

# A Chance to Move On from homelessness

## 103,000 young people were homeless or at risk in 2017/18

Everyone should have a fair chance to move on from homelessness, including young people. Yet the UK's welfare system fails to recognise the vulnerability of homeless young people and leaves them with **less housing support because of their age.**

When someone aged 25 or over spends three months or more in a homeless hostel, they become eligible to claim the higher one bedroom rate of Local Housing Allowance (LHA) to help them find a safe, affordable place to live once they have moved on.

The LHA is the amount of financial support someone can claim through the benefits system to cover their rent in the private rented sector. It was previously based on the cheapest 30 per cent of local rents, but as rates have been frozen since 2016, it has slipped far below that.

**Why then are under 25s being treated differently to other people experiencing homelessness?** They still receive the lower rate of LHA, the "Shared Accommodation Rate". This is supposed to cover the cost of renting a room in a shared property, but it rarely does. As a result, they are stuck in homeless hostels, unable to move on.

Centrepoint is calling on the government to:

**Include under 25s in the Shared Accommodation Rate exemption** that applies to people who have been in homelessness accommodation for 3 months or more.

**End the freeze on Local Housing Allowance rates in 2020**, bringing them back in line with the cheapest 30 per cent of local rents.

## Why we need the government to act urgently



Give young people the chance to move on from homelessness hostels, therefore creating more bed spaces for those in urgent need.



Prevent young people at risk of homelessness being forced into debt, going hungry or missing college in order to cover the cost of housing.



Support councils to fulfil their prevention duties under the Homelessness Reduction Act (2017) by increasing affordable housing options.

### YouGov conducted a survey of over 1,000 private landlords across the UK on behalf of Centrepoint:

- **Only 1 in 5** of private landlords surveyed would be happy to let to somebody receiving Universal Credit.
- **Almost a third 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.

## “I want to move on with my life...”

Aidan has been living at Centrepoint for over three years, after leaving home because he was being forced into an arranged marriage. Despite the challenges he’s faced, Aidan is progressing in the film industry and recently worked freelance on the new Bond film.

He is now ready to leave Centrepoint and live independently, but is faced with several barriers:

“I want to move on with my life, I’m ready to find my own place, but I can’t. I’ve thought about private renting, but because of my age I can only go for shared accommodation and most properties don’t even accept benefit claimants. Some private landlords don’t want to let to young people either, because they have this stereotype that we’re trouble.

There just isn’t enough social housing out there. I’m being pushed towards going private when I know that because of my reason for leaving home, I’m eligible for social housing. Young people like me need more long-term options we can afford.

I feel like if I move out of Centrepoint my situation won’t be stable and that’s what I need in my life, more stability. I don’t want to have to worry about finding a new place after a while and going through the whole process again.”

## The case for change

### >> **Shared accommodation is not always available for young people moving on from homelessness**

A Centrepoint survey of over 1,000 UK landlords revealed that almost nine in ten landlords (89%) reported not letting any shared accommodation at all. Shared accommodation that is available is often let to other groups of young people, such as students and young professionals, who can pay higher rents.

### >> **Shared accommodation is not always appropriate for vulnerable young people**

Research has shown that sharing accommodation with strangers can have significant impacts on the health and wellbeing of vulnerable groups.<sup>1</sup> Many young people moving on from homelessness have experienced significant trauma and may struggle to live in an unsupported shared environment.

### >> **These rules have an unfair impact on younger people**

Under *The Housing Benefit (Amendment) Regulations 2011*, if someone is over 25 and has spent more than three months in homeless accommodation, they are able to claim the one bedroom LHA rate. However, younger people are denied this exemption, making it much more difficult for them to move on from homelessness.

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<sup>1</sup> Young Women’s Trust “Housing Benefit and Age Discrimination: Young women living in shared accommodation in the private rental sector” (2019).

## How much would it cost to exempt homeless under 25s from the Shared Accommodation Rate (SAR)?

We estimate that the costs of extending the exemption to under 25s in supported accommodation will be relatively minimal, costing around **£3.7m per year**.

The costs of all under 25s in supported accommodation claiming the one bedroom rate LHA would come to around an additional £25m per year. However, only a minority of this group move on from supported accommodation each year, with a small proportion move into private rented accommodation. Furthermore, not all young people leaving supported accommodation will need to claim LHA to cover their housing costs.

<b>Number of young people in supported accommodation in England</b>	<b>Number of young people moving on each year from supported accommodation into the private rented sector (PRS)</b>	<b>Average difference per annum between SAR and one bedroom rate</b>	<b>Estimated total cost of SAR exemption for under 25s moving on from supported accommodation</b>
10,470	1571	2343.12	<b>£3,681,041.52</b>
Based on Homeless Link's <a href="#">'Support for single homeless people in England: Annual Review 2018'</a>	15% of total – based on proportion of Centrepont young people moving into private rented accommodation each year	Valuation Office Agency – <a href="#">LHA rates 2019/20</a>	Young people leaving supported accommodation and claiming LHA multiplied by annual difference between LHA and one bedroom rates

This relatively small investment would make a significant difference to those young people in areas where access to social housing is particularly difficult. It would also reduce the likelihood of repeat homelessness and enable young people to sustain a job and a home in the long term.

By assisting young people to move on from supported accommodation, the government can also ensure that public funding for homelessness services is best targeted to support those most in need.

To find out more visit: [centrepont.org.uk/chance-to-move-on](http://centrepont.org.uk/chance-to-move-on) or contact Vicky Nevin: [v.nevin@centrepont.org](mailto:v.nevin@centrepont.org)