



Homelessness and the impact of Brexit

Tackling the challenges and grasping the opportunities

A WPI Economics Report for Crisis and Homeless Link

Matthew Oakley – Director – matthew@wpieconomics.com

Jamie Thunder – Senior Consultant – jamie@wpieconomics.com

 www.wpieconomics.com  info@wpieconomics.com  [@wpi_economics](https://twitter.com/wpi_economics)

WPI Economics Limited, registered address 28 Church Road, Stanmore, Middlesex, England, HA7 4XR, is a registered as a limited company in England and Wales under company number 10086986.

Acknowledgments

We are grateful to all those from Crisis, Homeless Link, and the wider homelessness sector who took the time to attend our workshops exploring the impact of Brexit on homelessness, as well as to all those who kindly agreed to speak to us during the course of this project.

About WPI Economics and authors

WPI Economics is a specialist economics and public policy consultancy. We provide a range of public, private and charitable clients with research, modelling and advice to influence and deliver better outcomes through improved public policy design and delivery. We work with a range of organisations - from FTSE 100/250 companies to SMEs and charities and Central and Local Government.

Matthew Oakley, Director, WPI Economics

Matthew founded WPI Economics in 2015. He is a respected economist and policy analyst, having spent well over a decade working in and around policy making in Westminster. He has previously been Chief Economist at Which?, and Head of Economics and Social Policy at Policy Exchange. He began his career as an Economic Advisor at the Treasury. He holds an MSc in Economics from UCL. He also led the Independent Review of Jobseeker's Allowance sanctions that reported to Parliament in 2014.

Jamie Thunder, Senior Consultant, WPI Economics

Before joining WPI Economics, Jamie was a Senior Policy Advisor at Which?. His work there focussed on consumer data, personal finance and economic regulation. Previously he led on policy and communications at The Money Charity, the UK's leading financial capability charity. His first degree was in English Language and he has an MA in Investigative Journalism from City University. He is a prolific writer and was recently chosen as one of The Short Story's selected writers for 2017.

About Crisis

Crisis is the national charity for homeless people. We know that homelessness is not inevitable. We know that together we can end it.

We work directly with thousands of homeless people every year. We provide vital help so that people can rebuild their lives and are supported out of homelessness for good. We offer one to one support, advice and courses for homeless people in 12 areas across England, Scotland and Wales. How we help someone depends on their individual needs and situation. It could be with finding a home and settling in, getting new skills and finding a job, or help with their health and wellbeing. We use research to find out how best to improve our services, but also to find wider solutions to homelessness. Together with homeless people and Crisis supporters, we campaign for the changes needed to end homelessness for good.

About Homeless Link

Homeless Link is the national membership charity for frontline homelessness agencies and the wider housing with health, care and support sector. We represent over 700 organisations providing homelessness and supported housing services across England. We work to improve services through research, training and guidance, and to promote policy change that will ensure everyone has a place to call home and the support they need to keep it.

Contents

EXECUTIVE SUMMARY.....	4
INTRODUCTION	6
CONTEXT: HOMELESSNESS IN GREAT BRITAIN	8
CONTEXT: THE BREXIT PROCESS AND TIMELINE	10
AN OPPORTUNITY FOR RENEWAL OF THE HOMELESSNESS AGENDA	11
KEY FACTOR 1: IMMIGRATION STATUS AND RIGHTS	12
KEY FACTOR 2: ACCESS TO HOUSING, HEALTHCARE, EMPLOYMENT AND HOMELESSNESS SERVICES .	18
KEY FACTOR 3: FUNDING FOR HOMELESSNESS PREVENTION AND RELIEF	22
KEY FACTOR 4: THE BIGGER PICTURE	26
AN AGENDA FOR THE HOMELESSNESS SECTOR	29
CONCLUSION	31

Disclaimer and legal

This report has been produced by WPI Economics, an independent economics and policy consultancy. The views expressed in the report are based on independent research and represent solely the views of the authors. They are provided for informative purposes only.

Whilst we undertake every effort to ensure that the information within this document is accurate and up to date, neither WPI Economics nor the report’s authors accept any liability for direct, implied, statutory, and/or consequential loss arising from the use of this document or its contents.

EXECUTIVE SUMMARY

The UK's exit from the European Union will pose major challenges and opportunities for every policy area – including the growing issue of homelessness. The 'core homeless' population in Great Britain stood at 160,000 households in 2016.

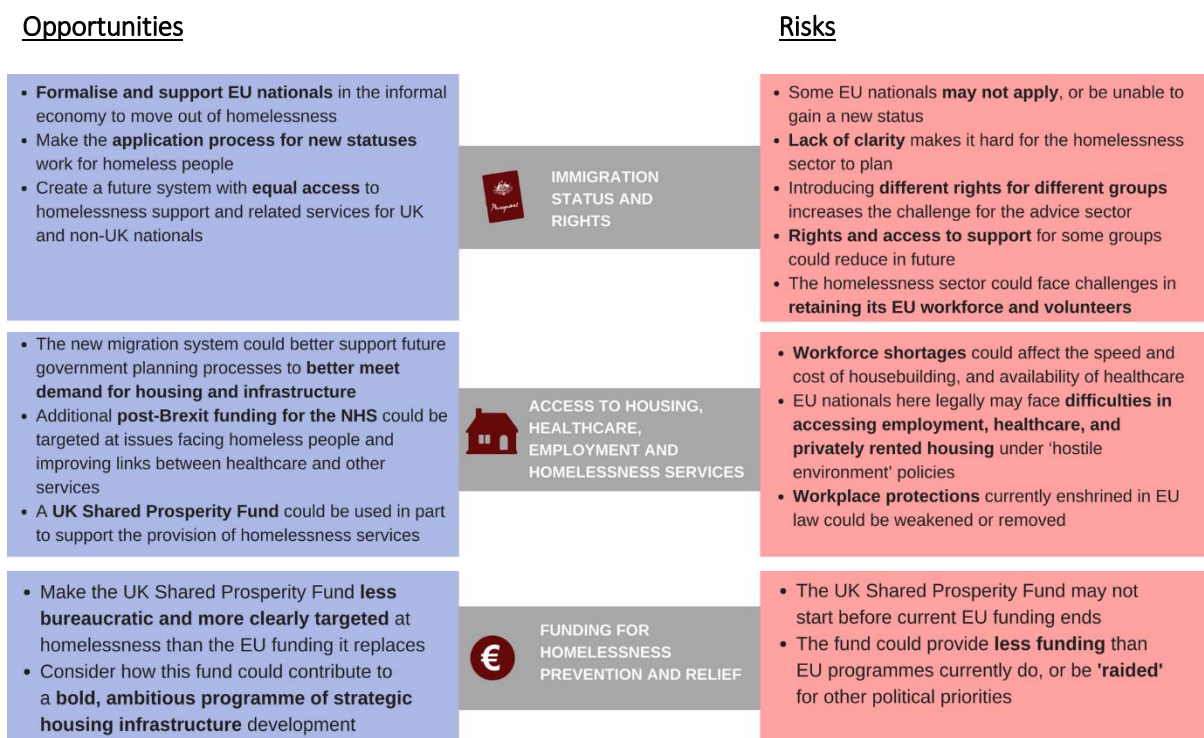
Brexit's most immediate potential impacts on homelessness and the experience of homeless people are on EU nationals who are currently in Great Britain and experiencing homelessness. But the risks and opportunities Brexit poses are not confined to EU nationals – they relate to the experience of British, EU, and other foreign nationals living in the country.

Trying to predict the precise impacts of Brexit on homelessness is impossible. However, it is possible to set out the key factors that will influence how homelessness and the experience of homeless people will be affected by Brexit. In this report, drawing on desk research and workshops with a diverse range of groups with an interest in homelessness and Brexit, we have looked at Brexit specifically through a lens of homelessness. In doing so we have identified four main factors, which each raise a set of opportunities and risks, as Figure 1 shows.

It is important to note that some of these opportunities and risks are more likely to occur than others, and some are outside the control of the homelessness sector (and, to an extent, government). For example, the risk of some EU nationals failing to secure new immigration statuses, and so falling into or remaining stuck in homelessness is clear, whereas the potential for a post-Brexit Britain to increase housing access and affordability, is far less certain.

In the short term, the key risks and opportunities are around the application process for new immigration statuses. In the medium term, they focus on the future immigration system, the UK Shared Prosperity Fund, and impacts of Brexit on future domestic policy. In the long term – and far less certain – are impacts on the economy as a whole and what this will mean for homelessness.

Figure 1: Opportunities and risks of Brexit for homelessness



- If the **economy performs well** in coming years, the number of people at risk of homelessness could reduce, and the amount of money available for homelessness provision could increase
- Reduced immigration could create an **opportunity to equalise rights and entitlements** between UK nationals and migrants



THE BIGGER PICTURE

- If the **economy performs poorly** in coming years, the number of people at risk of homelessness could increase, and the amount of money available for homelessness provision could reduce
- **UK nationals returning from the EU** could find themselves at risk of homelessness and with limited access to support

Source: WPI Economics

As this figure shows, in many cases, the opportunities we have identified are countered by related risks. This makes it essential that policy makers consider the risks and opportunities together and across these multiple factors. Doing so will require that we both develop a cohesive homelessness prevention agenda across Great Britain and ensure that immigration policy and the rights of current and future migrants to work and access support are secured.

The underlying causes and the harm caused by homelessness do not distinguish by nationality, so nor should support for people at risk of homelessness – and immigration policy should help to reduce homelessness in Great Britain, not increase the likelihood of migrants becoming homeless if things go wrong.

Action across Government as it implements Brexit on these issues can also underpin a wider drive to end homelessness. A national agenda for ending homelessness would likely need to consist of several areas of policy working in tandem, including:

- Providing a new and positive settlement for EU nationals who are homeless or at risk of homelessness and currently struggle to access the support they need;
- Ensuring benefit levels and eligibility (including housing-related benefits) fully support the need for Great Britain to recruit and retain a global workforce;
- Increasing the supply of affordable and social rent housing;
- Greater security for private sector renters; and ultimately
- The introduction of a ‘right to housing’.

We hope that this report will turn the attention of all those involved in homelessness in Great Britain to the interaction between Brexit and homelessness. This is only the start of a much wider policy conversation – and it now needs decisive, co-ordinated action from all levels of Government and the homelessness sector to ensure that a clear domestic policy agenda to address homelessness is developed alongside Brexit negotiations.

INTRODUCTION

“...[Brexit] will impact on all aspects of what we do... in the homelessness sector... economically, socially, all of that will hit. It will hit our staffing; it will hit our clients; it will hit rough sleeping; it will hit the housing market.”

Senior manager, single homelessness service provider¹

Since the UK’s decision in June 2016 to leave the European Union, its political and legislative agenda has been dominated by Brexit.

This is, on one level, understandable. The precise nature of the UK’s future relationship with the European Union, beyond soundbites about co-operation and friendship, will have profound implications for our economy and society.

But these larger questions should not detract from the need to tackle pressing domestic concerns that affect the lives of people currently living and working in Great Britain, nor on the impact that Brexit itself could have on those issues – both where it could pose new challenges, and where it raises opportunities for action.

This report focuses on the potential for Brexit to affect homelessness in Great Britain, and looks at Brexit through a specific lens of homelessness. There have been positive steps on homelessness recently, including the creation of the Westminster Homelessness and Rough Sleeping Implementation Taskforce and the Scottish Government’s Homelessness Rough Sleeping Action Group, but these should not be seen as sufficient to solve what is a complex and persistent social issue, even without the additional difficulties that Brexit could bring.

Instead, Brexit could be an opportunity for politicians and policymakers to better understand the interactions between homelessness, migration, and hostile environment policies – and to develop effective responses with cross-party backing to support this group out of homelessness.

In this report, drawing on contributions from experts in the homelessness sector and related areas, we set out an overview of the key factors that are likely to impact upon homelessness and homeless people in Great Britain. Our ambition is that this will help policymakers in central and local government, and the homelessness sector itself, to understand and prepare for the challenges and opportunities of Brexit for this agenda. The overall aim is twofold:

- To mitigate against avoidable potential negative impacts of Brexit on homelessness; and
- To grasp the opportunities that Brexit does bring to refocus policy in Great Britain to tackling homelessness.

Brexit is a highly complex exercise, with many moving parts. Until the final text of the withdrawal agreement is known (and in practice until cases on specific aspects of the agreement make their way through the courts) the precise implications of Brexit on many of the issues highlighted in this report will not be known. This report, therefore, sets out our understanding as of early 2018, but should not be relied upon for legal advice.

Report methodology

The analysis in this report was informed by a review of a wide range of literature and statistics on homelessness, EU nationals in Great Britain, and British nationals abroad, as well as information on foreign nationals' rights and entitlements, and the Brexit negotiations.

We also conducted two roundtables to further explore these issues and deepen our understanding. These included a diverse range of specialists with an interest in homelessness and Brexit, which included representatives from organisations including homelessness charities, local authorities, central government departments, and migrant and employment representative charities.

WPI Economics would like to express our thanks to all of those who contributed to our understanding of this issue, and gave feedback on our thinking at various stages. Any errors or omissions remain the authors'.

Report scope

Brexit is, of course, an issue that will affect all nations of the United Kingdom. Many of the same issues raised here will also apply to Northern Ireland post-Brexit. This report, however, focuses on the interaction between Brexit and homelessness in Great Britain. This is in part because the system of provision of homelessness support is significantly different in Northern Ireland, and in part because the focus of the organisations for whom this report has been produced are homelessness in England and Great Britain respectively.

We have also only focused here on impacts that have the potential to significantly affect homelessness, and where the direction of the potential impact is relatively clear. This has meant, for example, that we have not considered in detail how (unknown) changes in public opinion might affect attitudes towards homelessness; nor have we included the potential effect of reduced migration on access to housing or healthcare services, as in our view any impact would be both highly localised and marginal at best. The exception to this is the general future of the UK economy, given its potentially highly significant impacts on poverty and homelessness.

A note on terms used

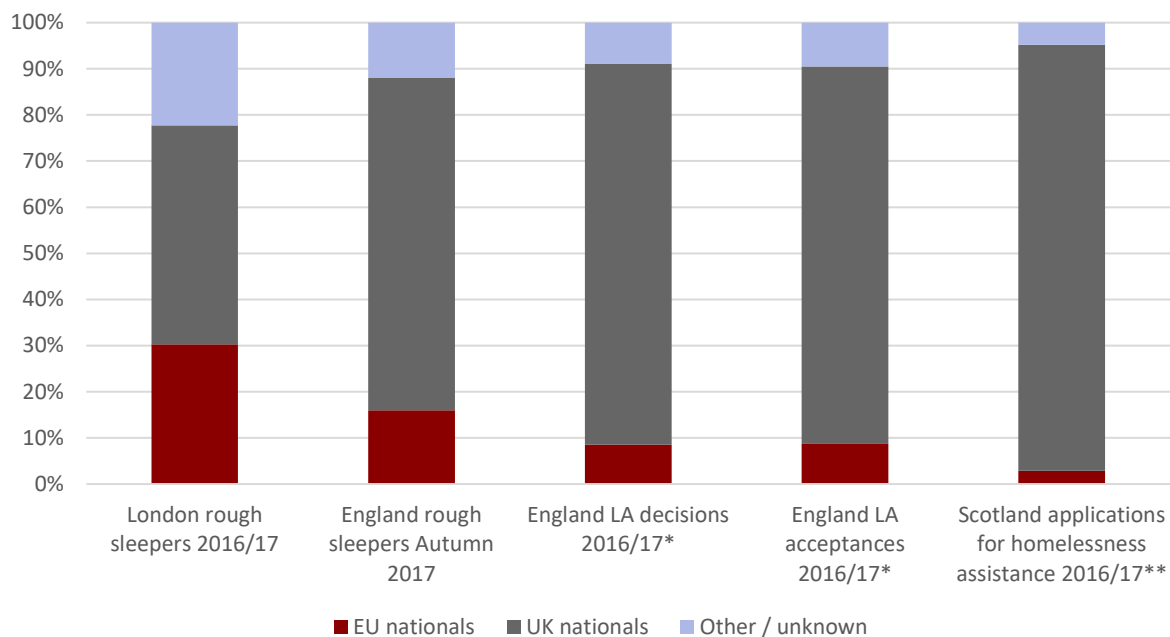
Throughout this document we primarily refer to EU nationals. At present non-EU EEA nationals enjoy the same rights and access as EU nationals, and the UK Government is currently in discussions with non-EU EEA countries about securing the status of their citizens who are resident in country. Unless otherwise stated, therefore, where we refer to EU nationals in this report we also refer to EEA nationals, although in future the rights and entitlements of the two groups may differ.

CONTEXT: HOMELESSNESS IN GREAT BRITAIN

Homelessness is not a single state. Rough sleeping is perhaps the most visible manifestation of homelessness, but lacking a secure place to live or stay, including ‘sofa-surfing’ or living in B&Bs also forms part of the overall picture of homelessness. Unless otherwise stated, when the term ‘homelessness’ is used in this report we refer to all types of homelessness.

It is also important to recognise that homelessness does not distinguish by nationality. While the majority of homeless people in Britain are British, a significant minority are not, as the table below shows (we are not aware of any comparable figures for Wales).

Figure 2: Proportion of homelessness by nationality



*EEA nationals. **EU nationals includes only EU nationals from countries that joined the EU in 2004 or later.

Sources: GLA,ⁱⁱ MHCLGⁱⁱⁱ,^{iv}, Scotland data supplied by Scottish Government to Crisis

One particular issue facing non-UK migrants is the ‘hostile environment’ policy, which places barriers to accessing housing or other essential services such as healthcare. While this policy ostensibly is there to make life more difficult for illegal immigrants, as the recent scandal around ‘Windrush’ migrants has shown, its impact is far from confined to people without a legal right to be in the country.

There is no single measure of how many people in Great Britain are affected by homelessness – this is in part because the different nations record homelessness differently, and in part because many homeless people do not show up in official statistics. Nevertheless, the available statistics give a sense of the scale of the issue.

Research for Crisis has shown that core homelessness in Great Britain stood at around 160,000 households in 2016^v. As Table 1 shows, these figures do not include people in a wide range of circumstances that suggest an insecure housing situation, so represent a conservative estimate of the number of people at risk of homelessness at any one time.

Table 1: Core and wider homelessness

Core homelessness
Rough sleeping
Sleeping in tents, cars, public transport
Squatting (unlicensed, insecure)
Unsuitable non-residential accommodation e.g. 'beds in sheds'
Hostel residents
Users of night/winter shelters
Domestic violence victim in refuge
Unsuitable temporary accommodation (which includes B&B accommodation, hotels etc)
'Sofa Surfing' – staying with others (not close family), on short term/insecure basis/wanting to move, in crowded conditions (this does not include students)
Wider homelessness
Staying with friends/relatives because unable to find own accommodation (longer term)
Eviction/under notice to quit (and unable to afford rent/deposit)
Asked to leave by parents/relatives
Intermediate accommodation and receiving support
In other temporary accommodation (e.g. conventional social housing, private sector leasing)
Discharge from prison, hospital and other state institution without permanent housing

Source: Crisis^{vi}

The future of homelessness in Great Britain will depend heavily on policy decisions made in coming years. But without concerted effort there is a significant risk that it will increase – by 2041 there could be close to 400,000 homeless households, with particularly large increases in sofa-surfing and households in unsuitable temporary accommodation.^{vii}

There is nothing inherent to Brexit that means homelessness needs to increase as a result of its implementation. It does raise some challenges, but there are also potential opportunities – and if those challenges are effectively addressed, and the opportunities taken, what comes after Brexit could have a positive contribution to the agenda for tackling homelessness.

CONTEXT: THE BREXIT PROCESS AND TIMELINE

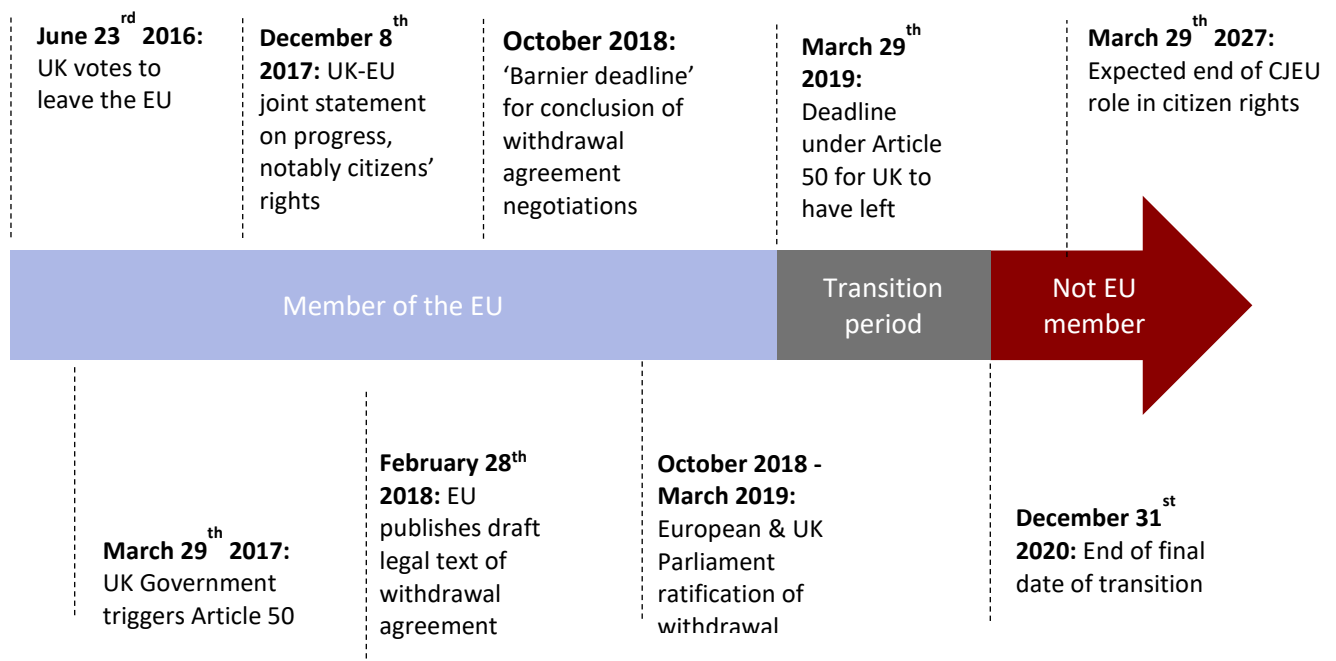
On June 23rd 2016, the UK voted to leave the European Union. This, and the decision to ‘trigger’ Article 50 in March 2017, provide the high-level timeline and direction for Brexit.

Both the UK and the EU have accepted that there will be a period of transition between the expiry of the two-year deadline under Article 50 and the UK’s future outside of the European Union – the current position set out by the European Commission is that this period would last until the end of 2020.^{viii}

The UK-EU joint statement on progress in negotiations for the withdrawal agreement published in December 2017^x also set out that the Court of Justice of the European Union (CJEU) would retain a role in cases in UK courts and tribunals relating to citizens’ rights under the withdrawal agreement for eight years after the date of exit.

This timeline is set out in Figure 2 below.

Figure 3: High-level timeline of the Brexit process



Source: Adapted from Institute for Government^x

Within this timetable, there are several decisions relevant to homelessness that will need to be made, including:

- The process and evidence needed to support an application for settled status or a temporary residence permit;
- The immigration system that will apply for EU nationals arriving after the transition period; and
- How the UK Shared Prosperity Fund, set to replace European Structural Funding in the UK, will operate.

None of these decisions have yet been finalised, but each of them will help to shape whether Brexit has an overall positive or negative impact on homelessness in Great Britain.

AN OPPORTUNITY FOR RENEWAL OF THE HOMELESSNESS AGENDA

“We’ve had calls for all kinds of Brexit. A soft Brexit, a hard Brexit and a red, white and blue Brexit. No one is talking about a fair Brexit - one that will unite the country and lead us to a shared society based on fairness and mutual respect the Prime Minister has talked about.”

David Isaac, Chair, Equality and Human Rights Commission^{xi}

The above quote, in the context of equality and human rights, sets out the core challenge of Brexit for social policy. The centrepiece of the Brexit policy agenda has been trade and the impact on businesses, and to the extent that the debate has extended to domestic issues it has been in the context of how any ‘Brexit dividend’ could be spent.

These are important issues. But as the UK leaves the European Union there is also an unparalleled opportunity to refresh domestic policy across a range of areas, and to determine the type of country we wish to become outside of the EU.

There is increasing cross-party recognition of the need to tackle homelessness, and there have been a number of initiatives. A renewed approach can build on developments in the nations of Great Britain – from the removal of ‘priority need’ in Scotland and introducing a robust legal duty regarding homelessness prevention in Wales, to the introduction of longer tenancies in Scotland, to the increased duties placed on local authorities and other public agencies in England under the Homelessness Reduction Act 2017.

However, even under the most optimistic post-Brexit scenario in which concerted, cross-departmental measures are taken to achieve the best possible Brexit for homelessness, there are features of current policy across Great Britain that will continue to place pressure on the homelessness agenda. These include benefit levels and eligibility, the availability of affordable housing, and the rise of insecure short-term Assured Shorthold Tenancies in the private rented sector – the expiry of which is now the leading immediate cause of homelessness in England.^{xii} Brexit does not have any immediate implications for these issues, but they provide important context for the rest of this report, and without this more fundamental reform the extent to which reductions in homelessness can be achieved in current years will be limited.

None of this is to say that Brexit itself will not have an impact on homelessness. As the following sections of this report lay out, there are crucial implications of Brexit that have the potential to worsen the problem of homelessness if ignored or poorly handled, or to contribute to reducing homelessness if understood and prepared for.

Ultimately, Brexit should be considered a catalyst for developing a more co-ordinated domestic policy agenda that centres around ending homelessness and providing sufficient housing for everyone. It is imperative that politicians across the country do not let Brexit overshadow urgent domestic policy decisions, and, where possible, seize opportunities from the process of exiting the EU to better tackle and prevent all forms of homelessness, including migrant homelessness, and ensure a proportion of the new UK Prosperity Fund is channelled towards housing and homelessness services.

KEY FACTOR 1: IMMIGRATION STATUS AND RIGHTS

At present, EU citizens who are in Great Britain and classed as ‘exercising treaty rights’ have the right to live in the country. However, once the UK has left the EU, a new system will apply. European nationals who arrived in the country before March 29th 2019 will need to apply for one of two types of status by no later than six months from December 31st 2020:

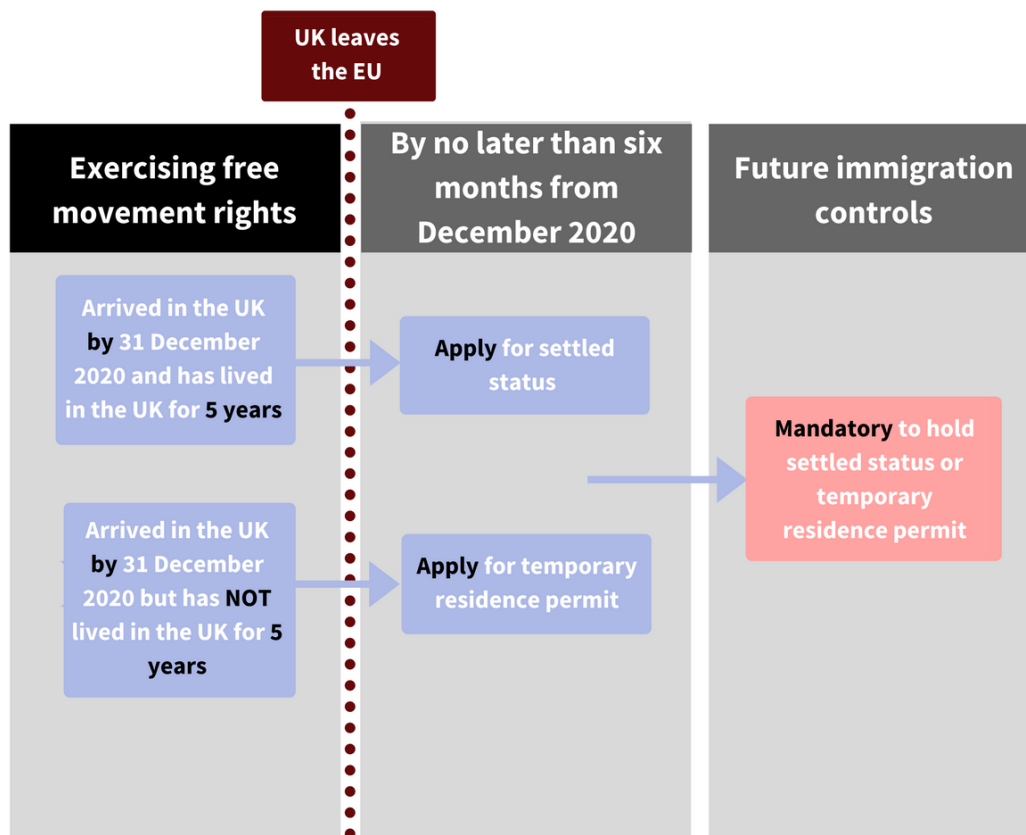
- **Settled status** if they have already exercised treaty rights for five years or more; or
- **Temporary residence permit** if they have exercised treaty rights for under five years.

After this two-year period, it will be mandatory for these EU migrants to hold settled status or a temporary residence permit. To do this they will need to apply – the statuses will not be automatically conferred.

The UK Government has stated that “EU citizens with settled status or temporary permission to stay will have the same access as they currently do to healthcare, pensions and other benefits in the UK”.^{xiii}

As of March 2018, it appears that EU nationals arriving in the country during the transition period will have the same rights as EU nationals who arrived prior to March 2019.^{xiv} However, at the time of writing, we do not know in detail the post-Brexit rights that will be available to EU nationals (or their family members) who arrive in the country after this.

Figure 4: Overview of expected immigration controls for EU nationals



Source: WPI Economics analysis of draft withdrawal agreement^{xv}

The application process

The UK government has promised a “streamlined, quick and user-friendly” process for applications for the new statuses.^{xvi} This suggests that EU citizens living legally in the country before December 31st 2019 should be able to achieve either settled or temporary statuses straightforwardly. However, this is dependent on two conditions being satisfied:

- They apply for one of the new statuses; and
- Their application is successful.

While in principle these do not appear demanding criteria, a more careful analysis raises serious questions about whether various groups EU citizens will in practice be able to fulfil these^{xvii}. Homeless EU citizens, or EU citizens who have experienced homelessness while in Great Britain are a key group that could face difficulties.

This points to a risk that some EU nationals currently in Great Britain may ‘fall into’ illegal status post-2021. This could include EU nationals who have experienced homelessness while in the country, but could also heighten the risk of other EU nationals becoming homeless.

This section focuses on the difficulties that EU nationals who have experienced homelessness, although similar issues could apply to a wider group of EU nationals. EU nationals who have experienced homelessness or rough sleeping should not have this used against them in the application process, but there are a number of concerns around how this process could work in practice.

The first concern is that EU nationals, and particularly those who are homeless, may not make an application at all. This may be because they are unaware of the need to do so, fear being rejected, are mistrustful of interacting with officials, or are unable to afford the fee (no more than the cost of a UK passport – currently up to £85 – a significant sum for those on low or no income). The fact that the application process is expected to be solely available online may also prove a barrier for EU nationals that are homeless with no internet access or low computer literacy.

Equally important is the manner in which applications are to be assessed, and the documents that will be required to support an application. Those delivering support to homeless people on the front line argue that many homeless people are unlikely to have straightforward work histories, or documentation for that history. They may have been doing casual work, and so lack employment documentation. They also may be unable to prove their date of arrival to the country.

Through a combination of the above factors, there is clearly a risk that EU nationals – even those who meet (but cannot provide evidence) requirements – are unable to obtain either settled status or a temporary residence permit. The consequences of this are unknown. Some homeless people will return to their countries of origin. But others will remain in Great Britain, and could find themselves (potentially without realising) without access to services and support that they currently rely on, or may need in the future. This has the potential to both affect people’s finances and ability to access crucial non-financial support - for example, participants at our roundtables highlighted that many hostels rely on funding from Housing Benefit, and so if EU nationals find themselves without access to Housing Benefit, they may also find themselves without access to emergency accommodation.

Roundtable participants felt that this, allied with a fear of being deported simply by interacting with officials, could push vulnerable EU nationals further from support – simultaneously worsening their position and putting them at greater risk of abuse or exploitation.

However, at the time of writing the details of the application process have not been finalised. This means there is an opportunity to influence the design of the process, and to meet the spirit as well as the letter of Government's commitment that "no EU citizen currently living here lawfully [a group which includes homeless people] will have to leave the UK when we leave the EU".^{xviii} Participants in our roundtables suggested a range of measures that could make this process easier for homeless people:

- Reducing or waiving the application fee;
- Allowing applications to be made on someone's behalf by a trusted third party; and / or
- Reducing documentation requirements for homeless people.

It is also not clear what the application process will be for nationals of non-EU EEA countries, or of non-EU family members of EU nationals. The current process is recognised as being burdensome and bureaucratic,^{xix} which is in part behind the move to a simpler system for EU nationals. But if the previous, complex process remains for some groups who nevertheless need to apply for a new status, the risk of delays or barriers to applying will increase. Roundtable participants raised concerns that delays in processing applications – or appeals – could increase the risk of some applicants going 'underground' rather than wait for a potentially unfavourable outcome.

One key opportunity that the need to apply for new immigration statuses does bring is the potential for EU nationals currently working in vulnerable or exploitative employment to be supported into the formal economy, with the greater rights and security that brings. Participants at our roundtable suggested that this could take the form of an 'amnesty' for employees and employers, with a clear commitment from Government that undocumented work undertaken by applicants will not be punished, and this could count as evidence of exercising treaty rights.

Further to this, the Government should monitor the size of the informal economy post-Brexit to ensure that the changes to immigration statuses do not inadvertently push more EU nationals into unregulated and potentially exploitative work.

Increasing complexity

Aside from uncertainties about the process, the differences in rights between EU nationals who arrived at different times adds further complexity to what is an already labyrinthine system of eligibility for benefits. For non-EU migrants who are exercising derived rights, the situation is yet more complicated, as eligibility may depend on the date on which a relationship began.

This clearly raises a challenge for immigration and welfare advisors, who will need time to understand the implications of changes to eligibility in order to advise clients. However, a prerequisite for the sector to be able to advise on these rights is to know what they are or will be. In this context it is also important to note that immigration advice is a regulated activity and anyone dispensing legal advice on immigration who is not registered with the Office of the Immigration Services Commissioner could be committing a criminal offence. This could limit the ability of homelessness organisations to advise clients, or risk them inadvertently breaking the law.

Roundtable participants highlighted the risk that incorrect assumptions about eligibility for certain benefits become 'folk knowledge' among advisors. These sorts of errors can contribute to homelessness if they lead to people not getting the benefits they are entitled to – particularly as Housing Benefit is crucial not only to access to the private rented sector, but also to hostels.

The fact that Brexit will bring additional complexity to eligibility criteria, and potentially a large volume of cases for advisers to deal with, exacerbates the risk of such errors. That risk will grow the closer the date of any new system's application becomes without clarity. Similarly, participants discussed the risk that some services, if unprepared for handling new and complex cases, may find that the easiest option is to support service users to return to their country of origin – even if that would not be in the best interests of the homeless person.

Future rights and access to housing, healthcare, benefits, and support

While EU nationals do form part of the homeless population, the majority of the homeless population in England are not EU nationals, and since 2015 the number of rough sleepers of Central or Eastern European (CEE) origin have fallen significantly.^{xx}

Nevertheless, homeless EU nationals face a range of barriers to accessing healthcare, benefits, and support, which put them at risk once they become homeless. Key amongst these is the 'hostile environment', which requires governmental and private bodies to confirm an individual's immigration status before offering or providing a wide range of services, including a job, a private tenancy, a bank account, and non-emergency healthcare. Homeless migrants are particularly likely to struggle to fulfil these requirements, placing them at risk of falling out of the mainstream of society and into homelessness.

There are also specific aspects of immigration regulations that directly limit migrants' access to services. For example, EU nationals who are jobseekers cannot access local authority homelessness support in England and Wales (although they can in Scotland). We do not yet know what the rights of EU nationals moving to Great Britain after Brexit will be, nor their eligibility for financial and non-financial support, including healthcare. This system will also clearly be crucial for the future risk of homelessness for these people, especially as a lack of entitlement to Housing Benefit prevents access not only to private rented accommodation but also to hostels.

One important potential distinction between EU nationals who were in the country before the exit date and those who arrived after relates to the treatment of rough sleepers. In late 2017 the High Court ruled that the Home Office's definition of rough sleeping as an abuse of EU free movement rights was contrary to EU law, and that the Home Office policy of targeting EEA nationals who were rough sleeping was discriminatory and amounted to an unlawful systematic verification of the EEA nationals' rights to reside.^{xxi} The Home Office did not appeal this ruling, and has amended its guidance, and so we expect it to continue to apply to EU nationals who arrive (and can prove they arrive) before the UK leaves the EU. But it will not necessarily apply to EU nationals who arrive after the transition and subsequently find themselves sleeping rough. An additional factor is likely to be the role that the homelessness sector can play in relation to immigration enforcement. This has been a contentious role in recent years – but there is clearly a risk that regardless of the reality, if engagement with homelessness organisations is seen as 'risky' for homeless people, they will choose not to engage with this support and find themselves further isolated and at risk.

A further issue relates to the ability to access NHS healthcare that will apply to EU nationals arriving after the transition period, and whether the same access – and at what if any cost – will apply for EU nationals currently in the country. The UK Government has said that in some circumstances evidence of Comprehensive Sickness Insurance will be needed to access non-urgent healthcare,^{xxii} while recent changes to overseas visitor charging regulations mean that patients could face an upfront charge of up to 150% of the cost to providers for non-urgent care.^{xxiii} It is not yet known whether current reciprocal healthcare arrangements between the UK and other EU countries will continue after Brexit.^{xxiv} if they

do not, some EU nationals may be unable to receive medical support until their condition has become serious, which roundtable participants felt could heighten the risk of them becoming homeless, or if they are already homeless it could significantly worsen their health.

Participants at our roundtables also highlighted that it is not uncommon for local authority commissioning contracts to specify particular immigration statuses that support services should be aimed at. How this practice will develop post-Brexit, and whether future contracts will be aimed at certain immigration statuses that indirectly include or exclude European nationals is not known, but one potential outcome is that these contracts make it more difficult for EU nationals to access – or be reached by – particular commissioned services.

Finally, there are some groups of people who currently have the right to reside as a result of a connection to an EU national, but are not classed as exercising treaty rights, and so could see a change in their rights, as they will not be covered by the withdrawal agreement. So-called ‘Zambrano carers’, who are non-EU nationals with caring responsibilities for an EU national dependent, are one group that could see changes in their rights, even if they were in the country before the date of Brexit. How UK domestic policy towards these groups develops, and whether their access to housing, healthcare, benefits, or support, is reduced, could affect their risk of homelessness.

The impact on the homelessness sector workforce

A further potential impact of the new immigration statuses could be on EU nationals currently working in the homelessness sector. We are not aware of any studies on EU nationals working (or volunteering) in the sector, but anecdotal evidence highlighted at our roundtables suggests that there are homelessness sector organisations that rely significantly on EU nationals as workers or volunteers, especially in areas with high migrant homelessness. This may be particularly true for outreach services where the ability to speak certain languages may be essential in reaching homeless people. If Brexit leads to significant numbers of these people leaving the country, this could put pressure on the homelessness sector’s ability to retain staff at a time when their services may be more needed than ever.

Key opportunities and risks for homelessness: immigration status and rights

Opportunities

- Homeless EU nationals in vulnerable or exploitative employment could have their status formalised, and be supported to re-engage with the services they need to move out of homelessness
- The application process for new immigration statuses could be designed to ensure homeless EU nationals are not disadvantaged
- The post-Brexit immigration system could give foreign nationals who are legally in the UK equal access to homelessness and related services

Risks

- The application process for new immigration statuses could lead to some EU nationals who are here legally being unable to acquire a new status – or they may not apply at all
- Lack of clarity over future rights makes it hard for the homelessness sector to plan
- Introducing different rights for different groups increases the challenge for homelessness and welfare advisors, and raises the risk of errors

- The rights and access to support of future EU migrants and some current migrants such as Zambrano carers could be reduced, increasing the risk of homelessness
- The homelessness sector could face challenges in retaining its EU workforce and volunteers

KEY FACTOR 2: ACCESS TO HOUSING, HEALTHCARE, EMPLOYMENT AND HOMELESSNESS SERVICES

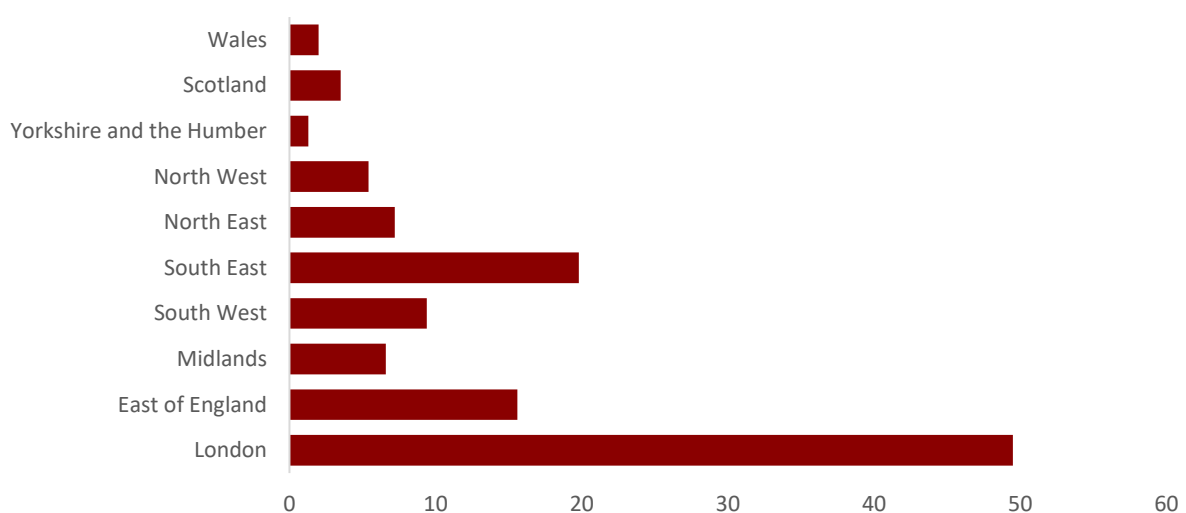
The first factor set out above relates to new immigration statuses, and therefore relates to foreign nationals. But the wider effects of Brexit will impact on all people who are homeless (or may be in the future), including British nationals.

Housing supply

It hardly needs saying that housing is closely interlinked with homelessness. There is a range of impacts that Brexit could have on both housing supply and demand, which in turn will feed into housing affordability. Housing affordability is a significant problem in Great Britain, particularly in the private rental sector. In 2016-17 private renters paid on average 34% of their household income (including Housing Benefit) on rent,^{xxv} while the proportion in London was estimated at 45% in 2015-16.^{xxvi} Close to 400,000 households in the private rented sector are also in arrears, which demonstrates the difficulty many households have in affording housing in the sector.^{xxvii} The growth in the size and cost of the private rented sector has been driven by many factors, but a lack of new housing stock as demand has increased has undoubtedly contributed.

Some have argued that reduced immigration post Brexit could weaken housing demand, with knock-on impacts on prices and rents.^{xxviii} However, the evidence on this is, at best mixed. Indeed, many studies suggest that any possible impacts would be negligible.^{xxix, xxx} As such, we have not considered this in detail – and it is our view that it is unlikely to be a major factor. A much larger and more certain aspect that will affect future housing supply in Britain is the extent to which the construction industry – and particularly the residential construction industry – is reliant on EU labour. Figure 5 shows that, in London, half of residential construction workers are EU nationals, while in the South East and East of England this is true of more than one in five and more than one in ten residential construction workers respectively.

Figure 5: Proportion of residential construction workers who are from the EU in GB regions



Source: Home Builders Federation^{xxxi}

If Brexit leads to significant numbers of these workers leaving the EU, it is likely to have a knock-on effect on house building. It could increase the cost of labour (and therefore of house building), and / or

there could be delays in completing construction projects as new workers need to be recruited and trained.

Another possibility is that Britain may, under a new migration system, be able to gather information that better supports predicting and planning for future increases in demand for housing. In turn this could enable future government planning processes to better meet demand, reducing current backlogs of housing need and preventing them building up in the future.

Access to the private rented sector

The impact on housing of a potential economic downturn post-Brexit is unclear. While a downturn could reduce house prices or rents, research from the Institute for Fiscal Studies found that real rents, and real incomes among private renters outside of London have remained relatively flat since the 2008 recession, while real incomes among renters in London have fallen.^{xxxii} This suggests that the recession did not have a positive impact on private rental affordability.

Research from Shelter following the 2008 recession also found that landlords vetted their tenants more thoroughly during the recession, to reduce the risk of arrears.^{xxxiii} This could reduce access to the private rental market for households who may be considered at risk of arrears – increasing their risk of homelessness.

Another factor is how Brexit will interact with the ‘right to rent’ checks under the hostile environment. Right to rent laws have applied to private sector landlords in England since 2016, and require landlords to check that a prospective tenant has the right to reside in the country. Crisis has previously highlighted concerns that right to rent could act as a barrier to housing for some homeless people, as for a variety of reasons they may not have access to the necessary documentation to meet the requirements, and other research has highlighted the risks of discrimination and lack of access to the private rented sector that this policy raises.^{xxxiv, xxxv} This could lead to homeless people being unable to access the private rental sector at all, or to only be able to rent through landlords who are unconcerned with their legal responsibilities, which clearly risks those tenants having no option but to rent poor-quality or dangerous housing.

As well as the potential impact on homeless people of all nationalities, there have also been suggestions that right to rent could act as a barrier for EU nationals who do legally have the right to rent. This could occur if, for example, residential landlords choose not to conduct right to rent checks and instead let to those who ‘clearly’ would pass the checks if they were conducted.

A survey of residential landlords conducted by Shelter suggests that this fear is not unfounded. It found that 44% of landlords who make letting decisions (i.e. do not outsource this to a letting agent) said ‘right to rent’ would make them less likely to let to people they perceived to be immigrants.^{xxxvi} This survey was carried out before the policy took effect, but it suggests that right to rent could be a significant barrier to EU nationals accessing privately rented housing in the future, particularly once EU nationals require an immigration status to have the right to rent, rather than just relying on the Treaty rights they enjoy as an EU citizen.

These risks may be particularly live during the transition period as the date nears when EU nationals will need to have a new status but may not yet have had their application processed. Particularly in the months around the end of any transition, some EU nationals may find themselves unable to rent – or will only be able to do so in the black market, significantly increasing the risk of a rise in homelessness.

Access to employment

Similar legal requirements as under right to rent regarding an employee's right to work have been in place since 2008; currently employers must check that a prospective employee from the EEA has a valid passport or other 'right to work' document before employing them. While this has been in place for longer than right to rent, there remains a risk that EU nationals will find themselves disadvantaged in the (formal) labour market in similar ways as outlined above.

Finally, there are a range of employment and discrimination protections that originate from the EU.^{xxxvii} Many of these are also incorporated into UK law, but even where this is the case our exit from the European Union means these could be unilaterally weakened in a way that is not possible while we are EU members. If these protections were to be weakened it could increase the risk of poverty, and subsequently homelessness, among workers who find themselves disadvantaged by any such changes.

Access to housing and homelessness services

The ability for EU nationals to access homelessness support is crucial - but as outlined in the previous section, some EU nationals are currently excluded from this support in Great Britain.

An additional issue is local authorities' ability to deal with eligible cases. If Brexit is implemented in a way that leads to greater homelessness, local authorities may struggle to handle the caseload, leading to delays and poorer outcomes. In England, this will also interact with enhanced responsibilities under the Homelessness Reduction Act, which will increase the number of people eligible for support. While 'new burdens' funding of £72.7m has been announced to help councils meet these obligations between 2017-18 and 2019-20,^{xxxviii} it is not clear whether this will be sufficient; in London alone it has been estimated that the cost could be £77m in a single year.^{xxxix}

Ensuring that homelessness provision is not only available to all British residents but that it is also adequately resourced is essential. This is one area where the replacement fund for the European Social Fund could be used to directly support people who are either already or at risk of becoming homeless.

Access to healthcare

As well as housing, healthcare is an essential service for homeless people. Homeless people are over twice as likely to report a physical health issue than the general public, nearly twice as likely to report a mental health problem, and the average age of death for a homeless person is just 47.^{xl, xli} Drug and alcohol abuse account for more than a third of these deaths.^{xlii}

Spending on the NHS was a key political issue during the EU referendum, and so it seems likely that there will be some form of 'NHS Brexit settlement'. An increase in spending on healthcare would clearly be welcome in the context of addressing homelessness - in particular if it is targeted at the types of complex needs that homeless people may experience, including mental health and substance misuse issues. This sort of support is a crucial element of a Housing First approach to homelessness in particular, which "uses independent, stable housing as a platform to enable individuals with multiple and complex needs to begin recovery and move away from homelessness".^{xliii}

Another opportunity would be to target any increase in NHS funding at health provision for homeless people, and to build in greater homelessness prevention and relief into that support by further developing links between local healthcare and housing services.

But these potentially positive impacts on access to healthcare for homeless people could be outweighed by other Brexit-related factors. Around 6.5% of all NHS staff are EU nationals,^{xliiv} while in

some areas the figures are higher; for example, almost 10% of NHS hospital or community services staff working in the general psychiatry specialty are EU nationals.^{xlv} Depending on whether these staff remain in the country after Brexit, there could be increased waiting times for some types of care, with consequent effects on the treatment and prevention of health conditions.

Key opportunities and risks for homelessness: Access to housing, healthcare, employment, and homelessness services

Opportunities

- The new migration system could support future government planning processes to better meet demand for housing and infrastructure, reducing current backlogs of housing need and preventing them building up in the future
- Additional post-Brexit funding for the NHS could be targeted at issues facing homeless people and improving links between healthcare and other services
- A UK Shared Prosperity Fund could be used in part to support the provision of homelessness services

Risks

- Residential construction and healthcare workforces could see reductions, leading to shortages and knock-on implications for speed and cost of housebuilding, and availability of healthcare
- EU nationals here legally may face difficulties in accessing employment, healthcare, and privately rented housing under 'hostile environment' policies
- Workplace protections currently enshrined in EU law could be weakened or removed

KEY FACTOR 3: FUNDING FOR HOMELESSNESS PREVENTION AND RELIEF

Current EU funding

Between 2014-20, the UK is set to receive close to €5bn in funding from the European Social Fund and the Youth Employment Initiative. Once the UK has left the European Union, however, it will no longer be eligible for these funding streams in future rounds. Whether this proves to be a positive or a negative development for homelessness overall will depend in large part on what the current funding streams are replaced by.

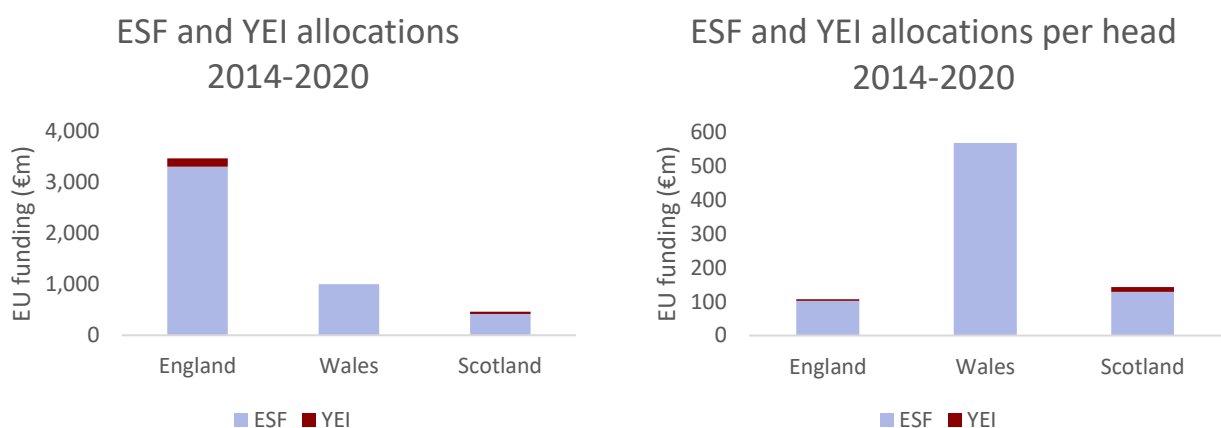
Table 2: European Social Fund and Youth Employment Initiative

Fund	Purpose	Value to GB between 2014-20
European Social Fund	Europe's main instrument for supporting jobs, helping people get better jobs, and ensuring fairer job opportunities for all EU citizens.	€4,733m
Youth Employment Initiative	Provides financial support to the regions in the EU struggling most with youth unemployment and inactivity.	€205m

Source: European Union^{xlvi, xlvii}, National Audit Office^{xlviii}

Of these funds, the European Social Fund is by far the largest. The majority of this funding goes to England, but a funding per head comparison makes clear that Wales is significantly more reliant on this funding than either England or Scotland.

Figure 6: Comparison of nominal and per-head (aged 20-64) funding per GB nation



Source: WPI analysis of National Audit Office^{xlix}

As well as some programmes in Wales that are specifically focused on homelessness, ESF-funded programmes can help to prevent and alleviate homelessness in two main ways:

- They can support people who are currently homeless get closer to the labour market; and
- They can support people who may be at risk of future homelessness by improving their skills and earning potential.

Part of the European Social Fund in Britain is managed by Her Majesty's Prison and Probation Service (HMPPS), meaning there is a particular focus here on supporting ex-offenders into work. Ex-offenders are a group particularly at risk of homelessness, with one study finding that two-thirds of prisoners serving sentences of under 12 months needed support with accommodation upon release.ⁱ A related target of EU funding is equality and diversity.ⁱⁱ Some of this funding overlaps with the funding for employment support, but other initiatives do not, such as support for women exploited in the industry. The future of this funding will therefore also have an impact on the likelihood of some groups becoming homeless, and preventing their exploitation should that happen.

The UK Shared Prosperity Fund

"We will use the structural fund money that comes back to the UK following Brexit to create a United Kingdom Shared Prosperity Fund, specifically designed to reduce inequalities between communities across our four nations."

Conservative Party 2017 Manifesto

The 2017 Conservative Party Manifesto proposed a United Kingdom Shared Prosperity Fund (UKSPF) to replace current European funding. This commitment to replacing the funding that the country will lose is welcome, but the detail of its operation will be crucial.

Participants at our roundtables highlighted that the interpretation of 'reducing inequalities' will be crucial in determining whether the replacement fund tackles homelessness. For example, with homelessness predominantly concentrated in urban areas, a fund aimed at reducing inequalities between rural and urban regions would have less impact on homelessness than a fund targeted more directly at economic or social exclusion within cities.

Responsibility for deciding what projects to fund will also be an important factor for the fund's operation and where it will be focused. Our understanding is that the Ministry of Housing, Communities, and Local Government (MHCLG) will have overall responsibility for the fund. This is also the department with responsibility for housing, which suggests that housing could form a key part of the new fund's focus.

However, the new fund is expected to be delivered through Local Enterprise Partnerships (LEPs), which have not typically dealt with social funding, especially funding aimed at housing and homelessness issues. So even if the overarching aim of the UKSPF is one that is compatible with funding for homelessness prevention and relief, there may be a challenge in demonstrating to LEPs how a focus on homelessness can help to meet their objectives. Ultimately this will first need the objectives set by MHCLG for the fund to include scope for it to be used for programmes targeted at housing and homelessness.

We also do not yet know the extent to which this fund would be administered throughout the country from Westminster, or the extent to which devolved administrations will have this responsibility. This will affect where representations will need to be made to ensure that the fund can be used to tackle homelessness - and the potential for Scotland or Wales-specific directions of funding.

Another stream of funding that currently comes from the EU is the European Regional Development Fund. This has an aim of strengthening economic and social cohesion in the European Union by

correcting imbalances between its regions and in the UK is primarily focused on four key areas, none of which have direct implications for homelessness:

- Innovation and research;
- The digital agenda;
- Support for small and medium-sized enterprises (SMEs); and
- The low-carbon economy.

However, an alternative approach to developing a region is to focus on that region's infrastructure, including housing - and so there is scope for the UKSPF to help to fund investment in housing, which clearly can contribute to reducing homelessness.

How the fund operates will also be crucial in determining what impact it has on homelessness – even if homelessness prevention and relief does form a core part of its aim. This is in part dependent on the size of the fund, and particularly other domestic demands on funding (which are likely to come from, for example, the NHS given the focus of the Leave campaign, and the agricultural sector, given the scale of European agricultural funds).

There are clear opportunities here – participants at our roundtable and other stakeholders have cited the bureaucracy of the current system for applying for European funding,ⁱⁱⁱ and the potential for a new fund to be easier to access, as well as more directly targeted at homelessness prevention and relief.

Other features of the fund will be important, including how long funding is allocated for, and how protected any such fund is both within a funding round and between rounds. The current European Structural Fund system has clear advantages in providing secure funding over several years, and it is the primary way in which the EU spends money, so there is little risk of it being 'raided' to fund short-term priorities. Replicating these aspects in the UKSPF would go a long way to making it an effective fund for tackling social problems, including homelessness.

Finally, there is a question of timing. The current round of structural funding is due to end in 2020, and must be spent by 2023. If a new scheme is to provide continuity for programmes and expertise developed using EU funding it will need to be established quickly to provide certainty for service providers and ensure that expertise is not lost.

A new strategic programme of housing and homelessness funding

Whatever the operational details of the UKSPF, reforming funding for housing and homelessness could bring significant benefits if done in a bold and strategic way.

At a national level this could include allocating what is currently European Regional Development funding to housing infrastructure, as a core part of a new industrial strategy. This programme of housing infrastructure could then be delivered at a local level through LEPs and local authorities, linking local priorities to a national overarching strategy.

There is also an opportunity to deliver funding for homelessness provision more locally, and in a more integrated way to recognise that homelessness often does not occur in isolation but alongside other issues such as health and employment difficulties – for example, a combined housing and employment support service could help to meet complex needs. This could replace the funding that was lost in England and Scotland when the Supporting People funding ceased to be ringfenced, and underpin initiatives such as Housing First, that are specifically aimed at tackling the issues underlying a person's housing situation.

Delivering this social funding as well as housing infrastructure funding through LEPs or local authorities would enable the funding streams to be complementary rather than siloed, meaning both infrastructure and support funding contribute to the greatest possible extent to preventing and relieving homelessness.

The devolved administrations in Scotland and Wales can clearly play an important role in the delivery of this funding and the implementation of programmes that meet the needs of homeless people in their nations. Recent steps in England towards local devolution also suggest that Combined Authorities could play a part. The experience to date of the Greater Manchester, West Midlands, and Liverpool City Region Combined Authorities suggests that Metro Mayors can play and are playing an important role in tackling homelessness issues in their areas:

- They can demonstrate political leadership, driving the issue up the agenda and placing tackling homelessness at the centre of their mandate;
- They can convene disparate sources of funding and expertise – including health, social care, employment support, and adult skills - to tackle the various related issues that contribute to homelessness in an area; and
- They can encourage support across neighbouring local authorities to ensure that homelessness is addressed, rather than just relocated.

This is not, however, universal across devolved regions. The extent to which homelessness is a priority for Combined Authorities will vary greatly, and so an important role for the homelessness sector will be to raise the profile of homelessness locally during mayoral campaigns to get clear manifesto commitments from candidates, and offer constructive solutions to local issues. If combined with the sort of ambitious funding programme we outline above, this could deliver significant benefits.

Key opportunities and risks for homelessness: Funding for homelessness prevention and relief

Opportunities

- Existing EU funding could be replaced by a bold, ambitious programme of strategic housing infrastructure development, combining national priorities with local delivery
- Replacement funding for EU programmes could be less bureaucratic, more integrative, more locally delivered, and more clearly targeted at homelessness provision

Risks

- The UK Shared Prosperity Fund (UKSPF) may not start before current EU funding ends, which would risk the closure of existing homelessness services relying on EU funding
- The UK Shared Prosperity Fund could provide less funding for homelessness services than EU programmes currently do, or be subject to 'raiding' for other political priorities

KEY FACTOR 4: THE BIGGER PICTURE

The three factors outlined above are the most direct ways in which Brexit, and the way it is handled, could affect homelessness. But clearly the overall trajectory of the British economy, and of patterns of migration post-Brexit, will also affect homelessness. While these are not factors over which the homelessness sector has any control, they will provide the background against which the implications of Brexit for the sector will play out, and so it is important to understand the ways in which this could occur.

The economy

UK Government analysis leaked in early 2018 suggested that under various forms of Brexit, the country was likely to see lower growth over the next 15 years than under current forecasts of between 2% and 8%. Regionally the impacts also varied significantly, from 1% (London, under a 'soft Brexit') to 16% (North East, under a 'no deal' Brexit).

It is important to note that these are forecasts of lower growth, rather than recession. But they set out the potential for Brexit to lead to continued pressure on public finances and on economic growth over the medium term. If this transpires, it is likely to lead to a set of pressures that have the potential to increase homelessness (relative to what would have occurred otherwise):

- Lower employment;
- Higher inflation, and consequently lower real wages;
- Lower central government tax receipts, and consequently greater funding pressures that affect the funding available for homelessness prevention and relief; and
- Reductions in individual gifts to homelessness charities as potential donors find their incomes squeezed.

It is of course possible that these forecasts prove to be inaccurate. If, instead, economic growth after Brexit increases, these concerns are unlikely to arise, and an inverse, more positive scenario could be realised that would reduce the likelihood of homelessness increasing and could increase the available funds for tackling remaining homelessness.

Even under a scenario of lower growth, however, there are still opportunities to be found to mitigate the impact on homelessness. There is already anecdotal evidence of sectors that are reliant on EU migrant labour noticing a shortage of workers.^{liii, liv, lv} Participants at our roundtables suggested that this could provide an opportunity for the homelessness sector to work with local employers to help provide employment opportunities for homeless people. While this will not be a realistic proposition for the most vulnerable who are furthest from the labour market, it could form part of a solution to lifting a large proportion of homeless people, with relatively low level support needs, out of homelessness through access to employment – and enabling resources to be spent providing greater employment support to more complex and ingrained issues faced by homeless people in need of more intensive support. These sorts of local partnerships could form an important part of an integrated approach to housing and homelessness as discussed under funding for homelessness provision.

Returning British nationals

Another important factor will be the flow of British expats returning from the European Union to Great Britain. We do not know at this stage how many such nationals will return, but a recent report by the

Migration Policy Institute set out that “[t]here is likely to be a massive increase in UK nationals who find themselves in legal limbo, either de facto unauthorised, waiting to have their residence application processed, or in the process of appealing an unfavourable decision about their status.”

This uncertainty could translate into UK nationals returning, who may have a number of characteristics that increase their risk of homelessness upon their return – see Box 1.

Box 1: Factors that may increase risk of returning UK nationals becoming homeless

Age: British nationals living in the EU may be older, and therefore struggle to find employment or have complex health needs. Across the EU27, the latest data (from 2011) shows that nearly half of British citizens living in Europe are over the age of 50.

Lack of support networks: Those who have spent a significant period of time living in Europe may no longer have friends and family in the country, and so be more reliant on state support.

Lack of capital: Particularly when compared to housing costs in London and the South East, any capital may be quickly eroded.

Difficulties in accessing benefits and healthcare: Returning British nationals may be required to meet the Habitual Residence Test and demonstrate their intention to normally live in the Common Travel Area. This is a condition of accessing certain means-tested benefits, including Housing Benefit, as well as housing assistance from a local authority. To qualify for non-emergency NHS medical care or social care, a returning British national may also need to show they are now ‘ordinarily resident’ in the UK. Additionally they may be considered to be intentionally homeless, which means they would not be owed the full homelessness duty from their local authority.

Box sources: Age UK,^{lvi} Migration Policy Institute,^{lvii} ONS,^{lviii} WPI analysis

If British nationals returning from the EU find they have lost their legal entitlement to access healthcare, benefits, and support services, they will be at high risk of vulnerability to homelessness. This has already been seen in some cases of returning nationals, as the case study below demonstrates.

Case study: Callum’s story

Callum had been living and working abroad for several years but decided to return home after an extremely serious episode of cancer. While he was sick he’d been unable to work and used up all his savings. The government changed the rules on benefits four months before he returned to Scotland, so because he had lived abroad for such a long time he was no longer entitled to any financial support. As a result he became homeless and had no money at all to live on for the first three months.

Source: Crisis

Overall immigration levels and criteria

The Conservative Party Manifesto in 2017 reiterated the intention to reduce net migration to the tens of thousands. Lower net migration almost inevitably means lower inward migration (unless it is achieved by very high outflows rather than reduced inflows), which would at least reduce the number of future migrants who could find themselves homeless.

A reduction in overall immigration could also help to build political support for increased entitlements for migrants. Ending the current disparities between support available to legally-resident migrants and British nationals would make a huge difference to this group's likelihood of becoming homeless.

Key opportunities and risks for homelessness: The bigger picture

Opportunities

- If the economy performs well in coming years, the number of people at risk of homelessness could reduce, and the amount of money available for homelessness provision could increase
- Reduced immigration could create an opportunity to equalise rights and entitlements between UK nationals and migrants

Risks

- If the economy performs poorly in coming years, the number of people at risk of homelessness could increase, and the amount of money available for homelessness provision could reduce
- UK nationals returning from the EU could find themselves at risk of homelessness and with limited access to support

AN AGENDA FOR THE HOMELESSNESS SECTOR

The previous sections set out the four key factors we have identified as shaping Brexit's impact on the homelessness agenda in Great Britain. While the level of uncertainty surrounding these issues is significant, they are all areas where there is an opportunity for coordinated action to lead to a reduction in homelessness in Great Britain.

Much of this action, both on Brexit-specific issues and wider opportunities that Brexit itself brings, needs to come from national Governments. A national agenda for ending homelessness would likely need to consist of several areas of policy working in tandem, including:

- Providing a new and positive settlement for EU nationals who are homeless and currently struggle to access the support they need;
- Ensuring benefit levels and eligibility (including Housing Benefit and the housing payment within Universal Credit) protect all British residents against homelessness, regardless of nationality;
- Fully support the need for Great Britain to recruit and retain a global workforce;
- Increasing the supply of affordable and social rent housing;
- Greater security and rights for private sector renters; and ultimately
- The introduction of a 'right to housing'.

In this final section we highlight what we see as the key priorities for the homelessness sector to achieve the best possible outcome for homelessness of Brexit, particularly in relation to the specific issues Brexit creates.

In our view these fall under three broad headings:

- Understanding the issues;
- Communicating the issues; and
- Tackling the issues on the ground.

Understanding the issues

This report provides a framework for the sector to understand the types of impact that Brexit could have on homelessness and the homelessness agenda. But there remain key issues that the sector will need to further understand in the coming months, including:

- The linkages between different levels of local and national government as a result of devolution;
- When the unknowns will become known – in particular when key decisions around the UKSPF, the process for applying for new immigration statuses, and the future immigration system will be taken;
- The degree of reliance of homelessness organisations on European Structural Funds; and
- The potential impact of Brexit on the homelessness sector workforce.

The sector also needs to develop its specific asks around the key issues Brexit raises for homelessness, in order to present a clear, united voice.

Communicating the issues

Understanding the issues is a crucial first step, but in order to achieve a political focus on homelessness and Brexit, the sector also needs to communicate those issues to relevant organisations. There are a number of strands to this, including:

- Highlighting to Government the need for clarity about future rights and eligibility, and why this matters for homelessness;
- Highlighting the related need for Government to ensure frontline staff in local authorities, Jobcentres, and related services have the resources and training needed to be able to give accurate advice;
- Demonstrating to Government and LEPs that the sector can be a constructive partner and that tackling homelessness can contribute to achieving their objectives; and
- Building relationships with key sectors, such as the construction and hospitality sectors, to create a diverse coalition of voices urging Government to address these issues.

As part of this it will be important to ensure that the policy focus does not become solely on 'visible' homelessness but also tackles insecure or unsuitable housing.

Tackling the issues on the ground

The third key element of an agenda for the homelessness sector is how it responds on the ground to the challenges and opportunities of Brexit. This is in part dependent on progress on the two other strands, but key actions that the sector itself can take include:

- Training frontline staff in expected changes to rights once these are reasonably known;
- Developing close links with immigration advisors where these are in separate organisations;
- Supporting service users in their applications for temporary or settled status;
- Working with employers and landlords to explain the new statuses and their implications; and
- Working with local employers who may be affected by reduced EU immigration and helping service users to develop skills that improve their opportunities in those sectors.

Together, these three strands provide a tangible set of activities for the sector to take forward in the coming months to ensure that its response to Brexit is both proactive and effective. But clearly this agenda can only be fully implemented with support from Government: Government needs to take stock of how its implementation of the many strands of Brexit could affect the sector, and ensure that the sector is fully funded and informed to enable it to best tackle the risks and make the most of the opportunities we have raised here.

CONCLUSION

There is no question that Brexit poses major challenges for Great Britain, as well as opportunities to reorient the domestic policy agenda to the core questions that face the country. But the impact that Brexit will have on the vital policy area of homelessness is far from set in stone.

If Brexit is implemented in a way that does not carefully consider and address the risks and opportunities around homelessness it raises, that impact will be negative. However, by tackling risks and making the most of the opportunities Brexit brings, Government can turn Brexit into a positive for homelessness; Brexit decisions can and should help design a more ambitious and radical domestic policy on tackling homelessness.

This would be a hugely positive development for the hundreds of thousands of people with no, insecure, or inappropriate housing across the country. It cannot, however, be taken for granted. There are several areas of policy post-Brexit that, if not handled carefully, could greatly worsen the homelessness problem, and exacerbate the problems that homeless people already face.

Some of these policy areas will take effect in the near future, such as the application process for EU nationals currently in the country; others will not be known for longer, such as how the UK Shared Prosperity Fund will support the homelessness agenda or what the rights of future EU immigrants will be; and others may not become apparent for several years, such as the overall performance of the economy.

There are, however, steps that can be and should be taken now to maximise the possibility of a positive Brexit for homelessness, and to make the most of the wider opportunities for a renewal of domestic policy agendas.

Much of this action needs to come from national Governments, and throughout this report we have set out the key risks and opportunities for the homelessness agenda that Government needs to keep in mind as it implements Brexit. More broadly, a national agenda for ending homelessness would likely need to consist of several areas of policy working in tandem, including:

- Providing a new and positive settlement for EU nationals who are homeless and currently struggle to access the support they need;
- Ensuring benefit levels and eligibility (including Housing Benefit and the housing payment within Universal Credit) protect all British residents against homelessness, regardless of nationality;
- Fully support the need for Great Britain to recruit and retain a global workforce;
- Increasing the supply of affordable and social rent housing;
- Greater security and rights for private sector renters; and ultimately
- The introduction of a 'right to housing'.

We hope that this report will turn the attention of all those involved in homelessness in Great Britain currently, from local, regional, and national politicians and policymakers, to those working closely with homeless people in the NHS and other services, to the homelessness sector itself, to the interaction between Brexit and homelessness and the myriad ways in which the homelessness problem could be affected by it. This is only the start of a much wider policy conversation – and it now needs decisive, co-ordinated action from all levels of Government and the homelessness sector to turn the prospect of a United Kingdom free from homelessness into a reality.

ENDNOTES

- ⁱ Fitzpatrick et al (2017). *The homelessness monitor: England 2017*. Crisis. Available here: https://crisis.org.uk/media/236823/homelessness_monitor_england_2017.pdf
- ⁱⁱ GLA (2017). *CHAIN annual report – Greater London, April 2016-March 2017*. Available here: <https://files.datapress.com/london/dataset/chain-reports/2017-06-30T09:03:07.84/Greater%20London%20full%202016-17.pdf>
- ⁱⁱⁱ MHCLG (2018). *Rough sleeping in England: autumn 2017*. Available here: <https://www.gov.uk/government/statistics/rough-sleeping-in-england-autumn-2017>
- ^{iv} MHCLG (2017). *Statutory homelessness and homelessness prevention and relief, England: July to September 2017*. Available here: <https://www.gov.uk/government/statistics/statutory-homelessness-and-homelessness-prevention-and-relief-england-july-to-september-2017>
- ^v Bramley, G. (2017). *Homelessness projections: Core homelessness in Great Britain Summary Report*. Crisis. Available here: https://www.crisis.org.uk/media/237582/crisis_homelessness_projections_2017.pdf
- ^{vi} Ibid.
- ^{vii} Ibid.
- ^{viii} European Commission (2018). *Position paper "Transitional Arrangements in the Withdrawal Agreement"*. Available here: <https://ec.europa.eu/commission/sites/beta-political/files/transition.pdf>
- ^{ix} European Commission (2017). *Joint report from the negotiators of the European Union and the United Kingdom Government on progress during phase 1 of negotiations under Article 50 TEU on the United Kingdom's orderly withdrawal from the European Union*. Available here: https://ec.europa.eu/commission/publications/joint-report-negotiators-european-union-and-united-kingdom-government-progress-during-phase-1-negotiations-under-article-50-teu-united-kingdoms-orderly-withdrawal-european-union_en
- ^x Institute for Government (2017). *Brexit negotiations and legislation: implied timeline*. Available here: <https://www.instituteforgovernment.org.uk/sites/default/files/publications/brexit-negotiation-legislation-implied-timeline-final-jan-2018-a3.pdf>
- ^{xi} Equality and Human Rights Commission (2017). *Brexit plans lack ambition for equality and human rights*. Available here: <https://www.equalityhumanrights.com/en/our-work/news/brexit-plans-lack-ambition-equality-and-human-rights>
- ^{xii} Fitzpatrick et al (2017). *The homelessness monitor: England 2017*. Crisis. Available here: https://crisis.org.uk/media/236823/homelessness_monitor_england_2017.pdf
- ^{xiii} Home Office (2018). *Status of EU citizens in the UK: what you need to know*. Available here: <https://www.gov.uk/guidance/status-of-eu-nationals-in-the-uk-what-you-need-to-know>
- ^{xiv} Desira, C. (2018). *Brexit: settled status and citizens' rights – what has been agreed?* Free Movement. Available here: <https://www.freemovement.org.uk/brexit-settled-status-citizens-rights/>
- ^{xv} European Commission (2018). *Draft Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community*. Available here: https://ec.europa.eu/commission/sites/beta-political/files/draft_agreement_coloured.pdf
- ^{xvi} Home Office (2018). *Status of EU citizens in the UK: what you need to know*. Available here: <https://www.gov.uk/guidance/status-of-eu-nationals-in-the-uk-what-you-need-to-know>
- ^{xvii} Migration Observatory (2018). *Unsettled Status? Which EU Citizens are at Risk of Failing to Secure their Rights after Brexit?* Available here: <http://www.migrationobservatory.ox.ac.uk/resources/reports/unsettled-status-which-eu-citizens-are-at-risk-of-failing-to-secure-their-rights-after-brexit/>
- ^{xviii} HM Government (nd.). *EU Citizens' Rights in the UK*. Available here: <https://eucitizensrights.campaign.gov.uk>
- ^{xix} Sumption, M. (2017). *The Burden of Proof: How Will the Application Process Work for EU Citizens After Brexit?* The Migration Observatory, University of Oxford. Available here: <http://www.migrationobservatory.ox.ac.uk/resources/reports/burden-of-proof-eu-citizens-after-brexit/>
- ^{xx} Fitzpatrick et al (2018) *The Homelessness Monitor: England 2016*. Crisis.
- ^{xxi} The AIRE centre (2017). *EEA Rough Sleeper Policy Challenge Press release*. Available here: <http://www.airecentre.org/news.php/293/eea-rough-sleeper-policy-challenge-press-release>
- ^{xxii} Gov.uk (2018). *Citizens' rights agreement*. Available here: <https://eucitizensrights.campaign.gov.uk>
- ^{xxiii} Gayle, D. (2017). *Rules allowing upfront charges for foreign users of NHS come into force*. The Guardian. Available here: <https://www.theguardian.com/society/2017/oct/23/rules-allowing-upfront-charges-for-foreign-users-of-nhs-come-into-force>

- ^{xxiv} BMA (2018). *Brexit Briefing – Reciprocal Healthcare*. Available here: <https://www.bma.org.uk/collective-voice/influence/europe/brexit/bma-brexit-briefings/reciprocal-healthcare>
- ^{xxv} MHCLG (2018). *English Housing Survey Headline Report, 2016-17*. Available here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/675942/2016-17_EHS_Headline_Report.pdf
- ^{xxvi} DCLG (2017). *English Housing Survey Private rented sector, 2015-16*. Available here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/627686/Private_rented_sector_report_2015-16.pdf
- ^{xxvii} MHCLG (2018). *English Housing Survey Headline Report, 2016-17*. Available here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/675942/2016-17_EHS_Headline_Report.pdf
- ^{xxviii} Collinson, P. (2016). *Rents and property values would drop after Brexit, say landlords*. The Guardian. Available here: <https://www.theguardian.com/politics/2016/may/19/rents-property-values-drop-after-brexit-landlords-house-prices-eu-referendum>
- ^{xxix} Whitehead et al (2011). *The impact of migration on access to housing and the housing market*. LSE London. Available here: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/257238/lse-housing.pdf
- ^{xxx} Braakmann, N. (2016). *Immigration and the Property Market: Evidence from England and Wales*. Real Estate Economics. Available here: <https://onlinelibrary.wiley.com/doi/abs/10.1111/1540-6229.12151>
- ^{xxxi} Home Builders Federation (2017). *Home Building Workforce Census 2017*. Available here: http://www.hbf.co.uk/fileadmin/documents/Policy/Publications/28075-Home_Builder_Report-Master_V4.pdf
- ^{xxxii} Joyce, R., Mitchell, M., and Keiller, A. N. (2017). *The cost of housing for low-income renters*. IFS. Available here: <https://www.ifs.org.uk/uploads/publications/comms/R132.pdf>
- ^{xxxiii} Reynolds, L. and Smith, J. (2009). *Taking the strain - The private rented sector in the recession*. Shelter. Available here: http://england.shelter.org.uk/professional_resources/policy_and_research/policy_library/policy_library_folder/taking_the_strain_-_the_private_rented_sector_in_the_recession
- ^{xxxiv} Crisis (nd.). *Immigration*. Available here: <https://www.crisis.org.uk/ending-homelessness/law-and-rights/immigration/>
- ^{xxxv} Patel, C. and Peel, C. (2017). *Passport Please: The impact of the Right to Rent checks on migrants and ethnic minorities in England*. Joint Council for the Welfare of Immigrants. Available here: http://www.jcwi.org.uk/sites/default/files/2017-02/2017_02_13_JCWI%20Report_Passport%20Please.pdf
- ^{xxxvi} Shelter (2016). *Research Report – Survey of Private Landlords – February 2016*. Available here: https://england.shelter.org.uk/_data/assets/pdf_file/0004/1236820/Landlord_survey_18_Feb_publish.pdf
- ^{xxxvii} TUC (nd.) *UK employment rights and the EU Assessment of the impact of membership of the European Union on employment rights in the UK*. Available here: <https://www.tuc.org.uk/sites/default/files/UK%20employment%20rights%20and%20the%20EU.pdf>
- ^{xxxviii} MHCLG (2017). *Homelessness Reduction Act: new burdens funding*. Available here: <https://www.gov.uk/government/publications/homelessness-reduction-act-new-burdens-funding>
- ^{xxxix} Kappala-Ramamsy, G. (2017). *Fully fund services to address homelessness in London*. London Councils. Available here: <https://www.londoncouncils.gov.uk/node/33095>
- ^{xl} Crisis (n.d.). *Health and wellbeing*. Available here: <https://www.crisis.org.uk/ending-homelessness/homelessness-knowledge-hub/health-and-wellbeing/>
- ^{xli} Thomas, B. (2012). *Homelessness kills*. Crisis. Available here: https://www.crisis.org.uk/media/236798/crisis_homelessness_kills2012.pdf
- ^{xlii} Ibid.
- ^{xliiii} Homeless Link (nd.) *About Housing First*. Available here: <https://hfe.homeless.org.uk/about-housing-first>
- ^{xliv} Baker, C. (2018). Commons Briefing papers CBP-7783: NHS staff from overseas: statistics. House of Commons Library. Available here: <https://researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-7783>
- ^{xliv} Mental Health Network (2018). *Brexit and mental health*. NHS Confederation. Available here: http://www.nhsconfed.org/-/media/Confederation/Files/Publications/Documents/MHN-Briefing-302-Brexit-and-mental-health_WEB_FINAL.pdf
- ^{xlvi} European Commission (nd.). *What is the ESF?* Available here: <http://ec.europa.eu/esf/main.jsp?catId=35&langId=en>
- ^{xlvii} European Commission (nd.). *Youth Employment Initiative (YEI)*. Available here: <http://ec.europa.eu/social/main.jsp?catId=1176>

^{xlviii} National Audit office (2016). *Briefing on EU-UK finances*. Available here: <https://www.nao.org.uk/wp-content/uploads/2016/12/Briefing-on-EU-UK-finances-2.pdf>

^{xlix} Ibid.

ⁱ HM Inspectorate of Probation and HM Inspectorate of Prisons (2016). *An Inspection of Through the Gate Resettlement Services for Short-Term Prisoners*. Available here: <https://www.justiceinspectors.gov.uk/cjji/wp-content/uploads/sites/2/2016/09/Through-the-Gate.pdf>

ⁱⁱ Equality and Diversity Forum (2018). *Shared Prosperity, Shared Rights: replacing EU funding for equality and human rights after Brexit*. Available here: <http://www.edf.org.uk/wp-content/uploads/2018/02/EDF-SHARED-PROSPERITY-FULL-REPORT.pdf>

ⁱⁱⁱ LGA (2017). *Beyond Brexit: Future of funding currently sourced from the EU*. Available here: https://www.local.gov.uk/sites/default/files/documents/2017-07_Beyond%20Brexit%20-%20LGA%20Discussion%20%28FINAL%29_0.pdf

ⁱⁱⁱⁱ Daneshkhu, S. (2017). *Migrant labour shortage leaves fruit rotting on UK farms*. Financial Times. Available here: <https://www.ft.com/content/13e183ee-c099-11e7-b8a3-38a6e068f464>

^{iv} Colson, T. (2017). *The pub industry is 'concerned' about Brexit staff shortages*. Business Insider UK. Available here: <http://uk.businessinsider.com/youngs-pub-industry-concerned-about-brexit-2017-11>

^v BBC (2017). *Food industry warns of Brexit workforce shortage*. Available here: <http://www.bbc.co.uk/news/business-41025082>

^{vi} Age UK (2017). *Returning from abroad*. Available here: https://www.ageuk.org.uk/globalassets/age-uk/documents/factsheets/fs25_returning_from_abroad_fcs.pdf?dtrk

^{vii} Benton, M. (2017). *Safe or Sorry? Prospects for Britons in the European Union after Brexit*. Migration Policy Institute. Available here: <https://www.migrationpolicy.org/research/safe-or-sorry-prospects-britons-european-union-after-brexit>

^{viii} ONS (2017). *What information is there on British migrants living in Europe?*. Available here: <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/articles/whatinformationisthereonbritishmigrantslivingineurope/jan2017#number-of-british-citizens-living-in-europe-in-2011-by-age>