be better because it includes households who were previously accepted by the local authority as homeless, rather than all households who have previously experienced homelessness captured in the National Child Development Survey.

The table below shows indicators on employment and benefits among this group. One difference between formerly homeless households captured in the SEH and those with a similar profile who took part in the National Child Development Survey (NCDS) was the higher rate of worklessness – a ten percentage point difference. Another major difference was the higher rate of dependency on housing benefit among the group who took part in the SEH.

Table 30: Difference in health and employment of homeless households and formerly homeless households renting from the council or a housing association

	Shelter survey	NCDS (baseline)	SEH (baseline)
Respondents			
% respondents not in work	83	53	58
Households			
% households with no member in work	77	44	54
% households not working due to health problem	26	18	19
% households not working for other reason	51	26	35
% households receiving housing benefit	91	50	70

Sources: Shelter temporary accommodation survey 2003, ODPM Survey of English Housing (SEH) 2000/01, National Child Development survey 1999/2000, Institute of Education.

Because the SEH shows greater disadvantage in the control population, it means that the 'gap' between the control group and temporary accommodation survey is less, hence lower estimated additional 'costs' of temporary accommodation. In terms of the impact on the final cost estimates, the differences are:

- £250 million, rather than £310 million on rent-related expenditure linked to higher rents and greater take up of housing benefit
- £29 million rather than £33 million on additional take up of sickness benefits (incapacity benefit)
- £56 million rather than £88 million on additional take up of out-of-work benefits (income support)
- £96 million less than the original estimate, that is roughly a fifth lower

National Child Development survey – recently homeless households

Looking at the needs of 34 socially renting households who were homeless within the last two years in the National Child Development Survey does not provide a large sample, but is useful as a comparison. The main difference is in the proportion reporting a health problem. Factoring this into the cost estimate would provide a total cost of health services of £9 million instead of £12 million, a quarter lower.

Table 31: Difference in health and employment of homeless households and formerly homeless households now renting from the council or a housing association

	Shelter survey	NCDS (baseline)	NCDS (recently homeless)
Respondents			
% respondents suffering from health problem*	78	53	62
% respondents suffering from depression	56	32	29
% respondents not in work	83	51	59
% households receiving housing benefit	91	50	50

Sources: Shelter temporary accommodation survey 2003, National Child Development Survey 1999/2000, Institute of Education, ODPM Survey of English Housing (SEH) 2000/01.

* Question in Shelter survey was 'Do you have any of the following health problems?' with respondents asked to tick all boxes that applied. The question in the National Child Development Survey was 'Do you have any long-standing illness, disability or infirmity? By long-standing I mean anything that has troubled you over a period of time, or that is likely to affect you over a period of time'

2. Different unit costs for services

Benefits

Including a higher rate of benefits for lone parent households. The unit annual cost of welfare benefits used for a person who is out of work is the average national amount of income support they would receive over 52 weeks. The average amount of income support for lone parents is £113 per week. Around half of households living in temporary accommodation are lone parents. This gives a total annual cost per lone parent household not in work of $52 \times £113 = £5,876$. Assuming that additional economic inactivity among lone parents and other households results from TA, this provides a total of £112 million, roughly a quarter higher than the original estimate.

Health services

Using different estimates of additional use of GP and emergency health services. Using an estimate of two, rather than four, additional hours of GP time, gives a unit cost of $2 \times £127 = £254$, half the original cost. Alternatively, adding in a visit to an A&E department, using an average cost for a first attendance at A&E of £57, gives a higher cost of £565 and a total of around £13 million.¹³

Children missing school

Using an up-rated figure (2002/03) for the cost of children missing school. The cost of services to provide for children who have missed long periods of school is estimated as the average weekly cost of various forms of out-of-school provision and support. The current annual cost of mainstream school is around £2,600 per pupil. The cost of alternative forms of provision are roughly three times the cost of mainstream provision. Combining these figures gives a total of around £7,900 for out-of-school and special provision, around £100 a week more than mainstream schooling. This provides a higher estimate of £60 million.

Different rental costs

Using a different source of rental data. An alternative average social rent based on Housing Corporation Rent Guides, rather than the Survey of English Housing data. Using a weighted rent of £60.24, derived below, the additional rent-related costs associated with temporary accommodation are higher. Using this average rent gives a total additional cost of £316 million, rather £312 million.

Table 32: Alternative weighted rent for social housing

	% homeless households	RSL rent (£)	LA rent (£)	Mean (£) social rent	Weighted components
London	58	68.69	61.68	65.19	37.81
South East	15	66.01	53.43	59.72	8.96
South West	7	58.07	45.64	51.86	3.63
East Midlands	2	53.64	41.66	47.65	0.95
Eastern	7	59.54	48.60	54.07	3.78
West Midlands	3	51.90	42.69	47.29	1.42
Yorkshire and Humber	3	53.29	39.87	46.58	1.40
North East	2	48.48	39.28	43.88	0.88
North West	2	51.55	43.34	47.44	0.95
Merseyside	1	48.27	45.09	46.68	0.47
					£60.24

Source: Rental data for 2001/02, Housing Corporation Rent Guides.

The table below provides the range of costs derived from using different ‘control’ groups and unit costs for services. Overall, the rent-related costs, which are the most reliable, comprise the bulk of the cost, so the total variation is only between 10 per cent lower and 20 per cent higher than the original estimate.

Table 33: Range of costs*

	Costs (£ million)		
	Original	Higher	Lower
Rent related costs	310	316	250
Benefits costs (income support)	88	112	56
Sickness benefits (incapacity benefit)	33	33	29
Out of school provision for children	48	60	48
Health services	12	13	6
Total	491	534	389

* figures are rounded up

Table 34: Description of long term costs of placing people in temporary accommodation

Problems linked to temporary accommodation	Associated outcomes and costs	
	Short-term	Medium/long-term
Adults People not in work or training due to ill health, high rents, benefits worries or insecurity of temporary accommodation. People with health problems arising from their stay in temporary accommodation including depression, other mental health problems, asthma, eczema.	Cost of increased receipt of welfare and sickness benefits Cost of more frequent use of health services Cost of higher use of social services	Long term unemployment and associated costs through increased receipt of social security benefits and lower tax revenue Long term health problems and associated expenditure on health services Increased risk of repeat homelessness and associated costs
Children Frequent moves between schools due to enforced moves between temporary accommodation. Children missing school due to disruption and moves (average 27 days missed from school). Children bullied and unhappy at school due to stigma of homelessness/starting in a new school. Child with a statement of SEN (11%). Child suspended, excluded or expelled from school (10%). Children at risk and referred to social services.	Cost of drawing up a statement of SEN (£2,630) Costs of exclusion from schools (£7,420 in first year) Costs of special education services Cost of social services Costs of services to prevent truancy/exclusion	Increased drop out rate from school Lower educational attainment Lower earnings Increased receipt of social security benefits Increased involvement with criminal justice system Increased risk of future homelessness



Footnotes

¹ Quoted in Collard, A (1997) Settling up: Towards a strategy for resettling homeless families, London: London Homelessness Forum

² ODPM (2003) Statutory Homelessness: England third quarter 2003, London:ODPM

³ Greater London Authority (2003) homelessness in London 48 London: GLA

⁴ ODPM (2003) Statutory Homelessness: England third quarter 2003, London:ODPM

⁵ *ibid*

⁶ National Statistics(2003), Living in Britain, results from the 2001 General Household Survey, London: TSO

⁷ *ibid*

⁸ Department for Education and Skills/National Statistics (2003) Pupil Absence in Schools in England, London:DfES/NS

⁹ Department for Transport (2001) National Travel Survey 1999-01 Table12.13, London: DTLR

¹⁰ National Statistics/Department for Education and Skills (2003) Statistics of Education: Special Educational Needs January 2003, Issue No 09/03, London: HMSO

¹¹ ALG submission to the Spending Review 2002, <http://www.alg.gov.uk/upload/public/Files/1/SR2002-Final.pdf>

¹² Netten, A & Curtis, L (2003) Unit Costs of Health and Social Care 2003, Canterbury: Personal Social Services Research Unit, University of Kent at Canterbury

¹³ *ibid*

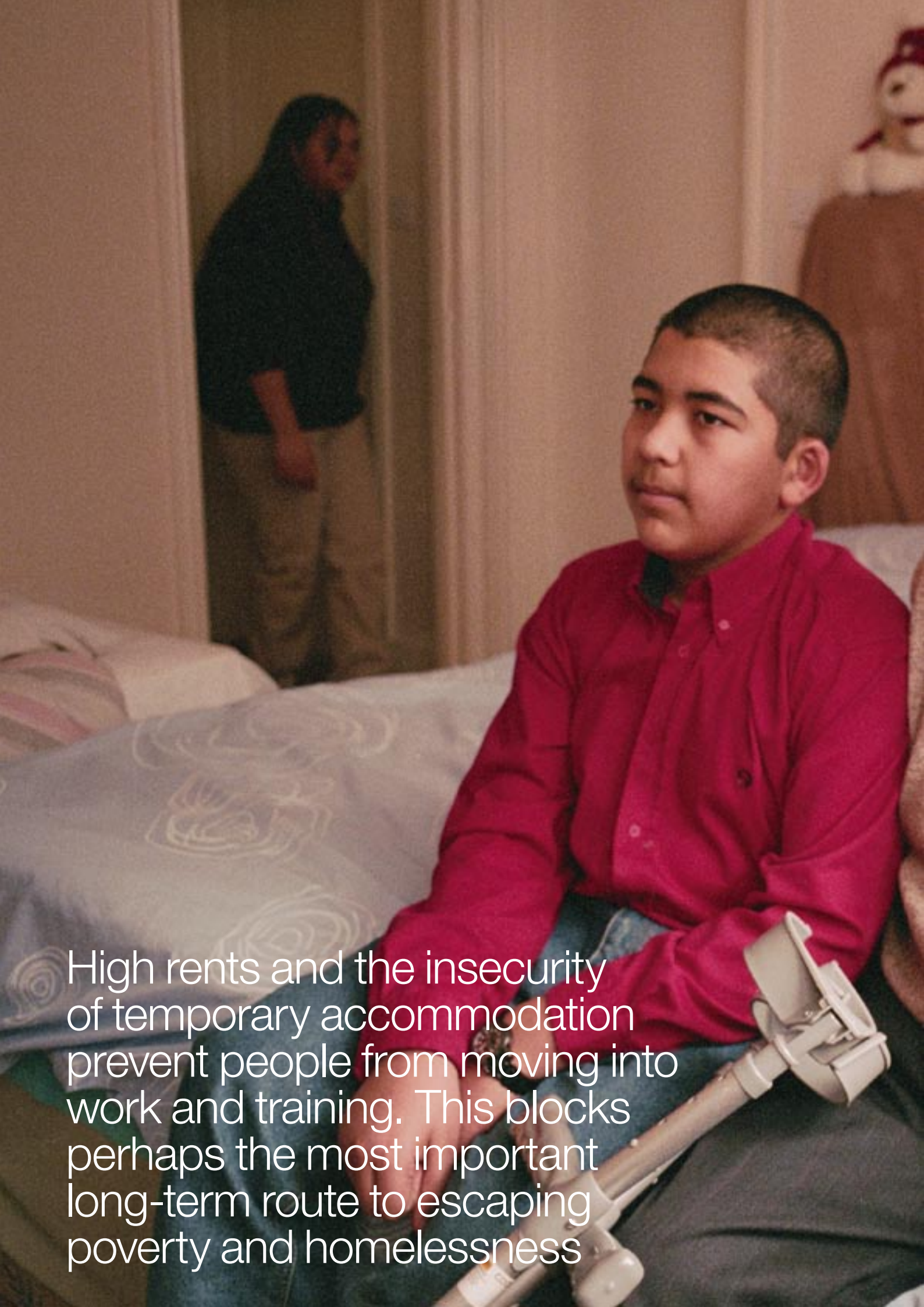
A photograph of a woman with brown hair tied in a ponytail with a red scrunchie, wearing a grey t-shirt. She is holding a young child with blonde hair who is crying and covering their face with their hand. The child is wearing grey shorts. The background is dark and out of focus.

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housing. For nine
years we have lived
on the move.’



'I honestly do not
feel safe in here.'

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been waiting in temporary
accommodation for an
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‘The property is very expensive and not worth £246 weekly.’



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