

Crisis briefing on new research on in-work homelessness and implications for Scotland

14th December 2021



Crisis in Scotland

Crisis is the national charity for people facing homelessness. We know that homelessness is not inevitable, and we know that together, we can end it. Crisis is dedicated to ending homelessness by delivering life-changing services and campaigning for change.

Every year we work directly with thousands of people experiencing homelessness in 11 areas across England, Scotland and Wales. 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 according to individual needs. We use research to find out how best to improve our services, but also to find wider solutions to end homelessness.

Introduction

Work is often seen as a means through which homelessness can be ended and prevented from happening in the first place. However, the combined pressures of low pay and high living costs and housing costs have increased the risk of in-work homelessness.

Research published this week by Crisis, *'Barely breaking even': the experiences and impact of in-work homelessness across Britain,*¹ sheds light on the realities of in-work homelessness and presents findings from ethnographic diaries and in-depth interviews with 34 people who were working whilst experiencing homelessness, alongside the results of a survey of 250 employers on their perceptions and attitudes to homelessness.

Key findings from the research:

- People in work were trapped in homelessness because of low wages, insecure work and a lack of access to affordable housing. The nature of their jobs - which were often temporary or zero-hour contracts, and work via agencies - made it very difficult for people to know how much money they had to live on week to week and they couldn't afford basic living costs including rent.
- As well as issues with affording the rent, people found it difficult to find landlords who were happy to let to them because they did not have a permanent employment contract or stable monthly income and the properties available were often poor quality.
- Everyday activities like eating, commuting, sleeping and personal hygiene were very difficult, caused anxiety and put pressure on people's ability to work.
- Having to manage and negotiate the practicalities and routines of everyday working life without a home compromised people's ability to do their jobs effectively.
- Working whilst facing homelessness had a detrimental impact on people's health, mental well-being and relationships. The anxiety generated by the uncertainty and insecurity permeated some participants lives making it very hard to escape from.
- Four out of 10 employers (42%) from across the UK have admitted they would likely seek to terminate an employees' contract if they were homeless

¹ Sanders, B. and Allard, M. (2021) 'Barely breaking even': the experiences and impact of in-work homelessness across Britain. London: Crisis. Available from: <https://www.crisis.org.uk/ending-homelessness/homelessness-knowledge-hub/types-of-homelessness/barely-breaking-even-the-experiences-and-impact-of-in-work-homelessness-across-britain/>

- 44% of employers admitted they do not have any policies in place to support staff experiencing homelessness
- A further 47% said that it was likely that their organisation wouldn't know how to respond to an employee or prospective employee being homeless

Insecure, precarious, low-paid work

Research participants were forced to remain working while homeless because of the pressures of being in precarious positions both in their housing and in the labour market. The uncertain and insecure nature of some participants' work, where they were not guaranteed minimum hours, made maintaining any financial security impossible and often resulted in them getting into debt, skipping on meals, not paying rent and giving up tenancies.

"They just started to minimise, cut down on the shifts that they were allowing people to get. So yeah, it just, oh man, things just became even more impossible. I was used to not having any money but I was just going behind with the rent regularly and having to borrow etc and in the end I just knew that I was about to go really behind with the rent and it was going to be like a massive, it was just, I was going to be drowning and it was going to be impossible to get out of."

High housing costs and lack of access

The main pressure that most participants faced with finding somewhere new to live was struggling to afford a tenancy. Accommodation in the private rented sector (PRS) was inaccessible because rents were too expensive despite participants being in work and it was difficult for people to afford the upfront costs associated with accessing private renting. It was also not uncommon for those participants in receipt of benefits in addition to their wages to be told by landlords they did not accept claimants as tenants. Some people's landlords were also reluctant to let to people on temporary contracts.

"it's no good having an apartment if I'm paying rent for it which I can't afford to pay and then I'm just miserable and can't live. It's no good having a roof over your head if you can't eat."

The lived reality of working without a home

Those that participated in the research slept in tents, cars, vans, sofas, floors, hostels and temporary accommodation as well as some people who slept rough at times. Being able to eat regularly and well could be a challenge for many people we spoke to. Many participants reported losing weight as a consequence of being in-work homeless.

Participants attending workplaces were expected to present themselves in a clean and orderly manner. As with sleeping and eating, being able to maintain their clothes and appearance without ready access to facilities was difficult and stressful for people experiencing in-work homelessness.

"I'd have to walk all the way to [location] at 3:00 in the morning to go to work, because no buses and, so that was stressful waking up and not having to eat anything because of the noise. So I'd work all day with no food and then come home and have to walk back to [location]. So, it was stressful and I kept losing jobs because of it."

The cost of living like this

In-work homelessness harms people's health and mental well-being. Being trapped in homelessness had a knock-on effect for people's future employability and ability to seek different or better forms of employment.

"Normally I am fit and well but... two months ago I actually ended up getting really ill all of a sudden and had to get an operation, I had to get my gallbladder removed... I couldn't actually eat or drink anything or it would just come right back up... and with me being 19 at the time, being really young, normally obviously you don't get [gallstones] until you're 40, 50..."

Alongside the physical and mental health costs that come with the experience of in-work homelessness is what impact it can have on relationships with others.

“I’m very careful to manage those relationships because you don’t want to become a burden to anybody and you don’t want to over stretch peoples’ hospitality. Like if I’m staying with people, I tend to move on in three or four days.”

Employers’ understanding of homelessness

Responses by employers varied if they did learn about employees’ situations – in some cases people lost their jobs when employers found out people were facing homelessness or had lost accommodation, in other cases employers were supportive regarding flexible working hours and pastoral care and offering loans.

“What I’d also like is to be able to talk about it more openly without fear of judgement or discrimination. It eats away at you, always being on edge about how people will react.”

Worryingly, over two fifths (42%) said it was likely their organisation would seek to terminate an employee’s contract if they were facing homelessness. Over half (58%) said it was likely homelessness would have a negative impact on a prospective employee’s application and a detrimental effect on a current employee’s job (56%).

Implications for Scotland

Data collection

Unlike England, **Scottish Government and Scottish local authorities do not publish data on either the employment status or the level of income of those approaching homelessness services.** This means it is not possible to identify the prevalence of those experiencing in-work homelessness in Scotland. The Scottish Government is reviewing the data collected by official homelessness HL1 statistics, which represents an opportunity to include employment status and income level.

Temporary accommodation costs

Others in the sector have recently raised concerns about discrepancy in charges for Temporary Accommodation (TA) depending on whether or not someone is working, with those in employment sometimes being charged in excess of £300 per week.² Garry Burns from Homeless Action Scotland recently wrote:

“Working people being dissuaded from accessing homeless services has been an issue in Scotland for some time. We have anecdotal evidence to suggest this is happening in multiple local authorities across Scotland. The problem also affects people who are homeless and wanting to work, where they may be advised not to seek work or take a job offer due to not being able to afford the rent.”³

Research commissioned by Social Bite in 2018 found that rent for TA ranged from £40 per week to £1,300 per week across all forms of accommodation and, in some local authority areas, could be as high as three

² Burns, G. (2021) *Garry Burns: Working homeless in Scotland*. Available from: <https://www.scottishhousingnews.com/articles/garry-burns-working-homeless-in-scotland>

³ Ibid.

times the Local Housing Allowance rate.⁴ For those out of work, most of these charges can be covered through housing benefits, which is not always the case for those in work.

Recent analysis of local authority FOI returns by the Legal Services Agency has found that **local authorities apply a diversity of methods to calculate TA charges which has led to a 'postcode lottery' of approaches which do not necessarily take people's ability to afford those charges into account.** This has led the LSA to estimate that the total level of debt owed by individuals to local authorities in Scotland in respect of temporary accommodation is upwards of £33.3 million.⁵

PRS access schemes

Many research participants were unable to access a property in the private rented sector, whether due to the high upfront costs, or due to landlords being unwilling to rent to them because of the perceived precarity of their employment.

The private rented sector (PRS) has an important role to play in preventing and ending homelessness. The best way to ensure people experiencing homelessness can access this tenure is through well-functioning local PRS access schemes, which rely on good partnership working between local authorities, landlords and third sector intermediaries, underpinned by rent deposit guarantee schemes. These schemes help people facing homelessness with upfront costs and help to mitigate landlords' perceived risks of renting to someone on a lower income.

Employment and the role of employers

The Scottish Government has a role to play in encouraging employers to adopt fair work practices, including through procurement, voluntary action and accreditation schemes such as the Scottish Living Wage and the Scottish Business Pledge.

This research also points to the important role that employers can play in preventing and responding to homelessness. Crisis will soon be publishing a Best Practice guide, suggesting policies and practices employers can introduce to support workers who may be at risk of homelessness, including taking a proactive approach to identifying experiences of homelessness and supporting access to housing and financial advice.

Preventing and ending homelessness is everyone's business

In summary, this research serves to remind us how preventing and ending homelessness is everyone's business: government, local authorities, other public services and employers.

The wide-ranging **recommendations of the [Homelessness Prevention Review Group](#) form a package which, if implemented, would make homelessness prevention a shared responsibility**, saving people the trauma and indignity of homelessness, which we know can have lasting impacts on people's life chances.

The Scottish Government will launch a consultation on new duties to prevent homelessness this December.

For further information please contact:

Rhiannon Sims, Senior Policy Officer, Crisis: Rhiannon.Sims@Crisis.org.uk

⁴ Watts, B. et al. (2018) *Temporary Accommodation In Scotland: Final Report*. Online: Social Bite. Available from: https://social-bite.co.uk/wp-content/uploads/2018/11/SB_TempAccommReport_FinalReport.pdf

⁵ Morton, R. and Christman, B. (2021) *Charges for temporary homeless accommodation in Scotland: law and reality*. Online: Legal Services Agency. Available from: <https://lsa.org.uk/wp-content/uploads/2021/12/Charges-for-temporary-homeless-accommodation-in-Scotland-law-and-reality.pdf>