

# The UK's Hidden Homeless

by Cecilia Eve

Many are acutely aware of Europe's chronic [housing shortage](#). According to [Eurostat](#), approximately one person in every ten living in a European city is overburdened by energy and housing costs<sup>1</sup>, and rising real estate prices are turning home ownership into an increasingly unachievable dream for many. Paycheck-to-paycheck living has become common as prices across the EU have surged by a staggering 47 per cent, and in some countries such as Estonia, they have almost trebled, following a 192 per cent rise. A recent [Eurobarometer poll](#) showed that one third of European citizens saw housing-related poverty as a key issue in advance of the EU elections last June.

In the UK, [Shelter England](#) has reported a net loss of social housing nearly every year since 1981 due to insufficient house building alongside too many homes being sold or demolished. The UK essentially has a backlog of millions of homes that are missing from the housing market. It has become a topic commonly discussed and an uncomfortable norm, particularly hitting home for those living in London. As a result, debt, housing, and health charities are finding their [caseloads skyrocketing](#). The consequence of this is a dark phenomenon now known as the temporary accommodation crisis, which is affecting a quarter of a million people across the UK.

## The Figures

On 22nd April, I visited a parliamentary exhibition organised by the [Shared Health Foundation](#), which advocates for families experiencing homelessness and works to help them find accommodation. The Foundation collates data showing the rise in demand for temporary accommodation which is at the highest it's ever been; 54 per cent of the 262,000 people in this situation are children, and 86,945 are under the age of ten. That equates to [one child in every classroom in London living in temporary accommodation](#).

## Far From Temporary

The evidence from the case studies shared by the Shared Health Foundation reveals two common themes: one, that the placement in temporary accommodation is far from temporary, and two, that the conditions that many families experience in fact serve to perpetuate homelessness. In essence, the longer one is in temporary accommodation, the harder it is to escape the cycle. One woman, Sylvi Vaisanen, a mother of six, was [told by her housing provider](#) that the maximum length of time that she would be in temporary accommodation would be 6 months. This has since stretched to 10 years. Lauren, 33 said: "For everyone I know that's been in temporary accommodation, it's not temporary. Once they put you there, that's it. You're forgotten about. I wouldn't wish temporary accommodation on anybody. It ruined my life."

Typically, these families are placed in B&Bs, shared hostels, private accommodation rented by councils, and even [in shipping containers](#), some of which have no hot water. Inhabitants are often told that because of the "temporary" nature of the accommodation that they should not buy any furniture, and some are not even given access to the internet. Families put in B&Bs are often not allowed microwaves, allegedly "for their safety" and therefore end up spending money they cannot afford on takeaways and convenience food. This, alongside the cost of storage which can average £85 a week, can push families further into debt, making escaping their situations even harder.

[Justlife Foundation](#), a charity working in the sector recently visited several of these temporary accommodation "homes". The Foundation [observed damp, mould, and cockroach and rat infestations in many of the properties used](#). In many cases, children's basic needs are not being met, and many risk dropping out from being placed in schools at a distance from their temporary accommodation. Some parents are unable to find school places for their children in the first place.

*"When I went to A&E there were two other children there with burns that were living in temporary accommodation in the same unit that were a similar age."* - Mother of a child living in a temporary accommodation shipping container. [-Shared Health Foundation Exhibition](#)

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<sup>1</sup> Eurostat, 'Housing in Europe - 2023 Edition': "With house prices and rents rising, the cost of housing can be a burden. This can be measured by the housing cost overburden rate, which shows the share of the population living in a household where total housing costs represent more than 40 per cent of disposable income. In the EU in 2022, 10.6 per cent of the population in cities lived in such a household, while the corresponding rate for rural areas was 6.6 per cent."

## The Debt Trap

Western societies, including the UK, create conditions that actively encourage people to accrue debt. Credit cards are widely used, payday loans offer instant cash, home ownership is accessed primarily through mortgage debt, and post-purchase payment plans like [Klarna](#) are ubiquitous, tempting people into living far beyond their means. For many, incurring debt has become necessary for survival, and the consequences for those without pre-existing economic safety nets can be dire. Stigmatisation adds another kind of burden; political narratives have often [emphasised state dependence as a marker of shame](#) and imposed [punitive measures](#) on those in need, making it more and more difficult for people to seek help. To put it into context, four in ten people on Universal Credit, a state payment in the UK to assist with living costs, are actually in work. Universal Credit is meant for those out of work who would otherwise be unable to survive, however these figures demonstrate the stark mismatch between inflation and salaries. In short, the welfare state is not working.

*“They should think about how we are human – not a case, not paperwork – and we suffer.”* -Quote from a mother who became legally homeless from the Shape Health exhibition

This debt cycle contributes massively to housing precarity as rent arrears can push people into homelessness and can also act as a barrier to bidding for properties or gaining rental contracts. Yet, even if one were in a position to bid or rent, properties in the UK are often unaffordable, [as is the case across much of Europe](#), including Ireland. In 2023, Crisis, a UK homelessness charity, [reported](#) that only 4 per cent of 1-3 bedroom houses listed on Zoopla, a property website and app, were affordable for people in receipt of Local Housing Allowance to pay their rent. Housing benefits were frozen back in March 2020 and [do not reflect](#) the soaring costs of renting the UK has seen in recent years.

## The Policy Problem

Some problems seem obvious to solve policy-wise, yet persist and perpetuate, such as the aforementioned lack of cooking facilities in temporary accommodation which can cause household debts to accrue further, creating a well-trodden negative feedback loop. [The Joseph Rowntree Foundation ‘cost of living tracker’ from July 2024](#) reveals that 90 per cent of low income households in receipt of Universal Credit have reported that they are going without essentials. Organisations like Citizens Advice Bureau (CAB) which provide support with debt navigation, have said *“people in negative budgets simply have nothing to cut back on.”* These [“budgets”](#) are like quicksand; becoming progressively harder and harder to get out of once in them. CAB has used data from those coming to them for help to estimate that [5 million people are now in negative budgets](#).

## Closer Than You Think

The steps separating the average person from entering this terrifying system in the UK – and based on equivalent trends, across much of Europe – are far fewer than one may think. [Laura Neilson, CEO of Shared Health](#) stated that demand is at an all-time high and emphasised the risk of the ‘slippery slope’ that many face. *“It can happen to anyone. If you lose your job, have a relationship breakdown or your landlord gives you an eviction notice, [or] puts up your rent”*. In a [cost of living and energy crisis](#), people who once considered themselves relatively untouchable in terms of financial safety are seeing themselves pulled ever closer to the metaphorical edge.

## The Gendered Dimension

In 2020, the Women’s Budget Group [reported](#) that 55 per cent of indebted people were likely to be women and 61 per cent of those surveyed identified as being victims of financial abuse. Other forms of abuse are common here, with domestic abuse survivors making up a huge contingent within this crisis, with victims often fleeing with very little, which means they have to re-buy essentials for themselves and their children.

*‘I moved in with my ex-partner and he was emotionally abusive. Got put into a hotel for a week and then got put into the TA where everything went wrong. To me, putting me in that TA was like putting me into a hole and giving me a fork, and saying, “Get yourself out.” They said, “You’ll only be in here for six months, so don’t get comfortable. Don’t get internet.*

*Don't get anything". -A domestic abuse survivor, Shared Health Foundation exhibition*

Even without such issues, PwC has found that many [women are being priced out of work](#) because of gender pay gaps in the workforce and due to the lack of affordable childcare. Meanwhile, women are more likely to have low incomes and to work in the public sector, meaning they take a dual hit when state cuts are made.

## **Systemic Failures Need Holistic Solutions**

On a wider scale, the debt trap is structural and must be tackled at the systemic level. As I write this, I look up from my desk in Central London to see an advert by UK Finance, a financial services firm: "*Worried about your mortgage? Reach out to your mortgage lender. They're ready to help*", which reminds me of the prominence and normalisation of the cycle of debt in which so many people across the UK find themselves.

For one, in the UK, Local Housing Allowance and Universal Credit urgently need to be increased to reflect the cost of living and energy crises. Regularly changing addresses means that households can lose eligibility for housing support and cause confusion relating to bill payments. Affordable and flexible childcare remains a [major barrier to women accessing the labour market](#), hence support must be also expanded for women's pathways into work.

Legislation such as the [Homelessness Code of Guidance](#) must be updated to include the minimum basic necessities for life such as furniture, bedding, and microwaves, and austerity cuts to Local Authorities must be reversed. The new Labour Government has already announced plans to build social housing, but the private rental sector needs to be tackled head on too. The [latest worrying trend](#) has shown landlords imposing rules such as barring tenants from working from home, adding further pain and anxiety for many renters.

Every day that anyone lives in temporary accommodation detrimentally affects their health, their education, their opportunities in life and even life expectancies. The temporary accommodation system should be a safety net for those who have already gone through traumatic events, often through no fault of their own, not one which only compounds the calamity. Fixing this and providing the bare minimum should be seen as an urgent task for the new UK Government.

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The IIEA acknowledges the support of the Citizens, Equality, Rights and Values (CERV) Programme of the European Union



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