centre point

give homeless young people a future

Youth homelessness

9th September 2017

Centrepoint

Who are we?

- Centrepoint is a national charity working with homeless young people aged 16-25
- We provide accommodation across London and the North of England
- Through our own services and partner organisations we work with 9,000 young people every year
- We provide holistic support addressing not only housing needs but also education, employment, health and welfare

Benefit changes are affecting young people

What benefits are changing?

- Removal of automatic entitlement to housing support under Universal Credit which came into force in April 2017
- Restriction of housing benefit for under-35s living in social sector to the shared accommodation rate – due to come in April 2019
- Wider benefit changes, including the Youth Obligation for 18-21s which came into force in April

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Housing support for 18-21 year olds

What has changed?

- Young people aged 18-21 no longer have an automatic entitlement to housing support when claiming Universal Credit. Where possible, young people are expected to return to the family home rather than claim housing benefit to live independently.

- The policy came into force in April 2017.

- The reform only affects new jobseeker claims for Universal Credit in Full Service Areas.

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Exemptions from benefit changes

Centrepoint and others in the sector were successful in securing a wide range of exemptions from the policy. These exemptions include:

- Young people with **dependent children**
- Those claiming as a **couple**
- Young people who are not subject to 'all work-related requirements' for receiving Universal Credit
- Young people in **supported accommodation**
- **Statutory homeless** young people in temporary accommodation
- Young people who are in work – this includes those in **part-time work** and those on an **apprenticeship** if they reach the required level of earnings
- People who have recently left work (exempted for six months)
- Those who are exempt from the shared accommodation rate, including **care leavers**
- Certain vulnerable young people e.g. **victims of domestic violence**
- Young people **unable to live at home** with their parents – 'inappropriate to live at home'

*Please refer to the government guidance for extensive list.

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Impact

Remaining concerns

- Impact on willingness of landlords to let to this age group

  - The 'catch 22' problem – young people cannot be assessed for an exemption until they have already found a tenancy, but landlords are unlikely to give them a tenancy until they can prove they are entitled

- How the exemptions will be delivered in practice – watch this space…

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Shared Accommodation Rate

What is expected to change?

Restricted Housing Benefit for tenants in social housing to the Local Housing Allowance (LHA) rate.

For general needs housing, this will apply from **April 2019** for all tenants on Universal Credit, and to tenants claiming Housing Benefit whose tenancies began, or have been renewed, since April 2016.

This is particularly bad news for single under 35-year-olds who will only be entitled to shared accommodation rate (SAR), meaning many living in one bed flats will face a big shortfall.

But, **legislation** to implement this measure has **not yet been introduced**, so we do not yet know the exact details.

Impact on Supported Accommodation

Supported housing expected to be exempt from the shared accommodation rate

The government consultation on supported housing funding stated:

"It is our intention that from 2019/20 core rent and service charges will be funded through Housing Benefit or Universal Credit up to the level of the applicable LHA rate. This will apply to all those living in supported accommodation from this date. The Shared Accommodation Rate will not apply to people living in the supported housing sector, in recognition of the particular challenges this would have placed upon them."

Shared accommodation rate

Other exemptions for single under-35s

DWP Minister Caroline Nokes has confirmed that exemptions which already exist in the PRS will "as a minimum" be brought forward to the social sector.

These exemptions include:

- Care leavers under 22
- Those aged 25-35 who:
  - lived in homeless hostels for at least three months and accepted rehabilitation or support services
  - are former prisoners managed under the Multi Agency Public Protection Arrangements (MAPPA)
- Disabled young people who are receiving:
  - daily living component of personal independence payment (PIP)
  - middle or high rate care component of disability living allowance (DLA)
  - armed forces independence payment

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Impact

Expected impact – According to National Housing Federation (NHF) analysis

- 88.6% of all those affected would be young people subject to the SAR – 23,026 across England.
- These young people are expected to face an average weekly shortfall of £19.37.
- The average shortfalls across England will be higher in housing association properties (£22.09) than in local authority properties (£9.53)
- In London, the average shortfall across all social housing is expected to be £31.75.

It has been reported that landlords are considering extra restrictions for under 35s, including:

- Assured shorthold tenancies, or two-year tenancies, rather than more secure tenancy agreements.
- Bans from renting in certain blocks of flats or certain buildings.
- Bans from renting new build homes under affordable rents (up to 80% of market level).
- Only accepting the youngest tenants, under the age of 21, if the council agrees it will pay their full rent.
- Additional affordability assessments.

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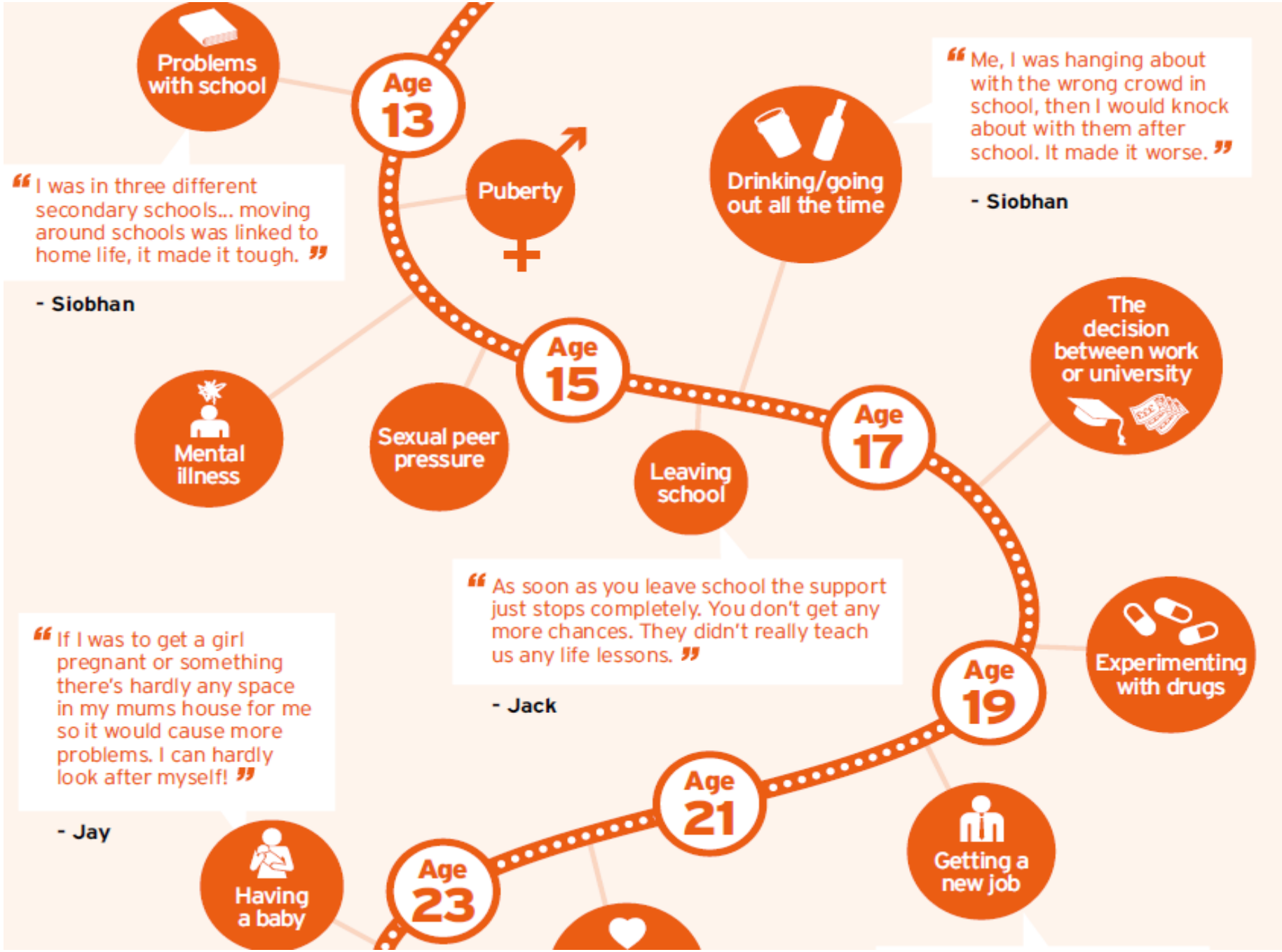
Youth homelessness is more than a housing issue.

Homeless young people are four times more likely to experience mental health problems.

Challenges for young people

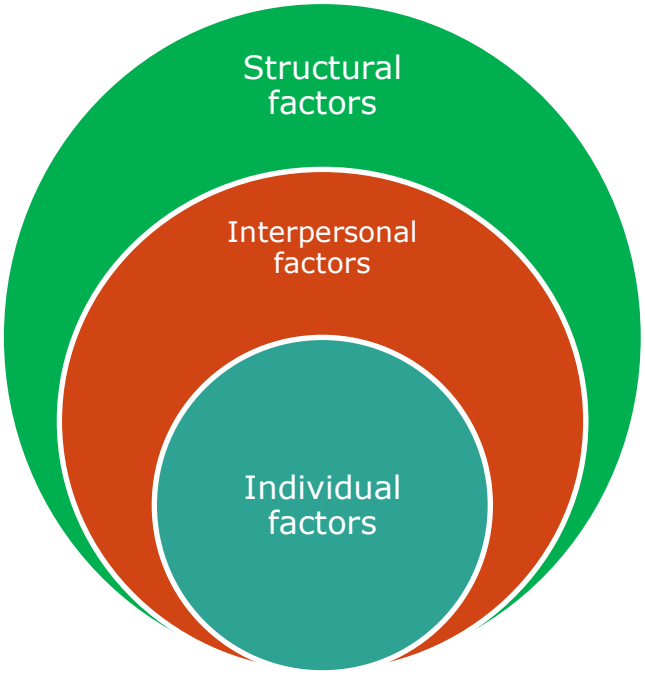
- Sexual Exploitation
- Family Breakdown
- Gang-Related Activity
- Mental Health Issues
- Physical Health Issues
- Drug and Alcohol Dependency
- Legal Highs
- Financial Issues
- Lack of Formal Education
- Lack of Family Network

Crisis points



Context

59% of the young people who come to Centrepoint left home due to family relationship breakdown
47% of young people present with mental health issues
42% of young people present with drug and alcohol issues



- Poverty
- Welfare & unemployment
- Overcrowding
- Cultural differences
- Transitions from care
- Parental conflict
- Peer influence
- Crime
- Poor access to advice and support
- Poor mental health and wellbeing
- Parents' expectations
- Poor resilience

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Thank you

www.centrepoint.org.uk

Registered Charity number 292411

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