

Ready to Move On:

Barriers to homeless young people accessing longer-term accommodation





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Conducted by Centrepoint, 2018

Executive Summary

Centrepoin't's accommodation-based support helps young people move-on from homelessness and reach a level of independence where they can move into longer-term accommodation with minimal or no support. Young people normally stay in Centrepoin't's services for up to two years before being helped to move on, either back to family members or to their own property.

However, it is becoming increasingly difficult for the young people Centrepoin't supports to move out of supported accommodation (such as hostels and foyers) and begin the next chapter of their lives. In August 2018, almost one in five young people in Centrepoin't's supported services were reportedly ready to move on but were unable to. A range of barriers, from a shortage of affordable homes to increasingly restrictive welfare policies mean that more and more young people are unable to find and secure suitable long term accommodation. This affects the ability of supported housing providers to take on new young people in need of support, and can have damaging impacts on the wellbeing, development and progress made toward independence of those young people struggling to move on. This report presents the findings of research conducted by Centrepoin't into the barriers faced by young people looking to move on from supported accommodation, through surveys of landlords in the private and social rented sectors, interviews with stakeholders and service staff and interviews with young people currently in supported accommodation and interviews with young people that have recently moved on from Centrepoin't accommodation.

A critical lack of social housing means that young people are struggling to access a secure and affordable home. Both the overall number of new social lettings and the proportion of lettings to young households have seen significant decline in recent years.

High rents and upfront costs make it difficult for those on low incomes to access private rented accommodation, with the costs of starting a tenancy running into thousands of pounds.

A shortage of affordable shared accommodation in the private rented sector leave few properties young people can access, and the shared accommodation that does exist is often in demand from other groups able to pay higher rents.

Local allocations policies can leave young people in supported housing stuck on waiting lists for long periods and providers' lettings policies that restrict allocations on grounds of affordability can leave young people on low incomes and with limited benefit entitlements unable to access social housing.

Private landlords' mortgage and insurance conditions can prohibit people on benefits from accessing tenancies – however evidence shows that many landlords would still not let to them even if these conditions were not present.

Low wages, higher rates of unemployment and insecure employment leave many young people unable to afford housing in the private rented sector and increasingly in the social housing sector as well.

Lower benefit rates for young people do not match up with real housing and living costs, meaning that the vast majority of the housing market is out of reach for those on low incomes.

Private landlords' reluctance to let to tenants receiving benefits, and particular ambivalence towards Universal Credit, means that homeless young people can struggle to find a landlord who is willing to let to them.

Reductions in local authority budgets have affected funding for floating and further support, meaning young people may struggle in independent housing, and landlords feeling left on their own to assist vulnerable tenants.

A lack of security and quality control in the private rented sector can leave young people in housing insecurity, damaging their health and wellbeing and risking further homelessness.

Recommendations

1. The government and local authorities should work together to significantly increase the supply of housing that is genuinely affordable for young people.

A lack of genuinely affordable accommodation is a key barrier to move on. The government should increase the supply of genuinely affordable homes through continued direct investment in social rented housing, and local authorities should ensure that by working cross-departmentally they use their restored borrowing powers and refreshed homelessness strategies to meet local demand for age-specific move on accommodation.

2. The government should guarantee long-term funding for private rented sector access schemes, using part of the revenue generated by the additional three per cent stamp duty on buy to let properties and second homes.

By allocating revenue generated from the 2015 stamp duty increase for second homes the government can expand and replicate successful access schemes, which provide vital support for homeless households looking to access accommodation, beyond the £20m funding already committed.

3. The DWP should extend eligibility for the lower rate work allowance within Universal Credit to young people living in supported accommodation.

This would allow young people in supported accommodation to keep more of what they earn; incentivising them to take on more hours and help them to save up for the costs of moving out.

4. The DWP should bring Local Housing Allowance rates back in line with the 30th percentile of market rents by 2020, and extend to cover those 18 and over the current Shared Accommodation Rate exemption for those who have spent three months or more in supported accommodation.

These would expand the proportion of the housing market available to young people leaving supported accommodation and prevent them from losing a tenancy.

5. The DWP should automatically offer any tenant receiving Universal Credit the choice of having the housing element of their claim paid directly to their landlord.

This would help greater numbers of young people avoid falling into rent arrears, and give landlords in both the private and social sectors greater confidence in letting to people receiving benefits.

6. The DWP should award younger UC claimants the higher standard allowance for claimants aged 25 or over where they cannot live at home.

Lower benefit rates leave young people on low incomes unable to meet housing costs. Increasing benefit rates for those with proven housing liabilities would help those looking to move on access and sustain a home.

7. Social landlords should exercise flexibility in allocations policies to take into account young people's individual circumstances, and so as not to contradict local homelessness duties and strategies.

The MHCLG should review social housing regulation to assess the impact of providers' allocations policies on national and local efforts to tackle homelessness.

8. Discrimination and unfair treatment against tenants receiving benefits by lettings agents, mortgage providers and insurance companies should be prevented.

To ensure young people leaving supported accommodation have fair access to accommodation, discriminatory practices in the private sector should be prevented. The government should discourage such practices by lettings agents through effective guidance and regulation.

9. The MHCLG should allocate a portion of the move-on fund announced as part of the Rough Sleeping Strategy specifically for young people leaving supported accommodation, to provide both housing and ongoing support.

Specifically allocating part of this fund for young people will help to ensure a supply of move-on properties and provide the support needed to successfully remain in a tenancy.

10. The MHCLG should legislate to improve security of tenure and standards in the private rented sector, through ending no-fault evictions and introducing three year tenancies as standard.

Concerns around quality and security in the private rented sector can hinder successful move on and put young people at risk of repeat homelessness and insecurity. Recent changes to housing legislation in Scotland show how the tenure can be made to work better for vulnerable tenants.

Introduction

Centrepoint is the leading national charity working with homeless young people aged 16 to 25. We are a registered social housing provider, a charity enterprise and a company limited by guarantee. Established nearly 50 years ago, we provide accommodation and support to help homeless young people get their lives back on track.

The support provided in Centrepoint's accommodation services helps homeless young people to develop the skills and confidence they need to find employment and move into independent living. Supported accommodation provides a safe and secure environment to deal with a range of physical, mental and emotional health needs alongside the provision of training, education and support.¹ As well as providing a roof over their heads, supported accommodation projects help homeless young people get back on their feet and successfully move on from homelessness for good.

'These places are great to help you out, and they're brilliant when you're in that situation but it's not somewhere you want to be forever, you need to move on and get somewhere in your life.'

- Sarah, Yorkshire

Supported accommodation is not intended as a final destination for young people and cannot be anything other than a temporary measure. While it provides young people with the wraparound care they need, unnecessarily long spells in supported accommodation can risk institutionalising residents and restrict progress being made towards independence.

The inability to source appropriate move on accommodation does not only affect the young people who are unable to move on from supported accommodation, but also reduces the number of young people able to enter the system. This means that increasing numbers of young people facing homelessness are unable to access the support they need at times of crisis, increasing the risk of them sofa surfing, staying in unsafe accommodation or sleeping on the streets. With demand for supported housing and homelessness services rising, and an estimated half of people accessing homelessness services in England being between the ages of 18 and 24, it is critical that supported accommodation projects are able to help young people to move on when they are ready, so that those in crisis can access the housing and support at the point that they need it.²

Across Centrepoint's services, almost **one in five young people** were reported as being ready to move on but unable to do so, with a third of these having been ready to move on for longer than six months.³ This report seeks to identify the key barriers faced by young people looking to move on, in order to understand what needs to be done to help homeless young people ready to take the next step and move into stable longer term accommodation.

'...our services will become permanent homes because we can't move them on. We don't want that. And if you take the light away from the end of the tunnel, everything else will fall by the wayside.'

- Centrepoint Service Manager, London

Supported housing in context

Supported accommodation projects in England offer almost thirty five thousand bed spaces to people experiencing homelessness, but this number has declined by over a fifth in just eight years.⁴



Since 2010 the number of supported bedspaces for homeless people has decreased by a fifth.

A reduction in funding means that supported housing providers have to do more with less, at a time when homelessness has been increasing: the number of young people sleeping rough in England increased by almost a third from 2016 to 2017.⁵ Spending on the Supporting People programme, a major source of income for organisations supporting homeless and vulnerable people with accommodation needs, dropped by over 45 per cent between 2009 and 2015 after the ring-fence for this funding was removed.⁶

Following years of uncertainty, the Government recently confirmed that supported accommodation will remain within the welfare system, with rent paid through housing benefit rather than grants to local authorities. While this decision was welcomed by the sector, the uncertainty caused meant that several providers stopped or held plans to develop new supported housing.

In 2015/16, it was estimated that there was an annual shortfall of 15,640 working-age supported housing places, with this gap forecast to increase to 29,053 by 2020,⁷ and in 2016/17, thirty per cent of people in accommodation projects were reported as ready to move on but were unable to – with the shortage of affordable housing available locally cited as the principle barrier.⁸

In light of these pressures, it is critical that those that are ready to move on from supported housing can do – so that nobody is blocked from the accommodation and support they need.



'When I'm just sat here I feel like I'm taking five steps forward and ten steps back.'

- Owen, Sunderland

'The idea is that people stay for about six months to a year and move on, but we have people who have been here eight years, because there's nowhere for them to go.'

- Housing Association providing supported housing, London

Methodology

The aim of this research was to understand the main factors holding young people back when looking to move on from supported accommodation, the challenges faced by landlords and housing providers, and the impact this had on young peoples' wellbeing.

1. Survey of Centrepoint Services

Between March and July 2018, Centrepoint conducted an internal survey of supported housing managers asking how many young people in their services were ready to move on, how many had been ready to move on for longer than six months and what they saw as the main barriers to effective move-on.

2. Survey of private landlords

YouGov conducted an online survey of 1,054 private landlords across Britain on behalf of Centrepoint in August 2018. Just under nine in 10 (89 per cent) of these landlords let properties on a non-professional basis – i.e. as an individual or couple. This survey explored the factors which influence landlords' lettings decisions, what concerns they would have about letting their property to a homeless young person and which, if any, measures could make them more likely to do so.

3. Survey of housing associations

Between April and July 2018, Centrepoint sent a survey to over two hundred housing associations in England asking about the barriers they faced in letting to young people moving on from supported housing. A total of 45 associations responded to the survey between them managing over 700,000 properties, almost a third of the total HA stock in England. This survey explored associations' lettings policies and requirements, and the barriers they faced in housing young people moving on from homeless accommodation.

4. Interviews with stakeholders

Between May and August 2018, four key stakeholders took part in semi structured interviews over the phone and in person to explore in more depth some of the main themes and challenges identified in the research. These stakeholders included a mid-sized housing association based in the south east, a large housing association and supported housing provider based in London, and Centrepoint service managers in Yorkshire and London.

5. Interviews with young people

14 young people based in Centrepoint and Centrepoint's partner services, based in London, Yorkshire and Sunderland took part in semi-structured interviews in person and over the phone, lasting between ten minutes and one hour. At the time of the interviews, 11 young people were living in supported accommodation and three had recently moved into independent, longer term accommodation (one in a local authority property, one in a housing association property and one in private rented accommodation). The names of the young people interviewed have been changed in this report to protect their privacy.

'I want to be living independently in a secure position, rather than touch and go, like you don't know if you're getting kicked out of here every other week because you've done something wrong or something like that. I want be safe and secure.'

- Connor, Yorkshire

What does move on mean to young people?

'It's like your rules. It gives you a really good feeling knowing that you can live on your own, you've got that responsibility and you can do it.'

- Jessie, Sunderland

Moving in to independent accommodation is more than just finding a place to live. Young people moving on from supported housing need the skills and confidence to manage on their own, as well as a stable source of income to ensure that they can afford to pay rent and bills in their new home. Supported housing projects like Centrepoint's provide young people with help getting qualifications, work experience and employment, and prepare them to manage a tenancy. Services offer training and support with budgeting and money management, and offer programmes to equip residents with the resilience and skills to manage on their own.

Research into move-on work carried out by different supported housing providers found several different understandings of what it means to move on – which shared certain key themes:

- **Individuals making progress in their lives.**
- **Moving on to accommodation that better suits individual needs and circumstances.**
- **Ensuring people are offered effective support and have the skills and resilience to successfully live independently.**
- **The importance of stable, sustainable accommodation as the end goal.⁹**

'You feel free. You can do what you want, you don't have to tell anyone to clean their stuff up... Sometimes you miss the presence of someone being there. But everyone needs to experience living on their own.'

- Jamila, London

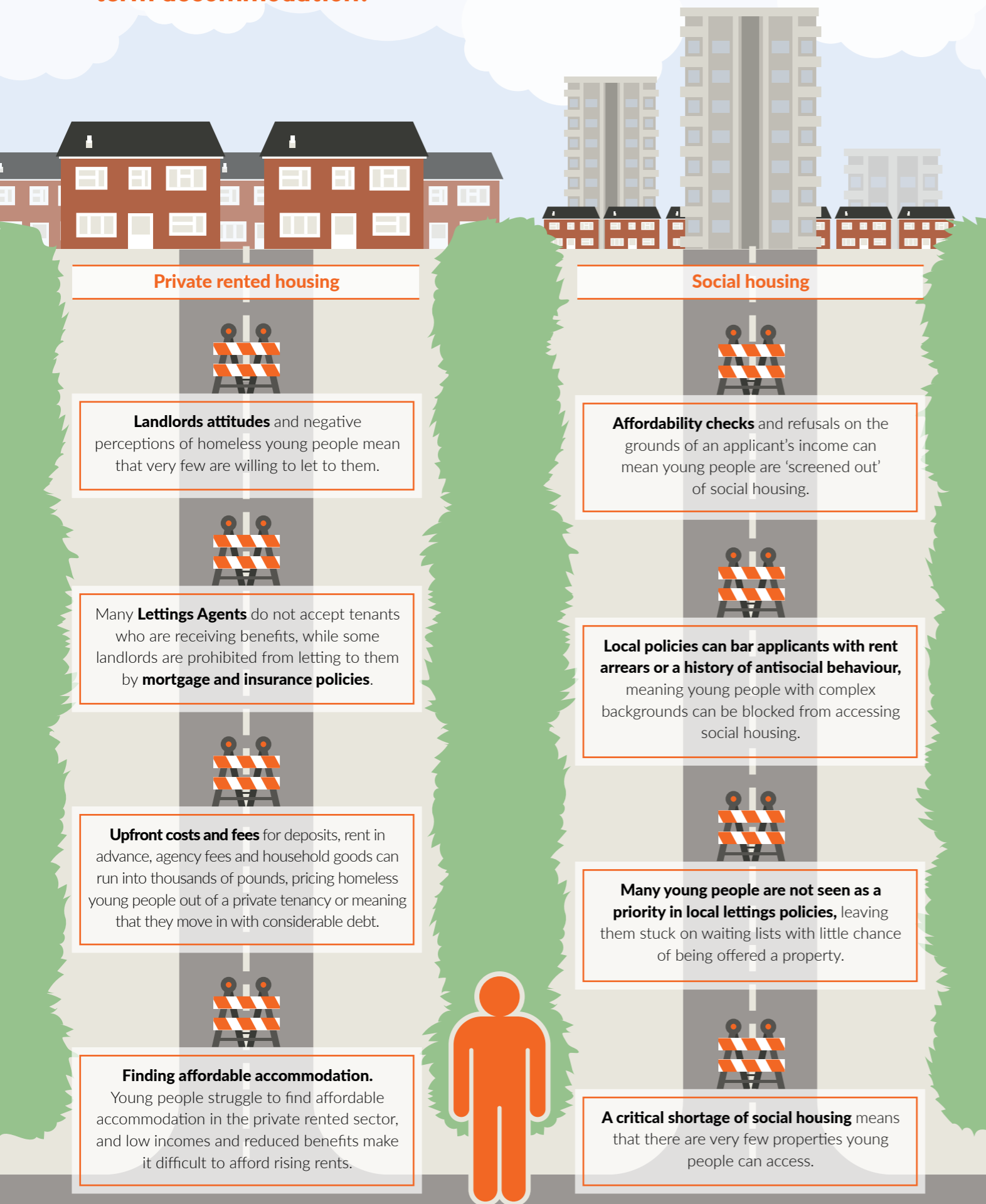
Across all these schemes, the main challenge was not in getting clients to the point where they were ready to move on, but finding suitable accommodation for them to move into.

'It would be my space. Where I've been living, I've had 4 people move in and out. Me, I've just been there the whole time watching people come in and out. That's just not home.'

- Seema, London



What barriers do homeless young people face in accessing longer term accommodation?



Access to accommodation

Young people leaving supported accommodation need access to a range of secure and affordable housing options.

- A critical lack of social housing means that young people are struggling to access a secure and affordable home. Both the overall number of new social lettings and the proportion of lettings to young households have seen significant decline in recent years.
- High rents and upfront costs make it difficult for those on low incomes to access private rented accommodation, with the costs of starting a tenancy running into thousands of pounds.
- A shortage of shared accommodation in the private rented sector leaves few properties young people can access, and the shared accommodation that does exist is often in demand from other groups able to pay higher rents.

The first challenge for many young people moving on from supported housing is finding somewhere that they can move on into. There is consensus across the political spectrum that the housing market in the UK is broken and that young people in particular are finding it harder than ever to find a place to call home.¹⁰

House prices, rents, deposits and upfront costs price large parts of the private market out of reach for young households, while a critical lack of social and affordable housing means that accessing this tenure is increasingly difficult too. For many young people, these barriers can mean remaining in the family home well into adulthood or spending large chunks of their income on insecure and substandard housing. However, for those young people who have been homeless and have spent time in hostels and supported accommodation, this lack of accessible housing options leaves them stuck in the system, unable to move into independence and at risk of becoming trapped in a cycle of homelessness.

Availability of social housing

Social housing is often the first choice for young people leaving supported accommodation, due to the security and affordability that the tenure offers.¹¹ The relative stability that social housing offers has been shown to be an effective safeguard against housing instability and repeat homelessness.¹² However, our research found that a lack of social housing is a major barrier to many young people trying to move on, and that the social housing which is available is all too often out of reach due to issues around eligibility, priority and affordability. This overall lack of social housing was cited as a major barrier to moving on by almost all of the young people, staff and housing providers involved in this research, not only in London but across Yorkshire and the North East.

More than eight in ten housing associations surveyed by Centrepoint thought the lack of social housing particularly affected young people's ability to access housing they can afford, with almost half seeing this as the biggest barrier faced by those looking to move on from supported accommodation. In London, every association surveyed saw this as a barrier.



84 per cent of housing associations see the overall shortage of social housing stock as a barrier to young people accessing a social tenancy

The shortage of social housing means that there are over 1.15 million households on local authority waiting lists, with waiting times running into decades in areas of the highest demand. The supply of new social housing has been in decline since the late 1980s and has contracted sharply in the past decade: 5,380 new homes for social rent were made available in 2016-17 compared to 24,670 a decade earlier in 2006/7.¹³

Our survey of social landlords found that for many associations, a lack of government grants meant that they felt unable to deliver the social housing at the level needed to meet local demand. **58 per cent reported that changes to funding arrangements had made it harder to let to homeless households.**

'...because of the massive need for social housing and its under provision, there's so many people in need. Even for shared housing, which is just a room, we have over 20 people on the waiting list.'

- Housing association and supported housing provider, London

As well as a decline in new homes, the number of new social lettings decreased by a fifth between 2008/9 and 2016/17, with this drop especially pronounced for local authority social lettings.¹⁴ Within this decline, the number of new lettings to single homeless people decreased by almost a third between 2008/9 and 2016/17, despite rising levels of homelessness acceptances.¹⁵ For young people in supported accommodation, this lack of supply means that their chances of accessing homes in the social rented sector get smaller year on year.

'You go and view so many flats, I don't know how many. Every week you go and view like three flats. Imagine doing that for a year and a half. You have to be first on the list. I was actually 7th for the flat I got, just nobody turned up. It was so lucky. I was the only one that turned up so I accepted it. I could still be on the list now.'

- Naomi, London

While tenants under 30 make up the majority of new social housing tenants, the number of new lets to younger tenants has dropped steeply, by almost a third between 2009/10 and 2016/17. While considerable media attention is given to the decline in homeownership for young people, less is given to the similar decrease in young households accessing housing in the social rented sector.

'Some people have had nominations and had to wait for a year. You want to get out. You don't like being in that environment and then you're just waiting. The waiting, that's the worst.'

- Jamila, London

Young people interviewed felt 'stuck' on waiting lists or waiting for a nomination, not knowing if or when they would be offered a property to move into. This situation affected their wellbeing and impacted upon their social lives.

'I've always been quite embarrassed to bring people to a hostel. I don't want people to think different of me and I just believe that people would. Even if they don't mean to they would, it's just natural.'

- Seema, London

'...sometimes I didn't want to look at the house because I knew I wasn't going to get it. It was like a torture... you have to say yes, even though you know you're not going to get it. You feel like you're wasting your time... you could be [on the list] for years. You just don't know how the system works.'

- Naomi, London

The social sector size criteria (the 'bedroom tax') also impacts young people's ability to access social housing, as households looking to downsize reduce the supply of one bed properties.¹⁶ It is estimated that between 2012 and 2020, almost a quarter of a million social rented homes will be 'lost', either through right to buy, converted into affordable rented properties or demolished as part of regeneration schemes.¹⁷ Unless action is taken to replace these homes, young people leaving supported accommodation will find it even harder to find accommodation that they can access.

The government's recent commitment to delivering social housing, through increasing the funding available to housing associations and allowing local authorities to borrow in order to build, is a much welcome step in the right direction. Social housing providers should use this opportunity to increase the supply of one and two bed properties, and to provide homes that are genuinely affordable to young people moving on from supported accommodation.

'We need more social housing built in the first place, and more aimed at single people.'

- Housing association, London

Recommendation: The government and local authorities should work together to significantly increase the supply of housing that is genuinely affordable for young people.

Affordability of social housing

Affordability within the social rented sector is also a significant problem for homeless young people. Four in five homes delivered by the social sector in 2016/17 were not let at traditional social rent levels, but instead at 'affordable rents' which are defined as being anything up to 80 per cent of local market rates. Since 2011, government policies and funding programmes have almost exclusively prioritised the supply of these 'affordable' and intermediate housing products. Although the government has recently announced increased funding for affordable housing, it is unclear how far this will go toward meeting housing need.

'Ten years ago we'd have got higher grants, and we'd have been able to develop properties at social rent. Since 2011, there hasn't been funding for social rents... Our development programme has been very, very largely affordable rent accommodation or shared ownership properties.'

- Housing association, South east

The average difference between social and affordable rents across England is around 30 per cent, or £1,400 per year. For a person working full-time on the minimum wage, this would mean paying an extra ten per cent of their annual income on rent.¹⁸ In London, the average gap between affordable and social rents stretches to £3,350 per year and there are ten London boroughs where this difference is greater than £5,000.¹⁹ For young people on the lowest incomes, this means that it is becoming more difficult to find housing they can afford, even in the social sector.

'Young people, even if they were housed by a housing association, would probably be paying 80 per cent of market rent for their property. And it's pretty tough paying that amount of money.'

- Housing association, South east

Affordability of private rented housing

Due to the difficulties faced in accessing social rented housing, young people are looking to the private rented sector (PRS) to find accommodation. The number of households renting from a private landlord has more than doubled in the past 20 years and the PRS is now the second largest tenure in Britain, home to a large and growing number of younger people, with just under half (45 per cent) of private renters aged under 35.²⁰ Again however, a range of barriers make this type of accommodation difficult to access for young people moving on from supported housing.

Affordability is a major challenge for young people looking to rent privately. Rents in the private sector have increased steadily since 2010 at a rate three times greater than average wages,²¹ and average rents are now more than a third of full-time local pay in over half of all English districts.²²

Young people renting privately today can expect to spend around 35 per cent of their income on housing costs, more than double the proportion that their parents and grandparents would have paid at the same age.²³ Rents in the private rented sector mean that homeless young people, who are likely to be in low-paid employment or accessing benefits, struggle to meet these costs and are often overlooked in favour of tenants who are seen as more financially secure.

'The idea is that people stay for about six months to a year and move on, but we have people who have been here eight years, because there's nowhere. They can't afford to move on to the private rented sector.'

- Housing association and supported housing provider, London

As well as high rents, the young people we interviewed described how considerable upfront costs for deposits and agency fees also created barriers to accessing a private tenancy.



48 per cent of all landlords require a cash deposit from a prospective tenant equal to or less than one month's rent, and **32 per cent** required a deposit greater than the value of a month's rent²⁴

Four of the housing associations surveyed also reported requiring deposits and rent upfront, including two associations with over 100,000 properties, suggesting that accessing a tenancy even in parts of the social rented sector can require significant upfront expenses. It is extremely difficult for vulnerable people to save enough for these costs, particularly those coming from situations such as a family breakdown or moving on from hostel accommodation.²⁵ The government's Tenant Fees Bill, which limits agents' fees will provide welcome protection for renters, although commentators have raised concerns that these costs may be recouped through higher rents and 'default' charges.²⁶

'I've looked on the internet...but they've got back in touch with me and they need guarantors and stuff like that... it's been a struggle, just waiting for them to get back to us. I'm still looking most days to be honest. They ask for guarantor, a bond, and a month's rent in hand as well. I just don't have those.'

- Owen, Sunderland

Young people interviewed that had moved on reported moving into unfurnished properties, and having to pay for white goods and basic amenities by borrowing money. While financial support was available through local charities or social services, young people reported this being difficult to access and not coming through when needed. The costs of setting up a home, both in the private and social sector can be another challenge to successful move on, and leave young people beginning tenancies in debt.

'I basically slept on a chair for the first night, then my bed came and I slept on the mattress, then I found someone to help me set up the bed. The cooker and the electricity wasn't sorted out so I had to wait. There was no electricity for about three weeks. So we were just eating takeaway, you have to have money. It was just so messy.'

- Naomi, London

Access schemes to the PRS provide vital support to help homeless young people access tenancies, and can give landlords the confidence to give a young person a place to live. **47 per cent of landlords surveyed in this research would be more likely to let to a homeless young person if they had access to a rent deposit scheme, and 63 per cent would be more likely to with access to a rent guarantor.**

Centrepoint's own PRS access scheme helps over 50 young people a year across Yorkshire and the North East by providing a paper bond and working with landlords to address any questions or concerns they may have. While effective locally however, the success of these schemes can be limited by the gap between young peoples' incomes and private sector rents, and may not be accessible across all areas.²⁷

Recommendation: The government should guarantee long-term funding for private rented sector access schemes, using part of the revenue generated by the additional three per cent stamp duty on buy to let properties and second homes.

Access to shared accommodation

Faced with high rents, low incomes and limited welfare entitlements, the only viable option for many young people in the private rented sector is to try and rent a room in a shared house. Young people on benefits are only entitled to the shared accommodation rate of housing benefit, meaning their options are confined to shared rooms at the lowest end of the market.

However, findings from our private landlord survey suggest that there is only a limited market for shared accommodation. **Almost nine in ten landlords (89 per cent) reported not letting any shared accommodation at all.** Landlords offering shared properties were more common in London, where almost a quarter (22 per cent) let shared accommodation, but outside the capital this dropped to fewer than ten per cent. This shortage of shared stock has been highlighted in previous research, suggesting that young people are expected to find accommodation which simply does not exist in any great supply.²⁸

Shared accommodation that is available is often occupied by other groups of young people, such as students and young professionals, who can pay higher rents. Barriers do not just come from landlords themselves; in some cases resistance can come from other tenants such as students, who did not want to share with young people on benefits.²⁹

'If there's a private landlord, they're going to go for the young man who's got a job, who's set up ...it's a simple business decision. You're going to go with who poses less risk.'

- Centrepoint service manager, London

Landlords surveyed did not provide shared housing for a number of reasons, the most common being that their property was unsuitable for sharing (62 per cent), due to size (61 per cent), a lack of amenities (61 per cent), or not being in a suitable neighbourhood (28 per cent). Over a third (36 per cent) of landlords not providing shared housing stated that they simply did not want to let this kind of accommodation.

Two in ten landlords that did not let shared accommodation did not do so because they were not prepared to deal with any extra regulation or costs involved and a small number (7 per cent) indicated that they were actively put off by local planning and licensing conditions. This suggests that local regulations, while well intended, increase pressures on the supply of accommodation for young people on low incomes.

Landlord groups have also raised concerns about the mandatory licensing of greater numbers of shared properties, and the impact this will have on the supply of shared accommodation.

Several young people were concerned about the suitability of shared accommodation for those who had been homeless, and were hesitant about living with strangers in an unsupported environment. However, evidence shows that with innovation, and importantly the right level of management and support shared accommodation can be suitable for some formerly homeless young people.³⁰



Affordability, employment and benefits

Young people leaving supported accommodation need access to the necessary financial support for their housing costs, and landlords need confidence in the benefit system.

- **Low wages, higher rates of unemployment and insecure employment leave many young people unable to afford housing in the private rented sector and increasingly in the social housing sector as well.**
- **Lower benefit rates for young people do not match up with real housing and living costs, meaning that the vast majority of the housing market is out of reach for those on low incomes.**
- **Private landlords' reluctance to let to tenants receiving benefits, and particular ambivalence towards Universal Credit, means that homeless young people can struggle to find a landlord who is willing to let to them.**

Access to employment

All of the young people interviewed that had moved on from supported accommodation spoke about the importance of having access to a job and a regular income, reflecting wider evidence highlighting the link between economic activity and effective move-on.³¹

'To help young people get into housing they need apprenticeships, jobs, stable income. They need to be given a chance in employment so they can have that home.'

– Jessie, Sunderland

While youth unemployment rates are in decline across the UK, 16 to 24 year olds are still three times more likely to be out of work than the rest of the working-age population.³² Young people with complex needs, such as those that have been homeless, often face a range of additional barriers to accessing employment and apprenticeships, from low educational attainment and problems with formal education to issues arising from a lack of confidence and poor mental health.³³

Young people are also three times more likely to be in insecure employment and employed on 'zero-hours' contracts, where work is not guaranteed and an employee's hours and pay can fluctuate considerably from one month to the next.³⁴ This makes it more difficult for a young worker to earn enough to pay their rent and bills, and it also makes it harder to find a landlord who will let to them.

Previous research into homeless peoples' experiences of moving on found that those working on zero hour contracts several years after leaving supported accommodation had the lowest overall incomes and highest levels of personal debt, even when compared to those not working at all.³⁵ More than half (51 per cent) of the landlords in our survey also required evidence of employment from a prospective tenant, making it difficult for those unable to prove regular income to access a home in the private rented sector.



*Fewer than **two in ten private landlords surveyed (17 per cent) would be happy to let to somebody on a zero hour contract**, even fewer than those who would be happy letting to tenants receiving **Housing Benefit (21 per cent) or Universal Credit (19 per cent)***

Over sixty per cent of housing association respondents cited higher rates of unemployment and insecure employment as barriers to young people accessing social housing, suggesting that zero hours contracts can cause significant problems for young people looking to access accommodation in the social sector as well.

'It makes move-on harder, in terms of budgeting and proving your income to a potential landlord. Your bank statements and things like that, it's very difficult to prove you have regular employment.'

– Housing association and supported housing provider, London

Young people's levels of income

Lower minimum wage rates also mean that young people are paid less for doing the same work, while their costs of living – especially for those without access to family support – do not see the same reduction.



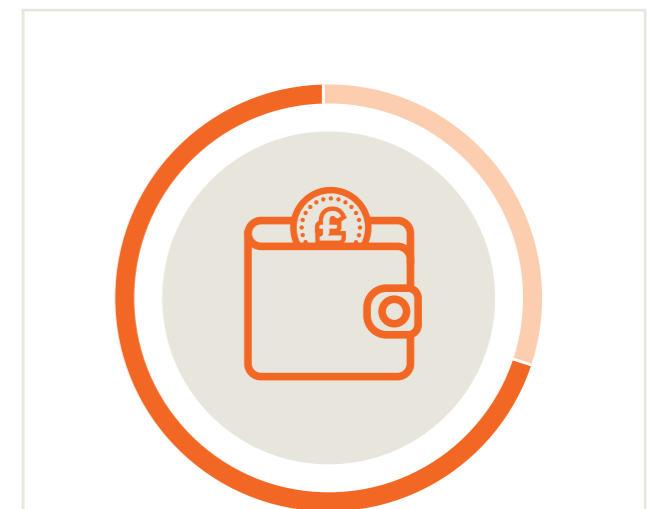
More than eight in ten housing associations viewed young peoples' lower incomes as a barrier to them accessing housing in the social sector – highlighting that low wages are making it difficult even to access housing that is supposed to be affordable to people with limited access to finances.

'Young people, even if they were housed by a housing association, would probably be paying 80 per cent of market rent for their property. And it's pretty tough paying that amount of money.'

– Housing association, South east

In the private rented sector, young peoples' lower incomes mean that again landlords are hesitant towards taking them on as tenants. **Two thirds (66 per cent) would not rent to a homeless young person due to concerns around rent arrears and their ability to keep up with payments.** A further 29 per cent would prefer to let to tenants able to pay higher rents, such as families or professionals.

This means that young people face difficulties in securing employment and earning enough to sustain a tenancy. For those who are unable to live at home or draw on family support, these barriers can mean the difference between finding a home they can afford and being stuck in homelessness.



*Over **70 per cent** of housing associations thought that increasing the minimum wage for under 25s would help them get into social housing*

The government has indicated its commitment to supporting young people into employment through the Youth Obligation, based on the premise that young people should be 'earning or learning' rather than depending on the welfare system. However, our research suggests that being in employment does not guarantee a place to live, particularly where that job is low-paid, insecure and difficult to prove to a landlord.

Recommendation: The DWP should extend eligibility for the lower rate work allowance within Universal Credit to young people living in supported accommodation.

Welfare and support

'The benefit system is one of the biggest barriers to young people moving out, it just doesn't work and young people don't understand it'.

- Naomi, London

For young people living in supported accommodation, the financial support available through the welfare system provides a vital lifeline to help with essential housing and living costs. However, a range of policy reforms and restrictions - many specifically targeted at young people - have made accessing the financial support needed to secure and sustain independent



housing increasingly difficult. Lower rates, eligibility criteria, delays and difficulties with the design and administration of benefits can leave young people unable to access the support they need, when they need it.

Benefit rates and financial hardship

A long term decline in the relative value of working-age benefits over several decades, plus reductions in welfare expenditure since the 2008 recession have meant that state support has not kept pace with real living costs, especially housing costs. The incomes of young people on benefits have been disproportionately affected, due in large part to targeted reductions in the money they can claim to help with rent.^{36 37}

'I was on JSA then on to Universal Credit. It was either pay full rent or have enough food for the end of the month. And because they only give you enough to live on you can't have a social life... It's a horrible situation to be in and young people shouldn't be put in that situation.'

- Jessie, Sunderland

As with wages, young people receiving benefits are eligible for reduced entitlements compared to older claimants for both their living and housing costs. A standard Universal Credit award for a person aged under 25 is less than four-fifths of the award that somebody over 25 would receive.



This is due to the premise that younger people are more likely to be living in somebody else's household and will have fewer financial responsibilities to take care of.³⁸ Across the UK however a third of those aged 16 to 24 live independently and the vast majority of young people in supported accommodation do not have access to ongoing financial support from family and friends.

Seven in ten housing associations thought that lower benefit rates for young people made it difficult for them to access social housing

For those young people looking to move on from supported accommodation, reduced rates of benefits make it difficult even to cover essentials such as food and travel, and make saving up for the costs of moving on nearly impossible. Analysis of the budgets of young people on benefits reveals that these rates leave claimants with no disposable income, and just one unforeseen circumstance such as a sanction or sudden expense can leave young people with no money whatsoever.³⁹

Young people are also twice as likely to be sanctioned as any other age group, which often leads to a suspension of benefit payments for an extended

period of time.⁴⁰ As well as causing rent arrears and financial hardship, sanctions can lead to vulnerable young people disengaging with services and available support, affecting their confidence and move towards independent living.

'Honestly, I am on the bones, I've had nothing for months. I've had my payments from the dole and that, but obviously they don't go far when you've got bills to pay and need to eat and get around.'

- Owen, Sunderland

Although emergency financial and hardship support is available, research suggests that take up is low, due in part to limited awareness and signposting.⁴¹ There are also concerns that work coaches' discretionary powers, such as the ability to relieve some of the work-search conditions for vulnerable claimants, are not fully utilised. As a result young people with complex needs often find themselves with their money stopped. **Almost half (47 per cent) of the housing associations surveyed saw benefit sanctions as a barrier to young people accessing social housing, and nearly eight in ten (79 per cent) private landlords cited sanctions as a reason for being concerned about letting to young people on Universal Credit.**

Sanctions can occur for a number of reasons, but there is the risk that without flexibility and understanding of a young person's background and vulnerabilities they can do long term damage to a young persons' housing situation and ability to move on from homelessness.

Recommendation: The DWP should award younger UC claimants the higher standard allowance for claimants aged 25 or over where they cannot live at home.



The Shared Accommodation Rate

As well as facing limited living allowances, the amount of money those aged under 35 can claim to cover their housing costs is also severely restricted and often does not cover the costs of renting. Within the Local Housing Allowance (LHA) the amount of benefit most young people can claim is limited to the Shared Accommodation Rate (SAR), an amount deemed adequate to rent a room in a shared house at the lower end of the private rental market.

The SAR, introduced as the Single Room Rent Rate in 1996, originally applied to most single childless people under the age of 25. It was extended to apply to those under 35 in 2012 and in 2015 the value of the SAR was reduced from the 50th to the 30th percentile of market rents for single rooms, driving up competition for shared housing at the cheaper end of the market, a type of accommodation already in drastically short supply.⁴²

The LHA and the SAR were then frozen for four years alongside all working age benefits, further increasing the gap between benefit entitlements and housing costs. For those people relying on housing benefit to cover their rent, this has reduced the housing options available to them even further. In England, less than a fifth of the private market is affordable within local SAR rates, and in a quarter of areas, fewer than five per cent of shared properties are affordable to those on benefits.⁴³ The financial support for housing costs available through the welfare system simply does not cover the real costs of renting a property in the private sector. In an attempt to bridge the gap between income and rent in areas of the highest pressure, the government has increased some LHA rates, but research suggests that the impact of this has been negligible and rents remain unaffordable across large parts of the country. For young people on benefits, having to top up rent shortfalls by dipping into already low benefit payments can significantly increase their risk of homelessness.⁴⁴



Almost **three in ten** private landlords (29 per cent) surveyed said they would not let to a young person moving on from homelessness accommodation because housing benefit rates in their area were too low for the rent they would wish to charge

For young people leaving supported accommodation finding a place to rent within their budget can be near-impossible, before even getting the money together for upfront fees and finding landlords who will be willing to let to them.

Locally administered Discretionary Housing Payments (DHPs) are available to tenants who may be affected by welfare reforms to make up shortfalls in rent. However, DHPs are not intended to provide long term support, and young people have reported the fund being difficult to apply for, especially without support.

Recommendation: The DWP should bring Local Housing Allowance (LHA) rates back in line with the 30th percentile of market rents by 2020, and extend to cover those 18 and over the current shared accommodation rate exemption for those who have spent three months or more in supported accommodation.

Universal Credit

'I'm not working, I'm just claiming Universal Credit. It was a bit of a mess at the start, when I first moved in here. I got in arrears because I didn't get paid for two months. They said it would take six weeks but I didn't get paid for over two months.'

- Damian, Yorkshire

The rollout of Universal Credit (UC) has thrown up a number of complications for young people looking to move on from supported accommodation. UC replaces six existing benefits with one monthly payment - paid directly to a claimant in most cases. This is intended to simplify the benefit system, make the transition from benefits into work smoother and give claimants increased responsibility over the money they receive.

Universal Credit was introduced under the coalition government, and following significant delays and operational overhauls is now being rolled out to claimants across the UK. Currently, just over one million people receive Universal Credit, with full geographical coverage expected by 2019 and all existing 'legacy' claimants to be transferred to the system by 2023.

Charities, housing providers, landlords and others have raised concerns about the design and application of Universal Credit, and how vulnerable individuals are expected to manage on the new system.

When asked why this might be, respondents cited the initial waiting period (97 per cent), housing costs paid to a claimant (83 per cent), concerns with budgeting (53 per cent) and monthly payments (50 per cent).

For young people looking for independent accommodation, UC can present challenges. It is paid a month in arrears, with a minimum five-week wait between making a claim and receiving a first payment. This initial delay, often compounded by difficulties in processing complex claims, can lead to a young person building up substantial arrears which can follow them beyond their time in supported housing.

'We had a lad who ended up leaving here with over £1000 rent arrears, because of Universal Credit and how they assess them. It throws a spanner in the works, and they end up leaving with that debt.'

- Centrepoint service manager, Yorkshire

'The benefit system is the underpinning base of all of it. As soon as there's a mistake with benefits and they fall in a thousand pounds of rent arrears, who's going to touch them?'

- Centrepoint service manager, London

Problems with Universal Credit also affect private landlords' lettings decisions. **Only 19 per cent of landlords said that they would be happy to let to a tenant receiving Universal Credit**, and a quarter said that the new system made them less likely to let a property to a homeless young person.

Both private landlords and housing associations were mainly concerned about default payments to tenants, budgeting and money management and the initial wait between claiming and receiving a first payment.



Eight in 10 housing association respondents (80 per cent) thought that the rollout of UC would make accessing social housing more difficult for young people, with half thinking this would make it considerably more difficult

However, landlords reported that changes to the design of Universal Credit could affect their decisions to let to a homeless young person, with almost two thirds (64 per cent) saying that direct payments of UC or HB would make them more likely to do so.

'A lot of landlords now are not accepting people on benefits, because it's taking that long just to sort the benefits out. For us, and the local authority, we can stand back and wait for the money. But a private landlord, to them it's a business isn't it. So there is that disadvantage with Universal Credit. It's too much hassle for them.'

- Centrepont service manager, Yorkshire

There is evidence to suggest that private landlords who specialise in the 'housing benefit' market - who may be attracted by the possibility of direct payments and regular rents - are moving away from letting to benefit claimants due to concerns with the rollout of Universal Credit and the Local Housing Allowance cap.⁴⁵ Between 2011 and 2017, the proportion of landlords willing to accept housing benefit declined from just under 40 per cent to 17 per cent,⁴⁶ and research suggests that changes to Universal Credit outlined in the government's 2017 autumn budget have only gone a small way to restore landlord confidence.⁴⁷

Unless UC is made to work better for both tenants and landlords, negative perceptions of the new welfare system mean that claimants risk being unable to find a home to rent at all. One landlord said that UC had made them less likely to let to a homeless young person due to 'very bad press about [the] effect[s] of universal credit - much talk of evictions due to non-payment'.

'A provider will often want the reference from a previous landlord and you shouldn't have any arrears. If they ask... we have to say that there have been these arrears for so many weeks. A similar thing will happen in the private sector. If they're claiming UC they can wait up to 10-12 weeks to get it, and which private sector landlord will have the patience for that?'

- Housing association and supported housing provider, London

'Recent concessions to Welfare Reform have demonstrated the government understands there has been a serious impact on young people and homelessness, but there is further work to be done.'

- Housing association survey respondent, South east

A fair chance

Young people leaving supported accommodation need to be given a fair chance to access different types of housing.

- Local allocations policies can leave young people in supported housing stuck on waiting lists, and providers lettings policies that restrict allocations on grounds of affordability can leave young people on low incomes and with limited benefit entitlements unable to access housing association homes.
- Private landlords' mortgage and insurance conditions can prohibit people on benefits from accessing tenancies - however evidence shows that many landlords would still not let to them even if these conditions were not present.

Social housing eligibility, priority and allocations

'I've seen people who are younger than me get housed. It's like they just don't see you as much of a priority.'

- Seema, London

Young people moving on from supported accommodation can face barriers in even getting on waiting lists for social housing. Due to high demand, social housing authorities have sought to control waiting lists and restrict eligibility in order to prioritise those in greatest need or those seen as making a 'positive contribution' through employment or volunteering. The Localism Act 2011 gave local authorities greater flexibility over who could join the housing register, and greater powers to exclude applicants on the basis of local connection, previous rent arrears and unreasonable behaviour. In the three years from 2012 when these provisions came into force, the number of people on local authority waiting lists decreased by a third.⁴⁸ These provisions have especially affected single homeless peoples' access to social housing, as blanket policies can block those with complex needs and histories from even getting on to waiting lists.⁴⁹

A number of young people interviewed spoke about being unable to access social housing due to past rent arrears. One former Centrepont resident spoke of a foster sibling, who took on more hours at work but fell into rent arrears after his benefit claim was affected and so had his nomination for a social tenancy withdrawn. Without a flexible approach to arrears from housing providers, there is the real risk that young people are being locked out of accommodation options and left unable to move on.

'You're ready to move on and then you can't because of your rent arrears. And that wasn't to do with [my brother] either, it was to do with social services not paying on time and because he took on more hours at work.'

- Naomi, London

Service staff also reported that particular groups of young people, such as asylum seekers, often did not meet local connection rules and were unable to apply for social housing locally.

'...now asylum seekers are being told they've got to be in the borough for five years. How often are they going to be in the borough for five years? Where are they supposed to go for five years, when we're two year, one year stay?'

- Centrepont service manager, London





Almost **two thirds** (63 per cent) of housing associations saw young people being viewed as 'low priority' compared to other households as a barrier to them accessing social housing

Although young people leaving supported housing are often given relative priority in local allocations policies, an overall shortage of available housing stock means in reality they spend long periods of time on bidding systems and waiting lists before being offered a property. One large association highlighted that the lack of turnover in their general needs stock meant it had become much harder to accept young people moving on from supported accommodation, saying that 'homelessness isn't enough to get you housed'.

'In our general needs stock, unless they've got family with kids, we're housing very few single young people and probably not many young couples either.'

- Housing association, South east

'If they're in supported housing, they're in band 3, they do get some priority because they've been in supported but they won't be in band 1. On odd occasions they'd be bumped up to band 2, but they're still way down the list.'

- Centrepoint service manager, Yorkshire

Many supported housing services also work with direct nominations to a local authority or social landlord, who may hold back a number of properties especially for people moving on from supported accommodation. However, Centrepoint staff reported that is often on an ad hoc basis and is a shrinking option in the face of increasing demands on social housing.

One housing association survey respondent highlighted that in response to limited grant funding and lack of support, they had reduced their own quotas for people moving from supported housing due to the inability to support vulnerable tenants. Young people owed legal duties by a local authority, such as care leavers, have greater priority to social housing nominations, but service managers expressed concern that even these nominations were becoming harder to access.

'Even with care leavers now it's tighter. When we're in meetings with social services, their tone is just different. Fewer people are going to panel, a lot of people are going to panel and then they're not getting it... even here it's starting to bite, but it's only the beginning.'

- Centrepoint service manager, London

Our research suggests that in light of low incomes and welfare restrictions, some social housing providers are concerned about applicants' abilities to pay rent and in some cases are using more stringent lettings policies to restrict allocations on the grounds of affordability.⁵⁰

'Housing benefit used to ensure that whatever the financial difficulty someone might be in social rent was covered. This is no longer the case and we therefore have to ensure that someone's personal circumstance means they can afford the rent. If they can't we won't house them because it is likely to end in a failed tenancy and therefore make future housing even more difficult.'

- Housing association survey respondent, West Midlands

'Affordability. When we have applications from under 35's we refer them to our support team to see if they can actually afford the property.'

- Housing Association survey respondent, South east (when asked why it had become more difficult to accept nominations from supported housing providers).

Previous research has highlighted concerns around homeless peoples' access to social housing being restricted on the basis of affordability and limited entitlements to welfare.⁵¹ While it might be argued that this is necessary due to government policy and the lack of available funding, the result is that homeless young people without financial security risk being increasingly shut out of what is supposed to be the lowest cost housing.

Recommendation: Social landlords should exercise flexibility in allocations policies to take into account young people's individual circumstances, and so as not to contradict local homelessness duties and strategies.

Landlords' willingness to let to young people

Our research shows that it can be a challenge to find a private landlord who will even consider letting to a young person who has been homeless, before even considering their ability to afford the rent and upfront costs of moving in.



Our survey of private landlords found that only **21 per cent** would be willing to let to a young person moving on from homelessness accommodation

Two thirds of landlords (66 per cent) cited rent arrears as a concern, and 58 per cent were worried about a tenant engaging in antisocial behaviour or misusing the property. Other concerns were around damage to the property (55 per cent), and the tenancy requiring an increased level of management by the landlord (47 per cent). These findings reflect those of a 2017 study by Sheffield Hallam University, in which more than two thirds of landlords indicated that they would not be willing to let a property to someone aged under-35 and on benefits.⁵²

'I feel like we aren't wanted anyway. A lot of private landlords don't want to have people categorised as 'homeless young people' coming to rent their housing, because they assume we're not capable of paying the money. They'd rather rent to somebody else with a stable job.'

- Naomi, London

However, for the 36 landlords that had experience in letting to homeless people, **more reported having a favourable experience (47 per cent) than an unfavourable one (31 per cent)** – suggesting that resistance to letting to young people moving on from homeless accommodation may owe more to negative perceptions than any actual poor experiences.

The stigma surrounding homelessness is a major barrier to accessing the private rented sector. One survey respondent was candid about having this perception, saying that there was "no way in hell [they] would rent to a homeless person".

Our survey highlighted that for specific groups of young people, landlords' attitudes can make access to the private rented sector even more difficult. **Only one in ten private landlords would be happy to house a custody leaver, and fewer than two in ten (17 per cent) would be happy to let to young people leaving care, highlighting challenges found in previous Centrepoint research.**^{53 54}

'I've looked at private rented, but it's the bond. And I'd be worried that in six months they say 'no we need somebody else in' or 'we're selling the house'. That's why I don't want to go down that road. They want the bond and the first month's payment; it's quite a lot if you're not working.'

- Hannah, Yorkshire

'We're encouraged to move into private rented because there's not enough housing and what else are you supposed to do. But the question is, is it affordable? ...what if after a year they want to move in a new tenant, what do you do? Do you move back to Centrepoint? Do you become homeless?'

– Naomi, London

This sense of not being wanted by private landlords emerged in several interviews with young people, along with ambivalence towards the perceived insecurity and poor quality of the sector. However, one participant who had successfully moved into independent living was keen to stress the good relationship she had with her landlord, who had allowed her to decorate and had been flexible in allowing her to pay her deposit over a longer period. With trust and understanding between both landlords and young people, it is possible to make a successful and positive tenancy that works for both parties.

'When I first moved in there were a few issues but she sorted them out straight away which shows me I could trust her.'

– Jessie, Sunderland

Mortgage and insurance conditions

Official and unofficial policies imposed by mortgage lenders, insurance companies and lettings agents can leave vulnerable households and those on low incomes unfairly locked out of accessing accommodation in the private sector.

Our survey of private landlords found that **over four in 10 (43 per cent) used the services of a lettings agent to identify and select prospective tenants, with 22 per cent of these landlords having no input into the lettings**

process at all. Research by Shelter and the National Housing Federation has highlighted that many lettings agents, including some of the UK's largest, use blanket 'No DSS' policies to exclude tenants receiving benefits irrespective of their ability to afford the rent.⁵⁵

Four in ten private landlords (40 per cent) surveyed by Centrepoint were using a mortgage to finance any of their rental properties. Of these, **almost one in five (18 per cent) reported having mortgage conditions around letting to people on housing benefit or universal credit.** Half of these were prohibited outright from letting to tenants receiving these benefits and a further quarter were prohibited from letting to specific groups of claimants.

Fifteen per cent of landlords also reported insurance conditions specifically mentioning tenants on benefits and for these, nearly **four in ten (37 per cent) could not let to these tenants and a further 28 per cent would have to pay increased premiums to do so.** These conditions, which add to the already long list of barriers faced by people on low incomes accessing the private rented sector, are compounded by landlords' attitudes towards tenants who claim benefits. However, our research found that over **eight in ten landlords (81 per cent) who were subject to these clauses would still not be likely to let to tenants on housing benefit or universal credit if these clauses were removed.**

Recommendation: Discrimination and unfair treatment against tenants receiving benefits by lettings agents should be prohibited through the government's new code of practice for lettings agents, and enforced through the new independent regulator.

Ongoing support

Young people leaving supported accommodation need stability and access to ongoing support to remain in their home and to move on from homelessness for good.

- **Reductions in local authority budgets have affected funding for floating and further support, meaning young people may struggle in independent housing, and leaving landlords less willing to let to more vulnerable tenants.**
- **A lack of security and quality control in the private rented sector can leave young people in housing insecurity, damaging their health and wellbeing and risking further homelessness**

Access to ongoing support

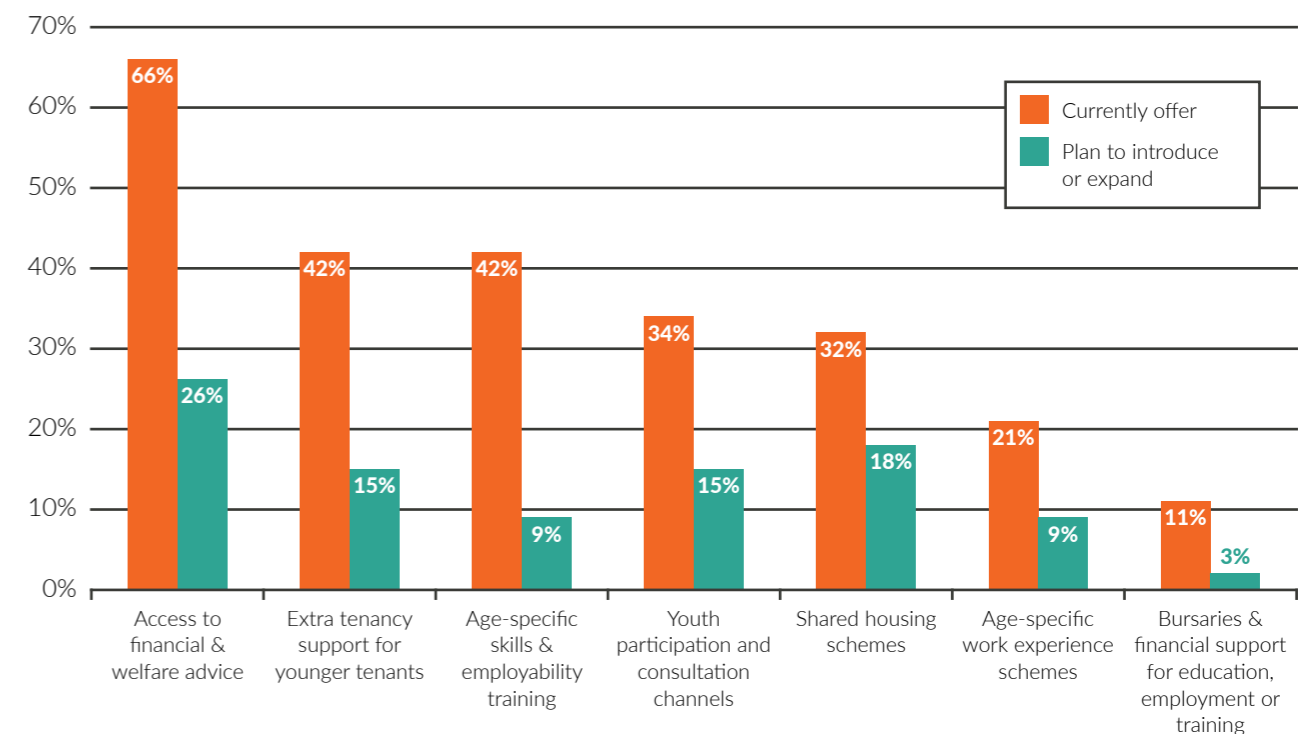
For move on to be successful, many homeless young people need support and guidance beyond supported accommodation. Although pre-tenancy training and preparation work in homelessness projects helps prepare a young person to manage on their own, there is a real risk that without access to ongoing assistance they may face further housing insecurity, tenancy failure and homelessness. Floating support, where support workers deliver assistance and advice to help people live independently, is an invaluable source of help for those transitioning from supported to unsupported accommodation.

Many housing associations provide extra support for younger residents in particular. Our survey found that providers recognise the importance of assisting young people with housing, employment and financial issues. In response to the challenges of welfare reform, many social landlords have invested time and resources to support tenants who may need extra help.⁵⁶

How do housing associations support young people?

Centrepoint's survey found that many housing associations do provide additional support for younger tenants. Two thirds provide financial and welfare advice and over four in 10 help young people access employment through training and employability schemes. Only a minority (16 per cent) offered no young-person specific housing options or services.

One third of associations surveyed provide shared housing schemes, with a further 18 per cent looking to introduce or expand this kind of housing.



Housing associations and other social landlords can play a major role in supporting young residents. As well as tenancy sustainment and help with employability, associations can empower young people through inclusion in decision making and community engagement.

However, many respondents stressed that reductions to grants and support funding were affecting their ability to support young people in tenancies, making it difficult to take on tenants with vulnerabilities and complex needs. **Just under two thirds of housing association respondents cited unmet support needs as a barrier to housing homeless young people**, with one respondent highlighting that the 'reduction in tenancy sustainment support can set [people] especially with high needs up to fail.'

Landlords in the private sector also cited a lack of floating support as a reason not to let to homeless young people.



A third of landlords (33 per cent) said that reductions to local authority budgets and tenancy support had meant they would be less likely to let to young people leaving supported accommodation, echoing concerns highlighted in previous evidence by landlord groups⁵⁷

Floating support to help vulnerable people sustain independent living has been cut dramatically through reductions to Supporting People funding, with some local authorities having ceased providing this kind of support entirely.⁵⁸ The government has signalled recognition of the value of supporting people in independent accommodation, and has announced support funding as part of a £100m move on fund to help rough sleepers and people in supported housing move into independence. However, this funding risks only going partway to covering the much greater gaps left by cuts to local authority budgets and other services.



Almost **seven in ten** housing associations thought that increasing funding for tenancy support would help young people moving on from homelessness projects access social housing

Recommendation: The MHCLG should allocate a portion of the move-on fund announced as part of the Rough Sleeping Strategy specifically for young people leaving supported accommodation, to provide both housing and ongoing support.

Housing quality and security in the longer term

'I don't want to go back into private rented. I had private rented and everything just went downhill. I want to feel like it's my own, I'm sick of moving place to place all the time.'

- Charlie, Yorkshire

All young people moving into independence need stability, and for those who may have faced trauma and hardship having a secure place to call home is critical for their wellbeing and continued development.⁵⁹ As well as ongoing support, young people leaving supported accommodation need access to accommodation that is of a decent standard and can provide the stability they need to make a success of moving on.

However, for many young people moving into the private rented sector, a lack of security and quality can make staying in a tenancy more difficult and put them at risk of falling back into homelessness. The ending of an assured shorthold tenancy is now the biggest reason for statutory homelessness acceptances in England and Wales, and evidence suggests that young people moving on from homelessness in particular can face poorer outcomes and greater instability in this sector.⁶⁰

Concerns around the private rented sector can also make it difficult to manage young people's expectations for move on, as many would rather 'hold out' for social housing even where their chances of being offered a property are slim.

'I've thought about private rented, but not looked into it because I don't like that. It's just not your house, they can move you in and just kick you out when they want.'

- Damian, Yorkshire

'I would never be able to save... I'd just be paying off somebody else's mortgage, it just doesn't feel right.'

- Seema, London

Young people also reported concerns about the quality of private renting; citing disrepair, difficulties in getting in contact with a landlord and being unable to decorate or personalise a property to make it their own.

'I've heard a lot of stories about landlords being rubbish, and when you need stuff done they're really slow with it. That's a problem with it... You can't even make your house your own, which is really sad.'

- Jamila, London

'It doesn't feel like your own, you've got to ask permission for everything. They can end up giving you notice and you can end up leaving as soon as you've settled there... You can end up putting loads of money in doing it up and stuff and it's never yours.'

- Sarah, Yorkshire

A number of the young people interviewed that had previous experience with the private rented sector reported negative experiences and the general sense of their rented property not feeling like a home. Again however, one young person who had spent time in both social and private rented housing did emphasise a successful relationship with her landlord, positively impacting her mental health and wellbeing and helping her to sustain her 'dream job'.

'To have a nice home to go to, it builds your confidence and your mental health really well... It does affect you a lot, it gives you more energy, it motivates you more and it just makes you feel better.'

- Jessie, Sunderland

If the private rented sector is expected to take on a greater role in accommodating homeless and vulnerable tenants, much more needs to be done to improve standards and security. Homes in this tenure are still the most likely to be 'non-decent' and cuts to local authority budgets again leave fewer resources to regulate an expanding sector.⁶¹ Without basic levels of quality and stability, vulnerable young people in the sector risk facing repeat homelessness and damage to their health and wellbeing.⁶²

Recommendation: The government should legislate to improve security of tenure and standards in the private rented sector, in line with recent changes to housing law in Scotland.

Conclusion

'To be honest with you I'm looking for somewhere nice to live, not just somewhere to move out and get out the hostel. I want to move to a place I can call home.'

– Owen, Sunderland

Finding a stable and secure place to live is a critical part of any young person's transition into adulthood and independent living. For young people moving on from homelessness however, difficulties finding a longer term place to call home leaves them stuck in supported accommodation, affecting their wellbeing and holding them back from moving forward in their lives. While support does exist, it is often not enough to overcome the structural barriers of a lack of affordable homes, low and insecure incomes and an increasing disparity between benefits and real living costs.

A drastic lack of social and genuinely affordable housing, and huge demand for the stock there is, left many of the young people interviewed stuck on waiting lists or holding out for a nomination. In several areas our research found that social housing is becoming harder to access for vulnerable young people, as rents increase and providers are less willing to take on 'riskier' tenants and those in greater need of support. A massive expansion in the supply of genuinely affordable housing, a path requiring significant investment and political will, is the best way to assist those moving on from homelessness into secure, longer term accommodation.

In the meantime young people need a fair chance to access the accommodation that is available. Our survey found that many, if not most, landlords in the private sector would not let to a young person moving on from supported accommodation, seemingly in any

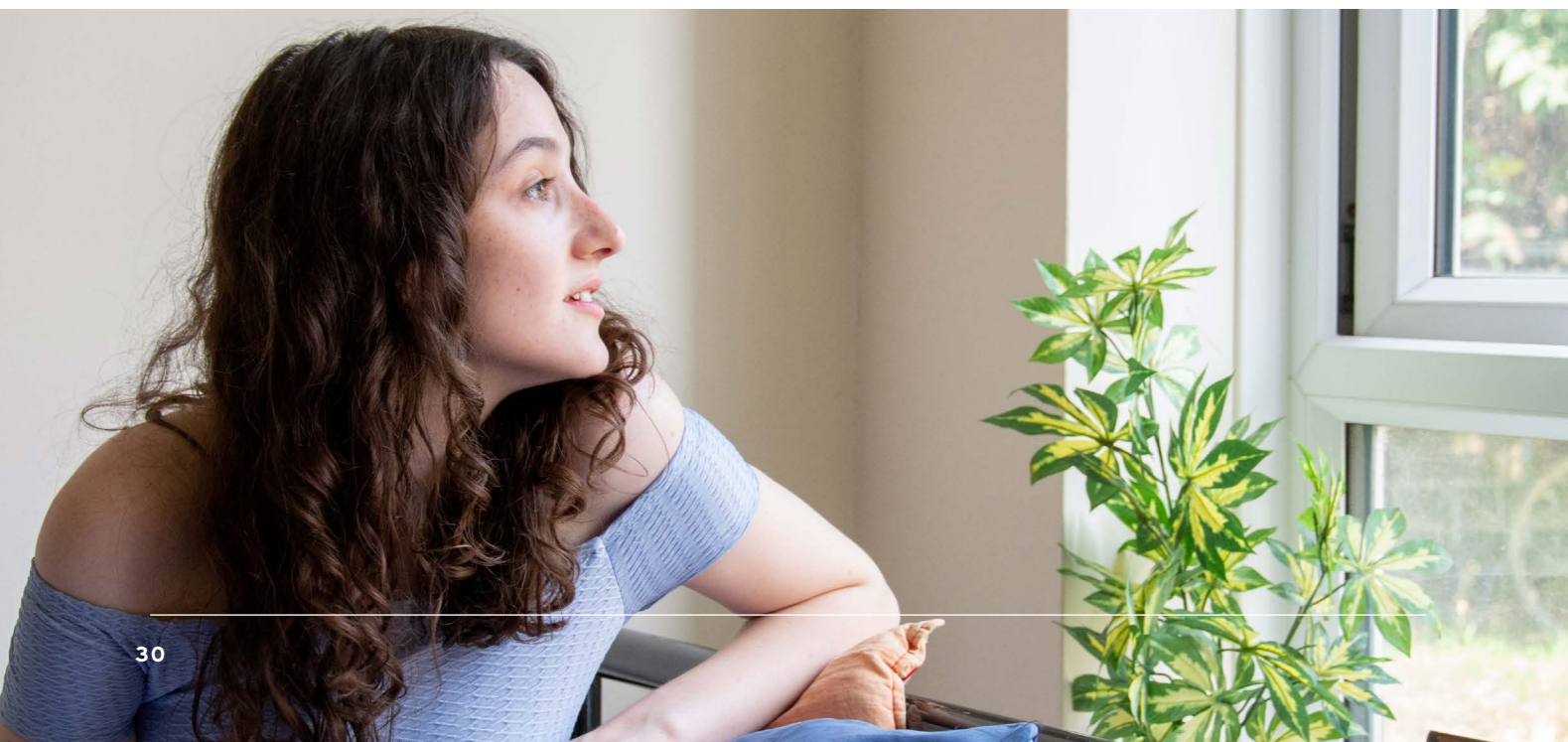
circumstance. Much of this owes to stigma and negative perceptions of homeless young people. However, many landlords reported concerns around a loss of income, and this research suggests that those that may consider letting to vulnerable tenants are being actively put off by elements of government policy and welfare reform, in particular the rollout of Universal Credit and reductions in the ability of local authorities and providers to provide ongoing and floating support.

For the private sector to become accessible to people leaving supported accommodation, the government, as well as local authorities and providers, need to ensure that landlords can have confidence in letting to people on low incomes.

There is some encouraging action being taken by the government to prevent young people from becoming homeless, and to support those that do end up losing a place to live. The recent rough sleeping strategy shows some welcome recognition of the challenges faced by people looking to move on from supported accommodation, but more needs to be done to tackle some of the underlying reasons why so many people are struggling to access and sustain housing accommodation across the country. Our recommendations highlight some of the ways homeless young people can be helped into a successful move to independence, and leave homelessness and insecurity behind them for good.

End notes

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