



Communities and Local Government Committee

Oral evidence: [Homelessness](#), HC 40

Monday 13 June 2016

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Members present: Mr Clive Betts (Chair); Bob Blackman; Helen Hayes; Kevin Hollinrake; David Mackintosh; Jim McMahon; Mr Mark Prisk; Mary Robinson; Alison Thewliss.

Watch the session

Evidence from witnesses:

Questions 233 – 320

Witness: **Marcus Jones MP**, Parliamentary Under Secretary of State, Minister for Local Government, Department for Communities and Local Government, gave evidence.

Chair: Good afternoon, and welcome, everyone, to the Committee's evidence session in our inquiry into homelessness. Minister, thank you very much for coming. Right at the beginning, I ask members of the Committee to put on record any interests we may have that are pertinent to this inquiry. I am a Vice President of the Local Government Association.

Mr Prisk: I am a Northamptonshire county councillor and chair of the All-Party Parliamentary Group for Ending Homelessness.

Helen Hayes: I employ a councillor in my staff team.

Jim McMahon: I am a councillor on Oldham Council, and I employ a member of staff who is a councillor.

Q233 Chair: Thank you all for that. Minister, thank you for coming to discuss what is a very important subject. We have been looking in quite a wide way at this issue. We have been out to Birmingham to look at what is happening there. We have had young

people who have been through the homelessness route, and struggled through it, to talk to us. We had excellent witnesses last week who gave the Committee their own personal experiences. Aside from the very important personal stories that we heard, is not one of the problems that we are going to have to try to grapple with that we do not know—and you do not know, I suspect—the extent of homelessness? There are not really any figures or statistics that any of us can believe, are there?

Mr Jones: First of all, Chair, could I just personally thank you for inviting me along to the Committee today? I am really pleased to be here and taking part in what is a very, very important inquiry that you are running. You are absolutely right that data is an extremely important part of not just finding out the extent of homelessness, but also being able to effectively tackle homelessness and homelessness prevention. Since 2010, we have overhauled the rough-sleeping statistics. Before then, the statistics were far less reliable, due to the fact that local authorities were not compelled to make a return to the Government to confirm the level of rough sleeping in their area. We did that back in 2010.

We also have designation from the UK Statistics Authority for the statutory homelessness figures, which fully comply with their code of practice, but I am not saying that there is not more to do. There certainly is, and my officials are currently working with the UK Statistics Authority to try to improve the statistics that we have further. For example, we are currently looking at publishing prevention and relief statistics together, to give a clearer picture of how homelessness prevention and the number of people who are owed the homelessness duty work. We are also looking at the data in terms of making sure that local areas have better data, because that is absolutely crucial: the better data that they have, the better we can do with prevention.

I am absolutely convinced that, from the Government's point of view, prevention is the key to tackling homelessness. Our officials in April hosted a joint meeting with the UK Statistics Authority and local authority employees to go through the statistics. We are having follow-up meetings to work through the statistics, so that we can get a better idea of how we roll out a better form of statistics in local areas. There are certain places, Newham being a very good example, where they are sharing data across their council. They have created a data warehouse, and they are bringing together all of the different types of information that they hold on different households, with a view to collating the information that they have so that they can use a predictive model to try to predict when people are likely to become homeless. That is the type of innovative solution that we need to bring forward, and that is certainly something that we are looking to work with local authorities to achieve.

Q234 Chair: By the end of this year, do you think we are going to have more robust figures about a) rough sleeping, and b) the hidden homeless? I think we can all agree that it is very difficult to get any precision, but we perhaps can do a bit better. There are the people who do sofa-surfing, because that is a way of finding a roof over their heads in the most convenient way to them. Are we likely, by the end of the year, to have any better statistics on those two areas, which are very important in terms of overall numbers and problems?

Mr Jones: As I say, we certainly have far better rough-sleeping statistics than we had just a few years ago. As I said before, we are continuing to build on that. My officials are constantly looking at the statistics and how we can improve the data collection. We are also working with the sector and the charitable organisations involved in the sector. I have done some work with some organisations like Depaul, for example, which are very focused on the type of issues that you mention. I think they call it temporary accommodation in the context of young people, rather than sofa-surfing, but what they do very well is mediate between families where people have become displaced in those families, are going to live with other people and are sometimes in quite difficult situations and very vulnerable situations. We are working with those organisations, not just to improve the situation so we have fewer people who are living in those types of temporary arrangements, but also so that fewer people end up in very vulnerable situations where they are open to abuse and difficult personal situations.

Q235 Chair: By the end of this year, do you think you will have sets of statistics on the three areas where you keep information? Statutory homelessness is something where you already have confirmation from the UK Statistics Authority that you have met the required standards, but in terms of homeless prevention and rough sleeping, is your intention by the end of this year to have sets of statistics that the UK Statistics Authority confirms are accurate and meet its standards?

Mr Jones: As I say, we already have that in terms of the statutory homelessness figures. I will certainly be striving for us to have better data. We are constantly doing that; this is not a situation where we are putting a time limit on it. This is a situation where we are generally working to improve the quality of the statistics and data all the time, both in a national sense so that we can see an overall picture, but also locally as well.

Q236 Chair: But that does not indicate that by the end of this year we will have statistics that we can rely on, does it? We can only rely on

them if the UK Statistics Authority says they are reliable because they conform to its standards. What I am getting from you is that you are not committing to getting to those standards by the end of this year, which would seem to be a basic requirement if we are going to have a full understanding of where homelessness is up to.

Mr Jones: We already have that designation, in that sense.

Chair: Just for one aspect, yes.

Mr Jones: We are constantly working towards improving the quality of our rough-sleeping statistics. It would be difficult for me to confirm to you today that by the end of the year, we will be in the position that you describe, but I can certainly say to you that we are in a far better position than we were only a few years ago.

Q237 Chair: Could you write to me, telling me when you intend to be in a position to conform in the other two areas to the UK Statistics Authority standards?

Mr Jones: I would be delighted to look at it and write back to you, Chair.

Q238 Chair: Finally, given where we are at—and we will probably go on and talk about measures that might be introduced to improve the approach to dealing with homelessness with various organisations—how can you measure the effectiveness of any changes you might make when you do not really know what the figures are in the first place?

Mr Jones: We are quite confident that we have a clear set of statistics, both in terms of rough sleeping and people who are owed the statutory homelessness duty. I am not saying that they cannot be improved; they certainly can be improved. We certainly have to get better data on a local level, and that is not just about the direct actions of the Government, but also about us spreading best practice and getting local authorities to implement the type of things that I mentioned happening in places like Newham, so that we can see a better picture locally as well. Also, there is the point that I made that my officials are currently working with the UK Statistics Authority to look at how we present our statistics, to see if they can be presented in a better way that gives a better picture, so that we know the challenges and we can work out more effectively how to deal with them.

Q239 Alison Thewliss: Just to follow up on the statistics issue, can I ask whether or not you will be able to include people who have no recourse to public funds and find themselves rough sleeping or on sofas,

or being helped by friends—that kind of situation—because of their immigration status?

Mr Jones: That is a very good question, and something that we can certainly consider. We certainly do have data in that sense, particularly in relation to London, and that is something where we are doing a significant amount of work at the moment with the Home Office. However, you are right to identify that that is an area where we do need to make sure that we have good-quality data.

Q240 Helen Hayes: Turning now to some of the evidence that we have heard from some of the residents who have been through the experience of applying to local authorities to be recognised as homeless, many of those individuals told us that they got the sense from local authorities that councils were trying to dissuade them from applying in the first place, and that barriers were being put in the way to discourage, as far as possible, people from getting to the point of making an application. Can I ask what your experience and understanding is of that practice across the country as a whole?

Mr Jones: I have certainly seen the “mystery shopper” work that Crisis undertook, and some of that work is very powerful. It shows that, whilst there are some excellent local authorities across the country that are doing an extremely good job, not just in terms of helping people that they have the statutory duty to help and get into housing, but also giving good-quality advice and support to people who do not have the statutory right to be housed, there are also some very variable and mixed situations, where local authorities do seem to be employing some sort of gatekeeping. That, in my view, is completely unacceptable. Local authorities have a duty, as I have said, to provide quality advice and information to the people that they have the duty to house. They also have the duty to house vulnerable people and move them into accommodation, whether it be permanent accommodation or a more temporary arrangement initially.

What we are doing in that sense is funding the National Homelessness Advice Service, which is a service that we run that local authorities can access free of charge so that experts in this field can go into local authorities and work with their staff to give them advice and guidance, to try to make sure that they make more consistent and better decisions based on the duties they have, rather than a local area coming up with their own interpretation of that, which may be disadvantaging the people who we all want to help and support.

Q241 Helen Hayes: In relation to the advice and guidance that is given to non-priority-need applicants, we have again heard evidence from lots of people—and, indeed, it is my own experience from many of my

constituents—that, often, that advice is not very helpful. For example, it might simply be a list of hostels or accommodation that is already full. In some cases, it is a list of places to go for help that themselves need a referral from a local authority in order to be able to access them, and therefore, by definition, are only available to priority-need applicants. I wondered whether you could share your views on the whole area of advice that is provided to non-priority applicants.

Mr Jones: Yes, absolutely. It is something that I am looking at very carefully, because I am aware—particularly from the work that Crisis did—of the challenges that we have, and I want to make sure that all councils are dealing with these things at the level of the best. We are going to embark on a programme of work with local authorities to support them to get into a better place and to get that best practice to authorities, so that they are all performing well.

Q242 Helen Hayes: What would you advise somebody to do who has gone to a local authority and who has had the experience that one of our witnesses last week had? She told us that she had been made homeless as a consequence of domestic violence, and she felt that she was made to feel that it was her fault that she was homeless. She was then not recognised as being in priority need, and was then given some advice that was not particularly helpful. She also took part in the Crisis home shopper exercise under a variety of different guises, and that was frequently her experience as well. What would you advise somebody who has had that experience to do?

Mr Jones: I have not seen all the details, but on the face of it, that sounds like an appalling situation, because it sounds like the lady in question was somebody who was in a vulnerable situation. She should have had far better support from the local authority in question, and perhaps even been put to somewhere where she could have been housed, by the sounds of it. Certainly, people in that situation have the ability to ask the local authority to review the situation, but we have to make sure that the services are such that people are not in that position, because the most vulnerable should always be supported by local authorities wherever they are.

Q243 Bob Blackman: In your opening remarks, or answers to questions, and in the evidence that we have seen, the performance of local authorities is very, very different—very patchy in terms of both advice and how they assist homeless people, either priority or non-priority. Does the Department monitor the performance of local authorities in this respect, and, if so, how?

Mr Jones: We have taken on board very closely the quality assurance exercise, if you want to put it that way, and the mystery

shopper exercise that Crisis have undertaken. From that, we are looking extremely carefully at not just how we help local authorities improve their response to people in these situations, but how we also make sure that there is better data available, so that we can make sure that local authorities are providing the services that they are obliged to provide. The best way of doing that is through homelessness prevention. That is something that we want to make absolutely key throughout all of this, and that was one of the reasons why, following the Spending Review, we continued the homelessness prevention funding of £315 million across the current Spending Review period. We see that as absolutely critical to make sure that we prevent those people from becoming homeless far sooner than is currently the case in many places.

Q244 Bob Blackman: We have had a wide variety of evidence, but a limited number of local authorities. That shows that the performance of local authorities is very different, depending on where you are in the country. Do you have statistics or anything available on the levels of performance, or are there any quantitative or qualitative pieces of data that show how well local authorities are doing?

Mr Jones: We keep in close contact with local authorities in relation to how they are working to support homeless people, but the data that we have is generally collated from the national statistics data and from the rough-sleeping data returns that local authorities provide. That probably provides an indication of how well authorities are doing in relation to preventing homelessness, and where you have spikes of rough sleeping, for example, that are shown in the statistics, it shows that there is room for improvement. As I said before, we have to try to achieve that through the prevention agenda.

Q245 Bob Blackman: One of the things that has been said to us in evidence very strongly is that local authorities, when presented with people in priority need, will routinely offer them properties well outside their areas. We have had evidence, for example, of offers being made two hours away from where people were located, meaning that a child would have to change school, or somebody who was working would not be able to do the job they were doing. Clearly that appears to be, in some local authorities, a routine mechanism for carrying out their duties. What is your view of local authorities that are doing that?

Mr Jones: I would want local authorities to place people in their area if that is possible. I will not say that there are not some authorities that do choose to place people in other areas, but we are absolutely clear that that is only something that should be done should the household involved be in a position where that can be achieved. It

should not be done where somebody's employment depends on living reasonably close to where their job is, and it should not be something that affects the schooling of children.

The other thing that we are absolutely clear about, in terms of placing people in temporary accommodation, is that we do not want to see the situation we had when the figures were at their peak last time, back in 2003. The system that was devised then was one where people were, en masse, moved from one particular place to another. One of the big challenges that that caused was that a lot of people were moved away from local connections in a significant way—moved away from schooling and employment opportunities, etc—and in some cases, they were moved to seaside towns and those types of places, for example, where there just was not the employment opportunities for the people involved. It caused all sorts of problems in those particular communities, because there was a significant strain on local services, problems with accessing the job market and those sorts of things.

We have to be very careful to make sure that we keep people as close to home as possible. In the context of London, where 92% of the scenario that you are talking about happens, most of those people are relocated into another London borough, not outside London. However, there is still far more that could be done in relation to exercising the high-quality prevention duty that would prevent that.

Q246 Bob Blackman: Westminster City Council, for example, have the problems of lots of people coming to central London and presenting themselves as homeless when they do. They say that the codes of practice and their rules should be amended so that this would not be subject to legal challenge if they chose to site a family somewhere else that they could afford, rather than the very high rents that they would have had to pay in Westminster. Have you taken a view on that as yet?

Mr Jones: The view that we are taking—and I do not have any reason to believe that I am going to take any different view at this time—is that we clearly want people not to be moved from places where they have work connections or children at school, and that type of thing. We do not want people to be forcibly moved to other areas. If people are in agreement with the local authority that that is something that works for them, or does not affect their work or that type of thing, that is different.

Q247 Bob Blackman: One of the problems with London is that families or individuals who choose to come from somewhere else in the country move down to London and then present themselves as homeless.

Local authorities, not unreasonably, might say, “We have not got anywhere for you, but there is a place for you back in the community from which you came”. Is that something that you are looking at?

Mr Jones: I am not seeing too much evidence of people coming from other parts of the UK to settle in London, as you are saying, but certainly it is an interesting point that you make. Certainly, where people migrate from other countries, quite often their first port of call is Westminster. For those people—particularly vulnerable people who are cut off from their social circle and their families and those types of things, and quite often have very complex needs—quite often, we work with housing charities to give those people, if they so wish, a route back to their place of origin.

Q248 Chair: On the issue of out-of-authority offers to families, given that people and families who are homeless and then get made an offer out of authority may have other requirements from the receiving local authority services, do you think it is a matter of good practice that you embed guidance, or even make it a requirement, that the receiving authority should be notified when an offer is made, or certainly when an offer is accepted by a homeless family?

Mr Jones: I am aware that the best authorities do that. Also, where families are willing to go to other areas if it suits their circumstances, the best authorities use officers to support those people and help them with the local authority that they go to, and so on and so forth. However, that is possibly something that we could look at in the context of the work that we are doing in terms of spreading best practice. If a family is moved from one area to another area—that is something that we do not want to see as the norm; it should be the exception—if that family had needs that another local authority would need to pick up, such as children with special educational needs or something like that, it is very important that those needs are supported very quickly, and the people moving to another area are not left in a position where they are not able to access the services that they need.

Q249 Chair: I am just trying to work out what the answer actually meant. Are you indicating that you are probably not minded to make it a requirement, but you would have a look to see whether you would be prepared to give some guidance as part of a process of encouraging local authorities to follow best practice?

Mr Jones: What I am saying is that we are currently looking at best practice in this and a number of other areas, and when we continue that work that we are currently undertaking, if that is not happening at the moment, I see merit in making sure that councils are guided that, where, in exceptional cases, people are moving from one

area to another, they are actually giving people a decent situation where the local authority that is receiving does know about information and any things that need to be done in terms of support for families.

Q250 Mr Prisk: Can I turn to the question, Minister, of the role of private sector landlords? We have had a lot of evidence that the loss of an assured shorthold tenancy is now the single largest cause of homelessness. In fact, your own Department's evidence shows that whereas 10 years before, it was in the region of 13%, today it is more like 30%. Given that, what is your view as to why the ending of ASTs has now become the single largest cause of homelessness?

Mr Jones: It is certainly a challenge. In areas where the prevention work is succeeding, we are seeing a situation where far more people stay in an assured shorthold tenancy. As well as that, in some areas there are specific schemes that local authorities are running—along with work that Crisis is doing on our behalf—to support the bond for a property to be rented, or a guarantee for a bond for another shorthold tenancy to be taken on. Quite often, when one assured shorthold tenancy comes to an end, that family may not have the money to go and put down another bond. That is a significant challenge.

Things have improved in recent times, because we have stopped landlords serving a section 21 notice at the start of a tenancy, which was quite often happening, to give the landlord flexibility over when that landlord could take possession back of the property. That has now been stopped, which is a good thing. The average length of an assured shorthold tenancy is still four years, which means that there are still a significant number of people that are keeping their assured shorthold tenancy. What we have to do is encourage more investment into the private rented sector, so that we can have a larger number of properties, and we are doing that. We have a £1 billion Build to Rent fund, which is supporting the construction of 10,000 homes that are going to be purpose-built for rent. That is the best way to deal with the issue.

In some areas, there is obviously a challenge. If prices are rising quickly in terms of the value of property, landlords may want to pull out of the market and realise the capital asset, and those types of things. When you are in a rising market—which, in many areas where we have the challenges, we still are—you need to increase supply.

Q251 Mr Prisk: Supply has been increasing in the last 10 years. It is peculiar, therefore, that in that time the proportion of those made homeless has doubled related to this particular change. You just cited

that the length of leases under the AST system has not diminished, and therefore churn might not be the cause. What do you think is the cause? Is there a change in the type of landlord? Are there reductions in other areas? What do you think is driving that cause? It is a doubling of the proportion that can be put down to this particular factor.

Mr Jones: In the best areas, they are dealing with homelessness prevention well, and I will give you an example. I was in Sevenoaks not so long ago, where they had a very small but very effective housing options team. They called them “superheroes”, which is a nice thing in many ways, but in many ways they were. Despite the fact that Sevenoaks is one of the most expensive areas in the country, and you would expect far more people as a result to lose assured shorthold tenancies, they were doing very well in that respect, because they were supporting people far more quickly than they had to in a statutory sense, and they were actively putting the message out to local people that if they got into difficulty with their tenancy—or they felt that they were getting into difficulty—they would be able to see an officer at the council who would then be able to support them, and give them budgeting advice and support in any other way that they could to try to keep them in that tenancy.

That is the type of best practice that we have to roll out more, because there are situations where people are not necessarily asking for prevention help, or prevention help is not being given, until it is effectively too late to keep the tenancy that they are in.

Q252 Mr Prisk: Some witnesses have suggested that it would help, given the problems we have just been talking about, for an AST to be 12 months, not six. What is your view on that? Are they right?

Mr Jones: Since assured shorthold tenancies were introduced in the 1980s, the amount of property in the private rented sector has increased enormously. That could well be down to the flexibility that the assured shorthold tenancy offers. Usually, as you well know, they are for six or 12 months, and quite often, a landlord will allow that agreement to be rolled over. That shows through in the statistics, where four years is the average tenancy length. As I said before, the important thing is that what was happening before is no longer happening. In parallel with the tenancy agreement, landlords were serving a section 21 notice, meaning that after the first two months they could effectively turf a tenant out very, very quickly and effectively by hedging their bets. That is completely unacceptable. If you sign a six or 12-month agreement, it should be for six or 12 months.

We have also, in that context, brought forward legislation to prevent landlords from seeking to evict their tenants, should they not

be complying with the legislation in terms of keeping the property in the way in which they should and the tenant then complains. We have stopped people carrying out revenge evictions, which is, again, extremely important, because whilst the property owner deserves a certain amount of rights, anybody letting a property on an assured shorthold tenancy to a tenant should be providing quality accommodation and keeping to their side of the bargain, and keeping within the law. That is why we have also introduced significant penalties for rogue landlords, where local authorities can levy a civil penalty of up to £30,000 against a rogue landlord, which the local authority then gets to retain. I know that in many cases, particularly with the London authorities, which have a higher volume of rogue landlords than elsewhere, they are extremely pleased. It will really help them fund the effort to tackle rogue landlords, which is really important.

Q253 Mr Prisk: Do you feel those measures will help us see the numbers come down in the next 12 months?

Mr Jones: It will make a significant difference, because you have traditionally had landlords who have seen themselves as above the law. It was made obvious at the Housing and Planning Bill committee, from the evidence that that Committee took, that the current level of fines and civil penalties that were available to tackle bad landlords was nowhere near sufficient, because to many landlords, if you are levying a £5,000 civil penalty against them, it is pretty much a drop in the ocean if you have 15 or 20 properties, for example. Levying that size of civil penalty and allowing the local authority to keep it will be really effective in doing that, yes.

Q254 Mr Prisk: One last thing in this area: we have had differing witness evidence about the way in which different landlords approach types of tenants. Crisis have identified in a survey, for example, that 55% of landlords would not have a tenant who is a housing benefit recipient. Given that, are you confident that this is a sector that is able to help with housing needs, and therefore in reducing homelessness?

Mr Jones: As I mentioned before, bringing through a larger form of investment in this area is really important. There are many large institutional investors who are willing to come forward and invest in the private rented sector who are looking for a long-term return on investment. In that sense they will be more willing to take people who are on housing benefit, because they see them as a reasonably safe prospect in many ways, and quite often, in that sense, will think that their tenants will stay in that property for probably longer than the

property of someone who is a buy-to-let landlord with two or three properties, for example.

Q255 Mr Prisk: Do you think it is right that people should be able to discriminate against a housing benefit tenant? Should that not be banned?

Mr Jones: We need to be careful of doing anything that reduces the overall supply of private rented sector properties. We also need to be mindful of the fact that, quite often, mortgage lenders have certain requirements that they place on private rented landlords. However, private rented landlords should give the opportunity to rent property to people on housing benefit, because I am sure in the vast majority of cases they are good tenants who are quite willing to pay their rent. In many cases, that rent is topped up by them as individuals, as well. I am sure that you will recognise that there are many, many good tenants, and therefore private landlords should look at housing people, both those on housing benefit and people who pay themselves.

Q256 David Mackintosh: I welcome the fact that extra measures have been put in to protect residents who are in private rented accommodation. However, one of the challenges with that is that when someone is evicted for the right reasons and they go through the process, local authorities can often hide behind that as a reason not to try to co-operate and house those people who will be made homeless. Therefore, the system now pushes them down a line of having to go to court, and a very difficult, traumatic process that can become quite expensive. For somebody who is on the cusp of becoming homeless, having to go through this process can be very difficult. I just wonder what your advice would be to the people who find themselves in that situation.

Mr Jones: I would advise people to approach their local authority as early as possible for help and support. The current prevention duty is 28 days before you are going to be made homeless and that is the statutory point at which the local authority should be providing help. I would expect anybody going to a local authority 28 days or less before they become homeless to be taken seriously and to be supported to either avert them becoming homeless, and given proper help and guidance to do so, or, in the worst-case scenario, to be supported within that timescale to actually be put into accommodation, whether that be permanent or temporary.

Q257 David Mackintosh: Do you think it is inadequate when local authorities say, "We need you to go through the court process and then we will engage with you"?

Mr Jones: I have said right from the outset that the key to reducing the numbers of people who are homeless is prevention. There is a lot more work that needs to be done to make sure that local authorities are providing that prevention advice and support earlier. I cited Sevenoaks earlier who quite actively go out and look to the local population in relation to asking people to come forward with any problems so they can support them as early as possible, and we need to spread that best practice in local authorities across the country. I am looking very carefully at doing that at the moment.

Q258 Kevin Hollinrake: Local housing allowance and the housing elements of universal credit are paid directly to the claimant rather than to the landlord. You said that people getting housing benefit are often a safer bet for landlords. Do you think that becomes a less safe bet if the money is going directly to the tenant rather than to the landlord?

Mr Jones: The system of allowing the rent to go to the tenant and then the tenant paying the landlord is an extremely important thing in terms of the Government's welfare reforms. The Government have been quite clear that we want to move people, where we are able to, from welfare into work, and, once somebody goes into work, they are in a position where they are responsible for paying all of their different household bills, including their rent—usually on a monthly basis—and that is the principle behind which the changes have been made in relation to the move to universal credit. I am sure that, in the majority of cases, people will respond to that and take a responsible view in terms of paying their rent, and that will be demonstrated to landlords. There is also a situation in place where the landlords of people who are vulnerable, who have significant difficulty in paying the rent directly, will still be paid directly for the housing benefit. While it is a significant change, it is one that is certainly worth making and we do not know as yet what the effect will be. However, it would be my view that most people will be responsible tenants and pay their landlords.

Q259 Kevin Hollinrake: I agree that most will, but some will not, and we did hear evidence from landlords and from providers that this was contributing to the problem of the termination of shorthold tenancies, which is the leading cause of homelessness.

Mr Jones: Obviously you have received anecdotal evidence at this Committee coming from the witnesses, and I certainly would not question that, but we have to see how this works over a period of time before we know whether or not the evidence that you have received in that sense is absolutely correct, because whilst it is a significant change

for landlords, my view would be that, over time, people will adapt to the system and it will work well.

Q260 Chair: Could I follow up on that point? You drew the parallel with someone who is in work and then makes the decisions about their own finances. However, most people in work will probably have a bank account and can choose to have a direct debit so they never actually see the money; it goes off to their landlord or to the bank or building society. Someone on very low income or benefits may not have a bank account, so they cannot make that choice about direct debit. Is the alternative not direct payment? Could they choose to do that as a real option? The Government do not allow that, do they?

Mr Jones: There are also situations where people who pay their own rent as such currently will not pay their landlord or their agent directly by direct debit every month. The arrangement will be that they go in and pay the—

Q261 Chair: That is a choice that they make.

Mr Jones: That is a choice they make and, as I said before, the welfare system that we are moving to is one where people start to make the same choices as those who are in work.

Q262 Chair: However, not the choice to have direct payment to their landlord if they want to.

Mr Jones: There is not that choice.

Q263 Chair: So the element of choice is a little bit misleading, is it not?

Mr Jones: What I would say to that is that if that person is able to access a bank account, they would be able to pay their rent in exactly the same way as a person who does not rely on housing benefit. At the end of the day, we have a situation where somebody is paying, or is having their rent paid, and, if that money is being paid direct to them, I do not see an obstacle as to whether or not they are able to pay through their own bank account or able to actually take a cheque or the cash down to an agent.

Chair: The fact is that, if you do not have a bank account, you do not have the choice of direct debit but let us move on.

Q264 Mary Robinson: Minister, we have been hearing from witnesses from around the UK as we have been conducting this inquiry, and there seem to be quite a few differences in approaches. For instance,

in Wales, local authorities have a duty to provide housing advice and assistance to everyone in the area, whether or not they are homeless or threatened with homelessness. In addition, for applicants threatened with homelessness, the local authority has a duty to prevent them from becoming homeless. In Scotland, the priority need criterion for assessing homelessness applications has been abolished and the duty to find permanent accommodation for all applicants who are unintentionally homeless has been introduced. Looking at these different approaches, what do you think about the Scottish and the Welsh approaches?

Mr Jones: Our housing market is significantly different from the one in Scotland, and therefore I am not as sure that the system that is being employed in Scotland is one that we should look at too closely.

We have looked very carefully at the work that they have done in Wales and the changes to the legislation. I have met with the Crisis expert panel who have been looking at the legislation in Wales carefully, as well as the legislation in Scotland, and they came to pretty much the same view as we have in relation to that. I would say that the initial evidence shows that what they are doing in Wales looks promising. However, we need to see the data over a period to make sure that that data backs up what is promising evidence. We are certainly not ruling out looking at legislation and how that could change but we want to see how the data pans out and how it really works in Wales.

Q265 Mary Robinson: So there is an acceptance that, actually, to tackle the problems that we have encountered and that we have highlighted, revising the homelessness legislation might be an option.

Mr Jones: There could be merit in it, yes.

Q266 Mary Robinson: What sort of plans do you have to change the law?

Mr Jones: As I say, we are looking very carefully at what has been done in Wales. The initial results are very encouraging but we just need that evidence over a longer period because you do not look at the statistics on homelessness over one quarter; you look at them over a period. We have to judge the changes that have been made over a period. The initial suggestions are that it is very positive. As I say, it is something that we are looking at very closely.

That does not diminish the fact that we need to do more anyway. There are already things that we are looking to do to try to improve the way in which prevention takes place, and I am also working across Government with other Ministers. I lead a ministerial working group where we are working with nine different Departments across

Government. I am sure, from the evidence that you have received in this Committee, that you will know that homelessness is not just about housing. The provision of housing can be an extremely complex issue. People who sometimes become homeless can have problems with drink and drug dependency as well as mental health issues. They could have been in the criminal justice system. From my point of view, it is a two-pronged approach, not just looking at how we prevent people from becoming homeless but also how we can work across Government to make sure that we prevent homelessness through other Departments as well. That is something that I am driving quite hard.

Q267 Mary Robinson: Would any legislation that you may be considering be based on all of those factors? For instance, if we are talking about the criminal justice system, devolution to Greater Manchester might be a way that that could be enabled. There are opportunities in changes that are going on at the moment for those sorts of things to be addressed. However, just looking again at the Welsh situation and the evidence from it which would require legislation, what sort of timings are we thinking about with that?

Mr Jones: As I say, we have to see that over a period to know that the early signs, which are very positive, are really bearing the fruit that we think they are. Any legislation requirement would be primary legislation and therefore would take a period of time to pass through both Houses. As I say, we really do want to make sure that we know that anything we do to change legislation is going to work. That is key, because it is one thing to come up with legislation and get it through the House but it is another thing to make sure that it is going to be completely effective. As I said right at the start, this is a very historic issue where, over many decades, Governments have wrestled with the problem that keeps coming back. Before we go down the path of primary legislation, we need to be sure.

Q268 David Mackintosh: You talked a bit about the cross-departmental ministerial working group on homelessness and the fact that it comprises nine Departments. Could you tell us a bit more about it and how it works?

Mr Jones: It is a group that meets reasonably regularly. We just scheduled the next meeting in the diary, which will take place before the recess. That will be the third meeting that we have had since the turn of the year. That is extremely important because, as I say, homelessness is not just a housing issue and it is really important that the rest of the Government recognises that it is not just a housing issue and that, at the forefront of other Departments' agendas, they are

looking carefully at homelessness and how some of the things that they do interact with homelessness and how we can prevent it.

I can give you a few examples. We have set up a programme of work to address the underlying factors of homelessness. We are looking at ensuring that there is a better response from mental health services to rough sleepers, for example, and how more can be done by the health services and other parts of the health service, such as A&E, to support rough sleepers. We are looking at how we can work more closely at a local level to improve accommodation for ex-offenders who quite often come out of prison and re-offend almost immediately. One of the issues is that, generally, they do not necessarily have anywhere to go and end up going back with groups of people that they have previously met with and end up back in the criminal justice system after a very short period.

Another thing, which is not just important for getting people out of the situation of housing benefit but also getting people into a situation where they can often cope with rents in areas where renting property is expensive, is actually driving up employment and skills. That is something that we are also looking at trying to improve so that people are either in a position, where possible, where we can up-skill them or in a situation where we can get people into work so that they are not in as vulnerable a position as they would be in.

There are a number of other things that we are doing but the other thing that I would mention is that we are also working with the Department of Health in driving up the quality of hostels. We are spending £40 million on that because it is extremely important that we have good hostel places. One of the other big challenges we find is that, in relation to hostels, quite often a number of the charities that we work with have great success in getting people who quite often have quite complex needs off the streets and into hostels. One of the challenges is that, once they are in a hostel, it is very difficult then to place them in move-on accommodation that is suitable for the position that that particular person is in at that time. In the Budget, the Chancellor announced that we would spend another £100 million on move-on accommodation, which will create 2,000 places of move-on accommodation, so that we can start to help the people who are in hostels move on into that accommodation, and, as a consequence of that, hostel places will be freed up for the people who are the most vulnerable and suffering on the streets.

Q269 David Mackintosh: I am sure we all welcome the £40 million from the Department of Health. There is a suggestion that other policies, like the 1% social rent cut, have an impact. How do you, as a

working group, ensure that homeless policy is worked out right across Government and that some policies do not undercut others?

Mr Jones: You are making a very good point and the DWP contributes to the ministerial working group. I know that this Committee are taking evidence at some point from DWP Ministers. Taking that as an example, and the local housing allowance rate, particularly in the context of supported housing, which many homeless organisations use to run hostels and accommodation for people who have been rough sleeping and coming off the street, we are working very carefully to make sure that the most vulnerable people are protected in that context, and that is something that we have said right at the start of the welfare changes that have been made. We have done a review of supported housing, which we expect to report soon, and through that we want to make sure that the most vulnerable are protected, and we are looking very carefully at how we do that at the moment.

Q270 David Mackintosh: Just one last question: you said there are nine Departments involved in the ministerial working group. Are there other Departments that should be there that are not?

Mr Jones: That is a very good question. We pretty much have the mix that we need, including important Departments for policy development such as the Cabinet Office and the Treasury, and that is extremely important in the context of making sure that we are bringing together a strong package to support homeless people in this country.

Q271 Kevin Hollinrake: It is good to hear that you understand the importance of supported housing. Are you concerned by some of the evidence that we have heard in terms of plans for new supported housing projects being mothballed because of uncertainty around this while this review continues? Is that a concern you have?

Mr Jones: It is certainly something that we do not want to see and we have therefore stalled the change for 12 months in this context. We also need to make sure that we have a sustainable solution for supported housing, and we are currently looking very carefully at that in the context of bringing a solution forward in a timescale to make sure that we do not lose units of supported housing as a consequence.

Q272 Kevin Hollinrake: Do you have a clear timescale for that? I guess a year is the long-stop date.

Mr Jones: As I say, I would hope that we would look to respond to the report that has been produced on supported housing in the not-to-distant future.

Q273 Chair: I have one final point. When we had the three witnesses in the last session who had been homeless, I asked them at the end what one thing could be done to actually improve the offer for homeless families, and they all said, "Build some more social rented housing—council housing and housing association properties". What is your response to that, Minister, and are we likely at the end of this Parliament to see more social rented housing than we had at the beginning?

Mr Jones: We are spending £1.6 billion during this Parliament to build another 100,000 properties for affordable rent. From 1997 to 2010, we lost 470,000 affordable properties to rent across the country. Over the last five years there have been 277,000 affordable properties to rent built, and we are going to build another 100,000. You will see some progress on that front. We are also allowing local authorities to build council housing where they are able to do so.

Q274 Chair: The witnesses were very clear that they were looking for more social rented housing. The question I asked was: is there likely to be more social rented housing at the end of this Parliament than at the beginning?

Mr Jones: As I said, we have clear plans to build 100,000 affordable houses to rent.

Q275 Chair: The question was a fairly clear one. Is it that you cannot give an answer?

Mr Jones: Like I said, we have a clear plan to build an extra 100,000 properties for affordable rent. What I would also say is that over the last six years we have built more council houses as a country than were built in the previous 13 years, so we have seen some progress on that front.

Q276 Jim McMahon: We all understand that resources are stretched and there are a million claims on every pound that is spent. Would you not agree that it is nonsensical that we spend so much public money through housing benefit payments to private landlords for accommodation that does not even meet the Decent Homes Standard? Surely, reviewing the money that is already in the system and providing decent secure tenancies and accommodation at a decent level is a better use of public money than to continually see that money leak into the private sector.

Mr Jones: It is important that any accommodation is good quality accommodation and that we do not have people living in property that is below standard. In terms of the specific question of

social rented housing, certainly in London our clear plan with Right to Buy is that there will be two replacements for every one sold in London.

Q277 Chair: That is not socially rented replacement, is it?

Mr Jones: It will be housing association, which is socially rented.

Q278 Chair: I do not think that is the policy, but that would be interesting if it was.

Mr Jones: That was the Housing and Planning Bill.

Q279 Chair: I understand it was two-for-one but not two social rented properties.

Mr Jones: Two properties for one.

Q280 Chair: Yes, but the two properties that would replace the one social rented sold off are not themselves social rented, are they?

Mr Jones: We would expect a significant number of those to be social rented.

Q281 Chair: What does a “significant number” mean?

Mr Jones: That is something that I would have to write to you on, Chairman.

Chair: Minister, thank you very much for coming in and giving your evidence on a very important subject and on a wide range of issues that the Committee has raised with you.

Examination of Witnesses

Witnesses: **Jane Ellison MP**, Parliamentary Under Secretary of State for Public Health, Department of Health, and **Peter Searle**, Director of Working Age Benefits, Department for Work and Pensions, gave evidence.

Q282 Chair: Good afternoon. Welcome to you both to this final evidence session on our inquiry into homelessness. Minister, thank you very much indeed for coming this afternoon. We understand that Lord Freud is unavoidably detained outside of the country—not detained against his will; he simply cannot get a flight back, to put that into context. Please introduce yourself. I think you are standing in for the Minister.

Peter Searle: Yes, I am Peter Searle. I am Director of Working Age Benefits in the DWP. Lord Freud does send his profuse apologies.

Q283 Chair: The situation is that if there are questions of a slightly more political nature we raise that you do not have an answer to, you have given an assurance to the Committee that the Minister would very rapidly give us a written answer, within a few days.

Peter Searle: Indeed, yes.

Q284 Chair: Thank you both for coming. Can I just begin by asking whether you have any estimate of what the costs to your Department are of homelessness? We heard in a previous evidence session with the Minister responsible for homelessness that this is something that goes far beyond DCLG and touches on the work of many Departments.

Jane Ellison: Indeed, yes. The last formal assessment was made in 2010. The cost to the NHS and the wider health system at that time was reckoned to be around £85 million, reflecting in large part things like the additional level of A&E attendances from people who are homeless. That was the last formal assessment made. That is likely to be an underestimate, given it is a few years ago.

Q285 Chair: Is there any intention to update the figure, given it is now six years old?

Jane Ellison: We do not have a formal intention but Public Health England is undertaking quite a lot of work in this area. They are looking quite broadly at a number of pieces of work here. I am sure that when a Committee issues its report, any relevant recommendations would be something that I would want to feed into their work.

Q286 Chair: We just heard before about the ministerial group on homelessness, and I find it rather surprising that there has not been a requirement at that level for all Departments to do an assessment to try to get the impact on governance as a whole. Presumably if your Department has not done a more recent assessment, there is not one in Government crossing all Departments either.

Jane Ellison: I am not sure. I am just a small section of it, in terms of the Health bit. Although that is when we last did an estimate, it is fair to say that the kind of attention we have given the subject over recent years reflects the fact that we know that it is an ongoing challenge. We have actually put some further thought and investment

into homeless health to reflect that. It is certainly an area that has been given some priority in recent years.

Peter Searle: I am not aware of an estimate from our perspective. In the DWP much of what we do is try to support, through benefits or through work support, people to move them forward in their lives. In some ways homeless or not homeless, we would still be providing support so working out what the additional cost of homelessness is over and above other states is very difficult to do. I am not personally aware of anything that DWP have done in this space.

Q287 Chair: Have either of your Departments got any specific policies which you are either implementing now to address the problems of homelessness or are looking to implement in the near future?

Jane Ellison: In the case of homeless health, there have been a couple of things. In policy terms, we have had a piece of work that actually started a few years ago but worked through to its conclusion, our inclusion health board, which concluded about a year ago. It undertook a specific series of pieces of work looking essentially at how we can more mainstream health services for homeless people but in particular also to look at some of the specific challenges.

Out of that identification of some of the needs have come other pieces of investment. For example, we have invested £10 million on a homeless hospital discharge fund. That was to look specifically at the challenges around why people end up back in hospital so quickly—the revolving door to A&E that so many rough sleepers experience. That work was working with a number of different providers to see how they could essentially support people once they had been discharged to get back to full health or back to better health and not end up back in hospital very quickly. That piece of work was about looking at a number of things that could be done and then taking those forward and trying to embed them within the health system.

More recently we put £40 million towards the Homelessness Change and Platform for Life programme. There were two separate strands to that investment, one around improving hostel accommodation for homeless people in particular with a view to places in which people could be trained in looking after their own health better, or where people could undertake, for example, mental health treatments. That was about improving facilities. The Platform for Life programme, which had a slightly smaller proportion of the money, was about trying to help young people who were in danger of homelessness, who have not fallen through the net yet but are in danger of doing so because they are sofa-surfing or facing uncertainty in their accommodation at a critical time in their life, where they might be

facing exams or searching for jobs, et cetera. That was to try to give them a stable platform for life in which to go forward with studies, job applications, et cetera, and to ensure that they did not suffer from all those things that I am sure your Committee is well aware of that go with not being able to provide a fixed address.

Q288 Chair: Mr Searle, have you got anything to add to that?

Peter Searle: I will quickly outline three or four policies that are very relevant in this area. The first is something we brought in July 2014 but are bringing forward into universal credit, which is around making sure there is an easement around work search requirements for homeless people on jobseeker's allowance, so if they talk to their work coach and talk about homelessness as a potential barrier to moving into work then we can ease the requirement until they get back into stable accommodation.

The second, running across a whole range of our welfare reforms, is discretionary housing payments. There is £870 million worth of funding for the next five years to enable local authorities to help people with the transition with welfare reforms. Again, that can help avoid or address homelessness.

The third is the temporary accommodation management fee, which was abolished as of April 2016, with the funding plus a little bit extra moving across to local authorities for them to integrate better with the support they provide to help people in temporary accommodation.

Jane Ellison: In terms of the broader homelessness, in terms of people at risk of homelessness or in poor accommodation, that is one of the areas in which we feel that the move to public health leadership in local authorities from 2013 onwards can really benefit groups like this. It gives people an overall view across a whole series of services that sit in local government, with public health right at the heart of that. The work that Public Health England does, for example, as it works with local authorities is often about how you bring different frontline services together to provide that joined-up approach, looking through things like the strategic needs assessments in areas. We are really beginning to see benefits of that, as people having that single view of the problem are beginning to tackle problems upstream, but seeing them in classic public health terms, rather than just dealing with an acute end result.

Q289 Chair: Are there any examples of good practice where that is happening that you could show us?

Jane Ellison: Yes, I can perhaps write to you with some examples. Duncan Selbie, the Chief Executive of Public Health England, has literally met the head of every single top-tier authority in the last 18 months or so. Often this is exactly the sort of thing they have looked at. There are some good regional examples of people doing some very good joined-up thinking, so I would be very happy to write with some examples.

Chair: That would be very helpful, thank you.

Q290 Kevin Hollinrake: This is a question to Mr Searle. We have heard a lot of evidence over this inquiry that the ending of the shorthold tenancy agreement is now the leading cause of homelessness. What role have recent benefit changes made to the affordability of property in the private renting sector in particular?

Peter Searle: It is an area where the local housing allowance changes and the freeze to local housing allowance have reduced the amount of support that is available through the housing benefit system. We have heard similar issues. From our perspective, in terms of the number, we have roughly the same number of people on housing benefit in the private renting sector that we had before, so there is no strong evidence that we have been getting that private landlords are not willing to rent any longer to housing benefit claimants. Certainly, our experience is that an awful lot still do.

Q291 Kevin Hollinrake: We have heard a lot of evidence in this inquiry, and certainly in the Government's own report on homelessness it quotes as the leading cause the ending of the shorthold tenancy agreement. It must be something that you have got concerns about.

Peter Searle: We want to make sure that we do whatever we can to support people to have stable accommodation. In the end it must be between the private landlord and their tenant whether they wish to continue with that tenancy or not. It is not something that we see as having driven through the benefit system a large number of changes.

Q292 Kevin Hollinrake: In terms of the perspective of landlords, there was a Crisis report into this; 55% of landlords did not want to rent to somebody who is on housing benefit. Do you think the changes to direct payments to landlords has had a role to play in that perception among landlords that this is a less safe place to be in terms of renting to people on housing benefit.

Peter Searle: The change to direct payments for private landlords was something that came in some time ago. That has been

the state of play—payments direct to the individual—for some years largely there.

Kevin Hollinrake: 2008.

Peter Searle: Yeah, so for quite a while. The change in universal credit direct payments for tenants is primarily about social housing and social landlords. It is something we have talked an awful lot about with the sector. Across the Government there were lots of concerns raised. We have taken great care to design a system so that where people cannot cope with that we get early notification of it and bring in alternative payment arrangements, can work with local authorities and individuals to try to get them into a position where they cope again and build up their independence, but until they can, we maintain that payment direct to the landlord, so there are alternative payments available.

Q293 Kevin Hollinrake: It is almost a perfect storm. You have got rising rents, which makes it more attractive for landlords to go into the private sector and with it the benefit cap, and in terms of being able to give direct payments, there might be a sequential, gradual erosion of the attractiveness of this sector for many landlords.

Peter Searle: We need to keep a very close eye on it, and absolutely we will. The early signs we have had are that we can put the necessary protections in place. The other thing we have done around direct payments is make sure that we can, if arrears do build up, get more of those arrears out of the monthly benefit payments that go out, so landlords can get rent arrears back more quickly, and that we keep a very close eye on those arrears and bring in alternative payments as soon as necessary.

Q294 Kevin Hollinrake: In terms of the removal of housing benefits for 18-to-21-year-olds, what assessment have you made on the impact of that on homelessness?

Peter Searle: We are still working through the detail of that policy, which, strictly speaking, is the removal of housing support within universal credit because it does not come in through housing benefit itself. We have committed to protecting vulnerable young people from any negative impacts of that. That is something we are working through in detail with stakeholders at the moment. We will come forward with proposals in due course but we recognise there is a risk for some vulnerable individuals where they cannot find alternative accommodation. Housing costs would then be covered by universal credits.

Q295 Kevin Hollinrake: Again, we heard clear evidence from a Birmingham housing provider in this would really exacerbate the problem of entrenched homelessness, certainly in their region. This is something that clearly must be a concern.

Peter Searle: It is something that would be a concern but, again, understandably a lot of commentators, when they talk about this policy, talk about a stark version without the exemptions that we are talking about. That is very much what we are trying to work through with stakeholders and experts such as the person you are talking about to understand what sort of protections need to be put in place to ensure those negative impacts do not come about.

Q296 Helen Hayes: I have met with many housing associations and specialist providers of supported housing in my constituency who are very worried about the proposal to cap the local housing allowance and to implement that for supported housing as well. The Government announced a review of that decision some months ago. I met with one of those providers on Friday, who told me that the delay in having a decision is now starting to affect the ability of their trustees to plan for their long-term future and they continue to be very worried about the impact of that decision. I just wondered whether you might be able to confirm when the Government will announce the outcome of that review.

Peter Searle: We have no precise date, but shortly—over the next few weeks, I would expect. We are very committed to protecting that really important sector providing protection to some really vulnerable people. We have heard loud and clear the messages that the people, such as those you have talked to, have come back with. I personally visited 10 or 15 different providers around the country to get a personal feel for the impact. We are working very closely with colleagues across Government, first to get that sense of the picture, the evidence and the data around this. We are involving Department of Health officials, as well as DCLG, Treasury and others. We are getting a first draft of that report as we speak, and getting a better sense of what the position is, and are now looking to come up with some policy ideas about what an alternative future model might be and how we might provide the appropriate action that the Ministers have committed to providing. I would expect that work to be complete before the summer, but there is no precise date as yet.

Q297 Mr Prisk: Just following on, having held a ministerial office I am aware of the definition of “summer” being broad. Do you expect to publish the outcome of that? The decision-making that my colleague has

described is a critical issue, and the clock is ticking. Do you expect to publish this before the end of the summer term?

Peter Searle: As I said, this is not a firm plan, but the intention is to publish the evidence review and policy conclusions before the summer recess. That is the timetable we are currently working to. We very much recognise the urgency and the need to free up plans.

Q298 Jim McMahon: Mr Searle, do you try to ensure that the local housing allowance keeps up with changes in rent at a local level.

Peter Searle: Do we try to do that?

Jim McMahon: Yes, actively try to do it.

Peter Searle: The Government's policy has been to freeze the local housing allowance for the next four years. In many areas rents will be going up above 0%, so naturally that will mathematically mean that in many areas it will be falling behind relative to rents. The Government have committed to taking 30% of the potential savings from that freeze, and, from 2017-18, to feed that into a targeted affordability fund, which is something that we had in place up until last year. That would target additional support at those areas where rents and the local housing allowance have moved most out of kilter, to try to keep local housing allowances as close as we can to local rent levels.

Q299 Jim McMahon: We have heard evidence from a number of parties that even before the freeze the disparity between the two were significant because, as the annual review period showed, some housing markets were changing very rapidly over that 12 months and by the time it was actually implemented it could be significantly behind where the local housing market was, and with the freeze on top of that some areas have seen very significant increases. What do you think will be the practical result of that policy?

Peter Searle: Inevitably, as has been the case over a number of years, the relationship between local housing allowances and rents for individual, particular local authority areas is not consistent across the country. Now there are some areas where local housing allowances are quite low relative to the distribution of rents. Generally, in a local area, there will be something more affordable somewhere relatively close by.

Q300 Jim McMahon: When we talk about the local area, we have heard evidence from Birmingham in particular, where they have concerns about just how broad their rental market area is. Do you think there is a case for having more localised allowances that take into account very varied local housing markets?

Peter Searle: It is something we think about every now and again. How broad should those areas be? You could make them very narrow, but then you end up with a very complex system with a multitude of different rates. Government think at the moment that the balance is about right, with a broad, relatively simple system. There are some people who say the areas should perhaps be broader still; there are others who say they should be narrower. The Government have no plans to change that at the moment.

Q301 Jim McMahon: On hostel accommodation, we have heard evidence during the course of the review that residents of hostels are actively discouraged from getting employment, because it is a restriction that the hostel places on them. Are the Government doing anything to tackle that? It does seem quite counterintuitive, does it not? The idea of getting somebody into supported living is for them to get back on track and re-establish themselves, and employment is an important part of that. For that barrier to be in place seems odd. Are there plans to look at that?

Peter Searle: It is something that I have not personally heard a great deal about. It would alarm my Department, and I am sure Ministers across Government. Lord Freud would be very concerned and want to know more about that. From our point of view, we want to make sure that the incentives are right, and that, in hostel accommodation or any other sort of accommodation, everything is geared towards helping someone progress, and you should not be incentivised, effectively, to not progress just to keep that accommodation. With some of the YMCA accommodation recently, for example, they have been very good at having a system where you are earning points so that you can move up to this next stage of accommodation. Getting points and getting a job is not something that means you immediately have to—

Q302 Jim McMahon: It was more the relationship between the amount of money that they can charge for those on benefits and the amount of money that person in that situation can be reasonably expected to earn in employment to then cover the rent that the hostel charges. It is that transitional support that was highlighted as the issue.

Peter Searle: You are saying that the issue is that they need that person to be on benefits because there is more money to them through the housing benefit system.

Jim McMahon: Yes. Some of the cases that we heard involved people who had been excluded from the job market for a long time, if they had even ever had a job at all in a meaningful way. The type of work that they can get and the amount of money they can be

realistically expected to earn in that employment does not cover the loss of benefit payments for the accommodation.

Peter Searle: Universal credit, as the Minister said, can help with that, because it means a smooth transition into in-work support from out-of-work support. The issue potentially there again is you need to make sure that the incentives are right so that people are not encouraged to stay in accommodation. Generally, hostel accommodation, I would imagine, is there for people at a particular time of need. There has to come some point at which someone who has progressed moves on from there and frees up the accommodation for someone else. It is about the balance of when that time is right.

Q303 Kevin Hollinrake: On that specific point, in a hostel in York, which serves some of my constituents, the cost of that accommodation was £275 per week. If they had to pay for themselves they would have to pay about £250 per week. To get into work in order to be able to pay that is just not possible. Even though the people I met were perfectly capable of getting a job, just practically and financially it would not work. There was no accommodation that they could move to that was cheaper and that would make all of that stack up. They are locked into a supported housing environment, when there would be opportunities for them to work if they did not have to pay this huge amount of money in terms of rent.

Peter Searle: I cannot talk about the York market or particular markets. Generally, there will be people on relatively low earnings in work who are living nearby and renting. There will be some properties not too far away from there. For people living in hostel accommodation, it is not unreasonable to at some point expect them to move on. The key is for hostels, Departments like my own and local authorities to try to have a plan to help that person to progress in a way that is affordable for them.

Q304 Kevin Hollinrake: That is definitely correct. There do not seem to be stepping stones to get out of that. It is very difficult to see a way through of going from that position to one where they can sustain themselves, which makes perfect sense to us all of course.

Peter Searle: I am always very happy to look at those sorts of issues. Anything that creates a disincentive to progress would concern my Ministers.

Q305 Chair: This is a really important issue. We heard a lot of evidence on it. The problem is that people are in supported housing because they need support. There is a reasonable level for the charities

and voluntary organisations to provide to make ends meet. Those costs of £300 a week are something that somebody in work cannot afford. You therefore have to be on housing benefit, because housing benefit currently covers the costs. That is the problem. The Government are doing a review about this whole issue. As part of that review—and I asked the Housing Minister the other week and he agreed that it was the case—can you have a look across Government at how you can resolve this problem? It clearly is a problem.

Peter Searle: Yes, I am certainly very happy to include, as part of the review that we have been talking about, that transition from out of work to in work and how someone can deal with the rent cost.

Q306 Jim McMahon: I just want to build on some of the evidence that was given. We have talked a lot about the transition from being out of work to getting a job, and to getting a well paid job. However, it was more than that. From what the individuals were talking about, they still require a great deal of support to function in society full stop. It is not just that the hostel provides a roof over their heads. It provides an all-in cost. They do not have to worry about additional bills that you would have if you had your own property. There is a danger that, with that support being taken away too early, if they were to get a private tenancy somewhere else they would immediately fall into trouble when the bills start to come in. As such, it could end up being a false economy if it is not got a grip of very quickly.

Peter Searle: I agree. In north-west London there was a YMCA model that, on the face of it, seemed to be very good. They moved someone on into nearby accommodation that was still connected to them, so it was not a case of one day you were in and the next day you were out. Actually, it was gradually helping people to progress.

Q307 Alison Thewliss: I have a few initial points around 18-to - 21-year-olds. We decided in Scotland, with the powers we are getting, we are going to maintain that because we think it is important to support that group. I just wanted to take your views on whether you think removing that entitlement would make it more difficult for young people, who are perhaps in a situation where their family is breaking down or where they have perhaps suffered abuse or something in their family situation, to leave in such circumstances?

Peter Searle: Those are the sort of things that we will be looking to talk to stakeholders about and how we can make allowance for that. If someone is suffering abuse and if the family relationship has really broken down, then those vulnerable people will need support. How to make that work in practice is the key thing. There will be other people for whom that relationship has not broken down, and the Government's

view is that the parental house is available. People who are in work cannot necessarily afford higher rents, so they often need to live with their parents. Where it is possible, that should be the course of action.

Q308 Alison Thewliss: If the person is then in a situation where they almost have to declare themselves as vulnerable, does that not present a barrier in itself? Perhaps you do not want to tell anybody about that. Perhaps you are embarrassed by it. Perhaps you do not know your rights. If you put barriers in place where you have to go and declare yourself vulnerable, does that not then make it more difficult for people to move on and to escape from those circumstances?

Peter Searle: We want to try to make sure that our staff who were talking to them and working with local authority staff are as sensitive as possible to those sorts of situations and are fully trained to be able to pick up those issues. Again, this is something that we will be talking to experts and stakeholders in the field around to make sure that we get the system right, so that it does protect the taxpayer but also protects those vulnerable young people you are talking about.

Q309 Alison Thewliss: We did hear evidence that young people felt as though they were dismissed by the housing officers and that they did not see the seriousness of that situation and thought that the young people could just go back home, but that has not been the case for them. I also wanted to pick up on another issue: my understanding is that there is an exemption within the rules whereby if you have a child you are exempt from that. I wanted to ask Jane Ellison whether she thought that perhaps that exemption may in turn drive behaviour of young people, where they may go to a situation where they become pregnant in order to get that exemption.

Jane Ellison: I can honestly say that I have not formed a view on that. It is beyond my portfolio. Where, as a Health Minister, I would be particularly interested in that group is the money we put around something like the Family Nurse Partnership, for example, which you are familiar with and has just announced an expansion in Scotland. It involves specific, very highly trained resource to support young parents, especially teenage mums. That would be the angle I would come to it from. I have not got a view about that interaction with the benefits system.

Q310 Alison Thewliss: I am just concerned that one policy perhaps undermines the good work that is trying to be done to reduce teenage pregnancies.

Jane Ellison: We would always look to ensure that we try to be joined up across Government, and that is one of the reasons why, for

example, my officials are involved in the piece of work that is going on in this review. For anything like that, we would always look to be involved. Judging by the number of policies that we are asked for a view on and that we have an input on, and judging by the number of inter-ministerial groups that I am on, I would say that the Department of Health is being very well engaged right across Government on a lot of things. We are right at the heart of the Government's new life chances strategy. We are doing the work, as I say, particularly looking at vulnerable younger mothers. Just today, in fact, I have hosted an expert roundtable on pre-conception health, with a specific focus on what we could do to support young women who have unplanned pregnancies. We have a maternity and stillbirth strategy, for example, which has a focus on perhaps some of the most vulnerable young mothers who have a disproportionate chance of having problems for their baby in early years.

That is really the angle that we come at it from. We are involved in lots of different discussions, and one of the things that I have noticed since 2013, when I first became a Minister, is we are doing better. I would not say that we have cracked it yet. This is common to all Governments. You can sometimes end up in silos, but we are doing so much less silo working and so much more trying to do cross-cutting work and cross-cutting strategies, where we understand that the solutions to a particular group of individuals' challenges do not lie in any one Department's remit. We all instead look to what we can bring to contributing to tackling the challenges. I am encouraged by what I have seen, both from the national Government but also, in particular, we have seen some fantastic working at the local government level along those lines.

Peter Searle: The new DWP-DH Work and Health Unit is a really good example of that, where two Departments with historically different views about things are coming together to try to bring those views together to help achieve better outcomes for people with health conditions and disabilities.

Q311 Alison Thewliss: We took evidence from Katharine Sacks-Jones of Agenda about women's experience of homelessness. She said that the drivers for homelessness were quite different for women than the drivers for men's homelessness. She also said that women who are homeless are far more likely to have experienced domestic abuse. Can I ask a bit more about what DWP's take is on that specifically?

Peter Searle: We want our work coaches and our people who are providing support on the ground to take account of all of the circumstances of someone they see before them, to be sensitive to the

potential issues that someone who has suffered abuse might be experiencing, and to take full account of that within the rules.

Alison Thewliss: That is not particularly expansive, but that is fine.

Q312 Bob Blackman: Minister, turning to the issue of the provision of health services for people that are homeless or are rough sleepers, how satisfied are you with the ability of providers to meet the needs of those people who are homeless or sleeping rough?

Jane Ellison: There has been improvement, but there is still work to do. A lot of the work I described for the inclusion health board was about looking at what the barriers were in the system and how you can overcome them. Some of that very much sits on the commissioning side. NHS England is now taking forward the work around embedding within GP contracts and within commissioning and primary care better services particularly for homeless people and rough sleepers. There has been significant progress. Even some of the homeless charities would say that, although there is a distance yet to travel, we have begun to make an impact on that. We are starting to try to get under the bonnet of some of the persistent problems like, as I said, the revolving door in A&E for many rough sleepers. We are starting to look at what we can do to make sure when they are discharged they stay discharged and have a chance to better recover.

The parity that we have announced around mental health and physical health is important. Beyond that, there is the additional money that has been announced around mental health and some of the work that has been done around things like street triage. There is going to be more investment in acute assessment in hospital emergency departments and mental health liaison services. It is pretty obvious that all of those things will disproportionately benefit some of the people who find themselves with those regular acute needs.

We are also watching very carefully the investment in drugs and alcohol services. We currently have very high levels of access. I double-checked the statistics; I thought you might be interested. At the moment the average waiting time for all individuals is 3.3 days, and that ranges from 2.4 days for people who have been admitted for opiate treatment, to just over four days for alcohol-only clients. We know homeless people are massively disproportionately susceptible to multiple health needs—essentially drug and alcohol challenges and mental health needs—and obviously often have a poor level of physical health. We know that homeless rough sleepers have a much lower life expectancy, tragically, than the population as a whole. Making sure that we get good access to some of those key services and maintain

that access, as well as looking to improve and target all of the time, are ways we can serve the needs particularly of homeless rough sleepers.

Q313 Bob Blackman: Given the fact that people that sleep rough or are homeless are likely to have mental health problems, and also challenges to their physical health, and equally, because they have no fixed abode, they often find it almost impossible to get on a GP register, for example, they therefore are likely to turn up at A&E when they are ill or believe they need treatment, what further action can you take as a Department to actually assist those people, given that in earlier evidence we heard from the Minister that we do not have stats on the number of people sleeping rough and people that are challenged in this way?

Jane Ellison: One thing I should say is that, for people who are homeless but not sleeping rough, the occurrence of mental health problems is broadly in line with the nation as a whole. You are quite right that it is both a cause and effect in terms of people who are rough sleepers. So it is much more disproportionate there. We are starting to tackle some of those problems. They are difficult. It has always been difficult. I asked, in preparation for this hearing, to look at the situation going back a few years. It has always been challenging to look after people with no fixed abode and people who have multiple problems in primary care. Actually, the work we did—this inclusion health programme—was not just about identifying problems. It was also about identifying some of the commissioning solutions and embedding them throughout the NHS. NHS England is taking that work forward. They published the patient standard operating principles for primary care at the end of 2015, and that was to clarify the rules around access to services for vulnerable groups and GP registration. Those principles have now been embedded within the GP standard contract. That is not to say that overnight it is going to become perfect, but it is now actually embedded within the contract.

Obviously, PHE are doing a piece of work, which will come after your Committee is looking to do its report, that is due in July this year. It is looking at the extent to which the health system is supporting homelessness health prevention and the health of homeless people. It is not that we are saying, “We have done that. We have changed the contract,” and we will rest on our laurels and move on. We are actually actively monitoring how that is working and what more can be done to take that forward and make sure it is a system-wide response.

We had a really good conversation when we launched some of the £40 million fund I described at the Passage in Victoria, in December last year. One of the conversations I had there with a frontline health worker was about his frustrations at some of the people he was supporting struggling to register. We are constantly talking to people

on the ground and looking at how we can overcome those problems. We are trying to embed it within the system, and I think we are making some progress. Separate to that, there are other things that we are doing, investing in and making a priority, such as the work we are doing around TB. Again, that is obviously going to disproportionately benefit homeless people. There has been additional investment in find-and-treat services, and significant additional investment in reducing the TB level in London and England beyond. There are a number of areas in which we are looking to tackle some of the most intractable health problems that affect homeless people.

Q314 Bob Blackman: Are there any specific initiatives in centres where there are clearly large numbers of homeless people, either rough sleepers or people that are sofa-sleeping, etc?

Jane Ellison: There are some initiatives. Perhaps I can write to you with some examples.

Q315 Bob Blackman: That would be very helpful, because one of the other things I would like to know about is best practice, so that other people can learn from it, and equally what monitoring you are doing as a Department, to see whether specific things are working somewhere and could be used somewhere else.

Jane Ellison: Some of that work is the work that Public Health England is doing. As I say, it is working towards reporting in the summer. Although it would be after your inquiry, I am very happy to make sure that it sends you a copy of that work when it is published, because I think it will be of general interest to the Committee.

Q316 David Mackintosh: Do providers always co-ordinate the service delivery effectively—mental health teams, hospitals, adult social care, the voluntary sector, for example?

Jane Ellison: Not always, but again it is an improving picture. Multi-disciplinary teams having a single view of the patient, the person who you are trying to care for, is one of the most important things we can get right, and it is obviously more difficult if people are, for example, moving around a lot or rough sleeping. So there is more that we can do, but in some areas you can see it working very well. As I say, I am happy to write with some examples of that. Particularly, we have seen in local government how people have brought together different statutory services to try to take a single view of what is going on with an individual. Actually, in 2016-17, Public Health England is working on a resource to support just that integrated commissioning for

better health right across the pathway. Work is underway to look at how we can do better in that regard.

Q317 David Mackintosh: In relation to those vulnerable people who are seen by the health services, what advice is available to them on housing and benefits?

Peter Searle: Generally we try to make sure that GPs are aware, but often GPs have other things to worry about, to be honest, than benefit rules, first and foremost. Increasingly this Work and Health Unit that I talked about, between the Department of Health and DWP, will be trying to get at those links between the two systems, so that as far as possible people in one system understand the issues in the other, and can try to make those connections for patients and claimants and so on, moving forwards.

Q318 David Mackintosh: Thank you. I think it is important to follow that up and look at it.

Jane Ellison: I would say, as well, that if you go to some of the excellent supported accommodation that I have visited—and I have not visited an extensive number, but a number both as a constituency Member and in this job—you do see that what they do brilliantly is that wrap-around service around all of those pieces of advice. There is no doubt that is absolutely critical. What is also quite interesting is that I have noticed as well, in the time I have been doing this job, how often they use people who have been previously clients of particular services to actually become an advocate for other homeless people. Regularly I meet people, when I go to homeless accommodation and supported housing, who have themselves come through the system, have understood its failings and its possibilities, but actually are then redeployed very, very proactively and very effectively to be a source of advice for other people, because if you can catch people before they fall, clearly that is so much better.

Q319 David Mackintosh: In terms of homeless people when they are discharged from hospital, what support is given to them specifically?

Jane Ellison: As I say, we invested this money a couple of years ago. We looked at a number of different models of what could work to support people. Clearly, anybody who is discharged from hospital will be discharged with an aftercare plan, but it is about how easy or otherwise it is to follow through with that plan, depending on your circumstances. We went to see St Mungo's Broadway and one of the investments they had made in homeless hospital discharge from the homeless hospital discharge fund, and they were talking to me about

things like helping people to get into the habit of taking drugs post-treatment, about understanding how to get dressings changed and things like that. They were quite simple things; this is not sophisticated stuff. It is just basics that a lot of people in a stable environment would take for granted, but it is much harder if you do not have that environment. That sort of thing, at the rough sleeping end of things, is where we have invested in expertise, and now the challenge is to embed that across the system. That is something that NHS England is taking forward. We are finding that in places like London, often big A&Es that see a disproportionate number of people in this particularly vulnerable group, will have very good relationships with some of the local supported housing and some of the local expert charities, to understand what more they can do to stop somebody from coming back through the other side of the door.

Q320 David Mackintosh: Finally, it would be very helpful if you could write to us and let us know whether there are any scenarios where people have trouble, when they are discharged from hospital when they are homeless, accessing benefits. We often hear about the lead-in time, particularly for homeless people. It would be helpful to see particularly how both Departments work closely on that.

Peter Searle: Yes, we are very happy to do that.

Chair: Thank you both very much for coming and giving evidence this afternoon.

Jane Ellison: Thank you, and I will follow up with the examples, Mr Betts.

Chair: Thank you; that is really helpful.