



# **Breaking the Cycle:**

Moving from crisis to a country  
free from homelessness

# We are in a homelessness emergency.

In 2024, **rough sleeping rates rose to 4,667**, just 2% away from the highest number on record.<sup>1</sup>

Since then, homelessness has continued to grow. **The number of people sleeping rough in London has increased 10% since last year**, reaching its highest ever rate.<sup>2</sup> Local authority homelessness relief duties increased by 6% last year and **the number of households in temporary accommodation increased by 12%**, to its highest level ever recorded.<sup>3</sup>

But at the same time as rates of homelessness rise, the homelessness support sector is in crisis. Demand has soared while resource has dwindled: new Homeless Link data shows **nearly half of services are at risk of closure**, and **one in five have already made redundancies**. Bedspaces in the sector have **dropped by 43% since 2008**.

Our members, who deliver homelessness services up and down the country, are working in an almost impossible environment. As the number of people facing homelessness rises, **too often there is no support they can offer**. In the face of such extreme hardship, many skilled workers have burnt out and left the sector altogether.

## We believe this Government can end homelessness.

We are pleased to support the new homelessness strategy as a huge step towards making this a reality. Whether through delivering a transformative social homes programme or by taking bold action to alleviate poverty this Government have already shown commitment to creating change that lasts.

**4,667**  
**rough sleepers**  
in 2024

**48%**  
**of accommodation**  
providers are at  
risk of closure

**43%**  
**fewer bedspaces**  
since 2008

● **In this funding cycle**, Government must place a firm focus on stabilisation, getting the system out of crisis and turning the tide on rising homelessness.

● **Across the next 10 years**, Government should outline a bold plan to end homelessness and make effective support sustainable in the long term.

The scale of this crisis cannot be overstated. **It is an emergency, and it requires an emergency response** now alongside **the commitment to prevent such severe outcomes in the future.**

**More of the same is not enough.** We must see a radical change of course so that we can achieve a country free from homelessness.

This briefing outlines what Government must lay out in the upcoming homelessness strategy, with change that ends the homelessness crisis now and creates a better system for the future.

## Our asks of Government



## The English homelessness system has potential to be one of the best in the world.

We have **strong legislation** to safeguard those most in need, we have innovated **world-leading practice and interventions**, and we have produced some of the **most well-respected research and evidence** on homelessness and health inequalities.

We also have **commitment and buy-in from voluntary, community and faith based organisations** whose sole aim is to end homelessness. But, after years of austerity and decline, our **progress towards this goal is sliding backwards**. Once-quality supported housing stock is crumbling as capital investment has stalled. Revenue funds have remained largely static since 2008 and have fallen well behind the cost of delivery.

### The outlook is bleak.

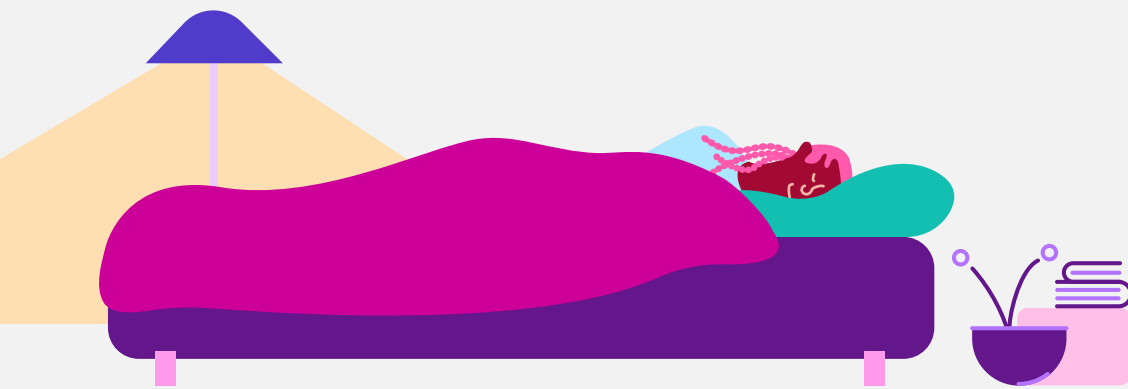
Years of lack of investment in social housing has left us with a totally insufficient number of social and affordable homes. The scars of 15 years of austerity are felt both by homelessness services and the people they support. **Multi-generational experiences of poverty** means more people living with the repercussions of severe unmet needs: **a shorter life, in worse health, unable to access appropriate support**.

The homelessness system is simply not equipped. Years of cuts and cost pressures have **reduced support to the bare minimum**. Staff are **stretched to breaking point**, responding constantly to crisis while often in crisis themselves. Shortfalls in social housing and social care mean that services bottleneck, unable to find appropriate placements to move people on.

**On top of this**, a storm of regulation is brewing. New Supported Housing regulations, changes to the Decent Homes Standard, and higher levels of Housing Benefit scrutiny **pose an existential risk** to the services that form the bedrock of the homelessness system.

If executed well, this could provide the platform for much-needed quality improvements. But **unless providers are resourced and supported to make those improvements**, it risks adding an untenable financial and administrative burden to the very providers we look to for best practice.

We are already seeing the worst outcomes play out. Additional scrutiny from Housing Benefit teams has **pushed good providers to bankruptcy already**. Bed spaces – including supported housing and Housing First – are being squeezed. Whole areas have seen funding cuts so severe that their providers cannot continue despite evidence of genuinely life-saving impact.



### **Our vision is a country free from homelessness.**

We still believe that this is achievable, but it is a long journey from where we are now and it cannot happen overnight. **We cannot afford to lose ground before we get there.**

We are pleased to support Government to deliver a homelessness strategy that works. That's why we are calling for **a ten year plan to end homelessness**. So we can get it right, dealing with the immediate crisis while laying the foundations for a future free from homelessness.

There are many moving parts to this plan, but they all turn around the four central commitments from Government recommended below. These are the nucleus that make ending homelessness possible, and they must come from Central Government if we are to succeed elsewhere.

We are already  
**losing**  
ground on  
**good practice.**

# 1. Make ending homelessness the responsibility of *all* Government departments.

This means a **permanent interministerial group** chaired centrally driving forward a cross-government strategy with **shared commitment** and **accountability to delivery**.

It means **every Government department held to task**, and **every policy subject to an impact assessment** to evaluate risk of unintended consequences across homelessness prevention.

It means **every arm of Government, big or small, national or local, working together and playing their part**, with collaborative, cross-sector work in homelessness as standard.

It means **continued investment in social house building** across the country.

It means **stronger duties across Government** to act on homelessness and housing risk, with **new duties introduced for public bodies** to identify people at risk of homelessness, refer on to specialised support, and cooperate in action to make homelessness rare, brief and non recurrent.

Finally, and perhaps most importantly, it means a **reset of our understanding of multiple disadvantage** and a shift to recognise repeat homelessness as a **symptom of long-term and life limiting health inequalities**. With this, we must think **beyond the housing system**, reconsidering the role of long-term social care and drawing in resources from health to deliver **multi-disciplinary support that works**.

**Ending  
homelessness  
means**

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**playing their part.**

## 2. Build a funding system that works to end homelessness

This means **Treasury's buy-in and backing** to deliver a system that is cost-effective **because** it is sustainable.

It means **gaining control of homelessness spending, conducting a systematic review** to place a number on costs from Enhanced Housing Benefit spending in DWP, support grants in MHCLG, through to the costs incurred by health, justice, the Home Office and others supporting people with problems stemming from homelessness.

Once spending has been quantified, the next step is **reform, consolidating to a single ringfenced budget** designed to prevent and end homelessness for good.

This means **ending wasteful short-term grants, and a budget safeguarded from cuts elsewhere.**

It means **support-focused funding** that follows a person from the start of their journey to the end, with **adequate funding to personalise their care** at whatever scale they require.

It means the **end of race-to-the-bottom commissioning**, with funding that matches caseloads and is sufficient to pay competitive wages.

It means **enabling local innovation, smaller providers, and a drive for diversity over uniformity.**

It means a system focused on **ending homelessness for good**, with long-term support and money held for prevention, recognising that stable, long-term care is always cheaper than repeat cycles of homelessness.

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of homelessness.**

### 3. Address the homelessness emergency and protect support services from closure.

The new strategy must balance ambition and realism about the depth of the current crisis. The immediate focus must be on stabilisation, **turning the tide on rising homelessness** and **preventing the system from collapse**. This is the foundation of long-term success.

**We are already losing ground on good practice.** Uncertainty about the future has seen services close, funding withdrawn and skilled staff leaving in droves. This comes at the expense of those who turn to our services for support, who are increasingly left with nowhere to turn.

Recent Homeless Link data shows **a 43% decrease in the number of beds since 2008**. This decrease aligns with rising rough sleeping rates. There simply aren't enough beds to house everyone who needs one: **this has to change, and urgently**.

**Much of this is down to funding:** core delivery costs have spiralled while budgets remain static, forcing providers to reduce to skeleton staff or offer insecure and poorly paid contracts. This has worsened in recent months, as **some local authorities have begun to withhold funding in anticipation of new regulation**. This cannot be accepted.

We agree that quality in the sector must improve, but **upcoming regulation risks punishing the very providers it should reward**. The sheer cost of compliance to a raft of new standards creates an unattainable burden for a system whose infrastructure has been subject to years of managed decline.

**The Rough  
Sleeping Unit**  
cut rough sleeping by  
**two-  
thirds**  
in just **two years.**



### To end the homelessness emergency, we must see large-scale action led by central government.

This is not unprecedented. **Labour have done it before:** the Rough Sleeping Unit established in 1999 succeeded in reducing rough sleeping by two thirds in two years.

We must see bold action to get there. To end the homelessness emergency, government must:

- » **Protect existing support through stable funding.** This means contracts reset to the true cost of delivery, linked to inflation, and protection against cuts at local authority level.
- » **Ensure sufficient bed spaces all year round.** This means safe, settled and self-contained space, alongside a package of support, so that people can recover in dignity.
- » **Incentivise sustainable frontline work.** This means commissioners ensuring pay is fair, caseloads are reasonable, and staff receive the training and support they need to protect their wellbeing and develop their skills.
- » **Regulate to support good practice.** This means minimising the administrative burden of registration, reducing repetition across regulators and with additional funding for accommodation providers to match the increased cost of compliance.
- » **Protect against false-economy cuts.** These include regressive decisions to cut services like Housing First and floating support, or to freeze essential benefits like Local Housing Allowance. National government must recognise the role they play in preventing homelessness and stop cuts at local level.
- » **Ensure the welfare system protects against homelessness and reduces reliance on costly, damaging interventions like temporary accommodation.** Policies like LHA and the benefit cap are a significant factor behind unsustainable and costly rises in temporary accommodation. Welfare calculations must be based on current rents.
- » **Enshrine homelessness prevention as a core strategic goal,** recognising that support to maintain a tenancy will always be more cost-effective and less harmful than homelessness.



## 4. Within ten years, deliver system-wide transformation to enable a country free from homelessness.

### **We must see a step change in our approach to homelessness prevention and relief.**

Our current system is both ineffective and exorbitantly expensive, with little to prevent people from entering repeat cycles of homelessness at huge expense to their health and to public services.

A welfare system that perpetuates homelessness is **false economy**. This is evidenced in every local authority where temporary accommodation costs have left councils threatened with bankruptcy. **It cannot continue this way.**

We must move towards a system that puts homelessness prevention first. This starts with **social housebuilding** and **sufficient affordable housing** across the country, but must also be **addressed in the welfare system**, and it must be led from the top. Homelessness support should focus on the unmet health and social care needs that can prevent some people from living independently, rather than on patching up problems caused by an inadequate welfare system.

In this system, **most cases of homelessness are prevented, emergency accommodation is genuinely transitional**, and permanent housing and support **are the goal from day one**. In other words, we should be moving to a system where homelessness is **rare, brief** and **non-recurrent**.

### **Rare:** Where all public bodies take a prevention first approach.

- » Government sustains the shift towards social tenancies rather than relying on the PRS for low-income households.
- » The welfare system covers essential costs, always.
- » Universal 'protective factors' are implemented to reduce risk of homelessness across the whole population, including proactive income support, employability work and community support hubs.
- » Early intervention is the norm across all public bodies: whether in schools, job centres, or community healthcare, homelessness pathways are normalised and easily accessed.
- » Anyone facing housing risk can access low-threshold in-tenancy floating support.

**Brief:** Where triage accommodation acts as a genuinely temporary step in support.

- » Nobody needs to spend a night without a roof: emergency triage beds are available for everyone, year round, from day one and inclusive of assessment periods.
- » Permanent housing and support is the goal from day one, with assessment teams dedicated to identifying strengths, needs, and housing/support options that match.
- » Triage services are focused on finding the *right* match, rather than the easiest option, and are measured on reducing repeat homelessness rather than speed of move on.
- » Triage housing enshrines privacy, support and psychological safety, meaning everyone has a private space and holistic, trauma-informed support from day one.

**Non-recurrent:** Where long term accommodation and support is available to match everyone's needs.

- » Rather than a one-size-fits-all move on system, people have access to a range of housing options scaled to their needs, including independent living, in-tenancy support, Housing First, long-term supported housing, or registered care.
- » Personalised support funding as standard, with support packages built around individual need and available for as long as required.
- » Providers are incentivised to collaborate and adapt to local population needs including specialised support options for under-served groups such as women and young people.
- » Where services are needed because of long-term health and social care needs, they are commissioned and integrated as such, with health and social care bodies expected to collaborate in their delivery.

## References:

1. Rough sleeping snapshot data 2024, MHCLG
2. Rough sleeping in London (CHAIN reports), Annual data table 2024/25
3. Statutory homelessness in England: financial year 2023-24 - GOV.UK





## What We Do

Homeless Link is the national membership charity for frontline homelessness services. We work to improve services through research, guidance and learning, and campaign for policy change that will ensure everyone has a place to call home and the support they need to keep it.

**Homeless Link,**  
Minories House,  
2-5 Minories,  
London EC3N 1BJ

**[www.homeless.org.uk](http://www.homeless.org.uk)**  
**@HomelessLink**