

**CENTRE  
POINT**

**ENDING YOUTH  
HOMELESSNESS**

# NO YOUNG PERSON LEFT OUT:

Estimating the local authority  
funding needs to support young  
people experiencing  
homelessness



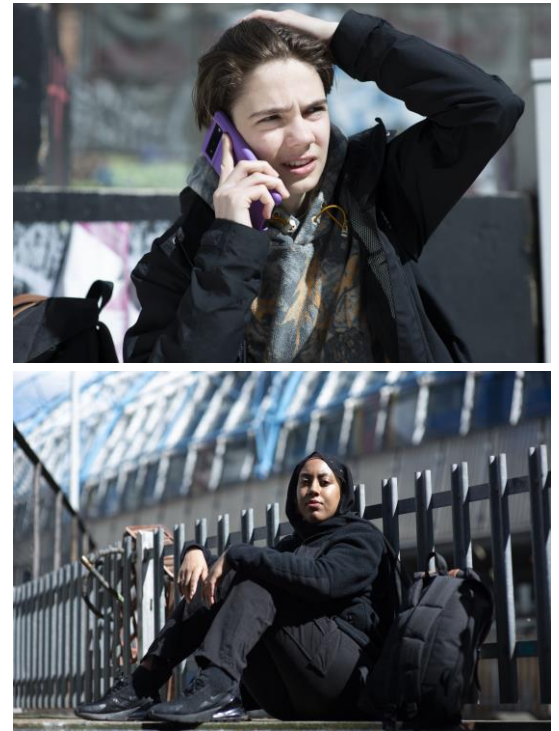
Centrepont 2025

# NO YOUNG PERSON LEFT OUT:

## ESTIMATING THE LOCAL AUTHORITY FUNDING NEED TO SUPPORT YOUNG PEOPLE EXPERIENCING HOMELESSNESS

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Centrepont would like to express gratitude to all the local authorities who shared their perspectives with us and WPI Economics who undertook the research examining Local Government funding.

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**Centrepont. 2025**

## SUMMARY

Under the Homelessness Reduction Act 2017, everyone in England approaching their local authority for help because they are homeless or at risk of homelessness is entitled to an assessment. Unfortunately, Centrepoin's Databank research has found that this is not happening in practice, with only 67 percent of the young people who approached their local authority in England in the financial year 2023/24 receiving an assessment.

For the second time, Centrepoin commissioned WPI Economics to calculate the amount of additional funding local authorities would have needed to meet their obligations under the HRA to assess and provide a relevant duty where necessary to all young people who present to homelessness support services in 2023/24.

The analysis shows that English councils would need to see an additional £400 million in funding from central government to ensure that all young people who report to homelessness support services receive an assessment and support if required. This represents a 14 percent increase in current spending on homelessness support services for all age groups. In 2022/23, the additional funding needed was £332 million, highlighting a 20 percent increase in costs between the two periods. This increase is largely driven by increasing costs associated with homelessness support as well as an increase in the number of young people reaching out for help.



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## INTRODUCTION

In 2018, the Government published its Homelessness Code of Guidance which sets out expectations for local councils in implementing the Homelessness Reduction Act 2017 (HRA). This document states that every person who presents to their local authority as homeless or at risk of homelessness will be eligible for an initial interview and that, “if there is reason to believe that they may be homeless or threatened with homelessness” within 56 days, the local authority must carry out an assessment to determine whether they meet the conditions for homelessness support.



Unfortunately, Centrepoin't's Youth Homelessness Databank research found that only 67 percent of the young people who approached their local authority in England in the financial year 2023/24 were assessed - in 2022/23, only 65 percent were assessed. In some regions, the 2023/24 assessment rate was far lower, with the East of England at 49 per cent and the South West 58 percent.<sup>1</sup>



There has been a significant decline in the national average assessment rate compared to the high watermark of 2018/19 where 79 percent of young people were assessed.<sup>2</sup>

While some of these discrepancies may be attributable to young people not meeting the threshold for an assessment and subsequent support, it is also apparent that gatekeeping, where local authorities actively or implicitly limit access to assessments and support, plays a major role in extending experiences of homelessness. This phenomenon occurs in several ways and at a number of points along the HRA journey, including when young people reach out for support and during assessments.



Centrepoin't commissioned WPI Economics to calculate the amount of additional funding local authorities would need to meet their obligations under the HRA to assess

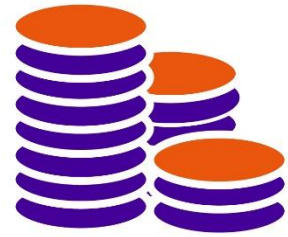
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<sup>1</sup> Nuttall, E. (2025). Hidden In Plain Sight: Understanding Youth Homelessness in the UK. Centrepoin't. Available at: <https://centrepoin't.org.uk/sites/default/files/2025-02/Centrepoin't%20Databank%20Full%20Report%202023-2024.pdf>

<sup>2</sup> Williams-Fletcher, E. & Wairumbi, S. (2020). Caught by the Act: the scale of youth homelessness in the UK. Centrepoin't. Available at: <https://centrepoin't.org.uk/sites/default/files/2023-06/1-caught-by-the-act-the-scale-of-youth-homelessness-in-the-uk.pdf>

and provide a relevant duty (Prevention, Relief or Main)<sup>3</sup> where necessary to all young people who present to homelessness support services for 2022/23 and 2023/24.

The first iteration of this research, looking at funding need 2022/23, was published as part of Centrepoin’s Manifesto for the 2024 General Election, *A Chance to End Youth Homelessness: Centrepoin’s Manifesto for the next Government of the United Kingdom*.<sup>4</sup> New findings outlined in this briefing constitute an update to this research.



## METHODOLOGY

In the periods 2022/23 and 2023/24, Centrepoin commissioned WPI Economics to examine the additional costs to local authorities of meeting their obligations towards unassessed young people under the HRA. To do this, WPI Economics undertook two complementary research streams:

- A. A qualitative stream of interviews with local authority homelessness support service leads, which aimed to understand the reasons why young people who present to homelessness support services may not receive the support that they wanted.
- B. A quantitative stream, consisting of cost and scenario modelling, putting a figure on how much additional funding local authorities might need to fully discharge their duties under the HRA.



The modelling methodology consisted of two phases:

### 2. Estimating unit costs: Data from the Ministry of Housing, Communities and Local Government’s

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<sup>3</sup> The Prevention Duty requires local authorities to make reasonable steps to support the applicant so that their accommodation does not cease to be available. The Relief Duty requires local authorities to make reasonable steps to help secure accommodation for a specified period of at least six months. The Main Duty is a duty owed by local authorities to someone who is eligible, has a local connection and priority need – this duty requires local authorities to find temporary accommodation until settled accommodation has been found.

<sup>4</sup> Nicoletti, A. & Kerridge, T. (2024). *A Chance to End Youth Homelessness: Centrepoin’s Manifesto for the next Government of the United Kingdom*. Centrepoin. Available at: <https://centrepoin.org.uk/sites/default/files/2024-05/Centrepoin%20General%20Election%20Manifesto%202024%20Full%20Report.pdf>

(MCHLG) Statutory *homelessness live tables* and *Local Authority Revenue Outturn for housing services* were used to estimate the average cost of discharging the individual duties that can apply under the HRA. These were then combined to model the cost per case of each possible completed pathway through HRA homelessness services.

**3. Creating scenarios for young people's pathways through homelessness services:** Using the Centrepont *Youth Homelessness Databank*, we estimated the proportion of assessed cases that complete each pathway through HRA homelessness services. A baseline scenario was then created, in which unassessed cases move through the HRA in the same way as the assessed cases. Optimistic and pessimistic scenarios were also created, in which prevention and relief duties are considered to be more or less likely to be successful than in the baseline scenario.



## POLICY CONTEXT

A 2024 briefing released by Centrepont outlining instances of gatekeeping recorded by the Centrepont Helpline revealed that 564 young people in England experienced local authority gatekeeping between July 2023 and September 11<sup>th</sup>, 2024.<sup>5</sup> Of the 317 local authorities in England, 125 councils (39 percent) were linked to at least one recorded case of gatekeeping.<sup>6</sup>

Helpline staff report seeing an increasing number of gatekeeping cases involving young people who are pregnant/have children in the last year. An example of gatekeeping shared in Centrepont's recent briefing revealed that one Council told a pregnant 20-year-old who was rough sleeping that she will only be considered priority need once she reaches 20 weeks pregnant and can provide her MAT B1 form. This goes against the Homeless Code of Guidance where it is stated that a letter from a medical professional, such as a midwife, should be adequate evidence of pregnancy.

In another instance, a pregnant young woman had been to her local council office and had been offered a homelessness assessment the next month leaving her at risk of continued homelessness. This was despite her having slept rough prior to her presentation and having proof of pregnancy which should move her up in the queue to receive an assessment.

The gatekeeping briefing showed that the most common type of gatekeeping was 'wrongly considered not to be priority need', followed by 'unable to contact the local authority'. It is, thus, evident that many local authorities are not meeting obligations outlined in the Homelessness Reduction Act and defined in the Homelessness Code of Guidance. This may be due to inadequate understanding of the specific needs of young people facing homelessness



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<sup>5</sup> The Centrepont Helpline provides housing and homelessness advice in England to young people aged 16-25 or their family and friends over email, webchat and phone. The 564 young people who were assessed to have experienced gatekeeping all approached the Helpline for support.

<sup>6</sup> Kerridge, T. (2024). Youth homelessness and local authority gatekeeping. Centrepont. Available at: <https://centrepont.org.uk/sites/default/files/2024-10/Local%20authority%20gatekeeping%20briefing%20-%202024.pdf>

or a result of limited care for or appreciation of the existing statutory duties outlined in legislation.

However, years of underfunding combined with the significant costs of temporary accommodation have also acted as drains on local government resources. The high-profile cases of local authorities issuing section 114 notices, indicating that they do not have enough income to meet their spending commitments, under the weight of historically high temporary accommodation bills suggest that councils may be increasingly unable to adequately resource their respective homelessness bureaucracies. This is occurring at a time when homelessness of all kinds is increasing. It is, therefore, important to articulate the proposition that gatekeeping cases could be avoided if councils were better funded to deal with homelessness and had local accommodation to offer.



# LOCAL AUTHORITY FUNDING NEED



## LOCAL AUTHORITY FUNDING NEED

Findings show that the additional cost of ensuring that all young people who report to local authority homelessness support services are assessed and provided with a relevant duty are high, but not unassailably so. Under the baseline scenario for England in 2022/23, the additional cost to ensure that all young people who report to homelessness support services receive an assessment and relevant duty was £330 million. While this is a significant sum, it represented only a 15 percent increase in current spending on homelessness support services.



This figure has now risen to £400 million under the baseline scenario - see Table 1 for a full breakdown of costs for each scenario – a 14 percent increase in current spending.

Scenario	Definition	Increase in spending required to extend assessments to all young people presenting to homelessness services				% increase in spending required year on year
		2022/23		2023/24		
		(£ million per annum)	(% of existing spend on all homelessness support services)	(£ million per annum)	(% of existing spend on all homelessness support services)	
Optimistic Scenario C	Unassessed cases are more easily prevented (by 25%) and more easily relieved (by 25%)	260	12	340	12	31
Optimistic Scenario R	Unassessed cases are more easily	280	13			

	relieved (by 25%)			365	13	29
<b>Optimistic Scenario P</b>	Unassessed cases are more easily prevented (by 25%)	305	14	375	13	22
<b>Baseline</b>	Unassessed cases proceed in the same way as completed cases.	330	15	400	14	20
<b>Pessimistic Scenario P</b>	Unassessed cases are less easily prevented (by 25%)	365	16	430	15	18
<b>Pessimistic Scenario R</b>	Unassessed cases are less easily relieved (by 25%)	385	18	440	16	13
<b>Pessimistic Scenario C</b>	Unassessed cases are less easily prevented (by 25%) and less easily relieved (by 25%)	425	19	475	17	11

*Table 1: Increase in spending required to extend assessment to all young people presenting to homelessness services, by scenario, for England, 2022/23 and 2023/24. Source: WPI Economics*

Our estimates show that, for the year 2023/24, local authorities require more additional funding to assess and support all young people who should be owed support compared to 2022/23. Under the baseline scenario, the cost has risen to £400 million (20 percent increase on 2022/23), while for Optimistic Scenario C costs have increased to £340 (31 percent rise) and Pessimistic Scenario C costs have increased to £470 million (10.5 percent rise). These rises may be attributed to the increase in the number of young people facing homelessness in 2023/24, as well as the increased cost to local authorities of providing homelessness support.

In our 2022/23 estimate, we found that there was significant variation in additional funding requirements between local authorities. Some local authorities required increases in funding that were orders of magnitude greater than those required by others, with Newham needing over £32 million a year, Liverpool over £15 million a year and Cornwall over £11 million a year. By contrast, nearly four-in-ten (37%) local authorities needed less than £100,000 a year in additional funding – see Figure 1.

Like the 2022/23 estimate, our 2023/24 findings show that London local authorities and non-London metropolitan boroughs often have the greatest unmet funding need. Thus, local authorities such as Lambeth (nearly £41.5 million), Brent (£19 million) and Lewisham (£17 million), as well as Manchester (£16 million) and Birmingham (£11 million), require the highest levels of additional funding to meet their obligations to young people under the HRA – see Figure 2.

Figure 2 shows that, while funding needs are greatest in London, there is significant variation within London, with some London Boroughs having similar funding requirement levels to local authorities in other regions. All three non-London super regions have a similar pattern of funding requirements,<sup>7</sup> with within-region variations far more significant than variations between them.

<sup>7</sup> In their analysis, WPI Economics refer to super-regions, made up from smaller ITL1 statistical regions. “North” super region is made up of: North West, North East, and Yorkshire and the Humber. “Midlands” super region is made up of the East Midlands and the West Midlands. “South (excl. London)” super region is made up of: South East, South West, and the East of England.

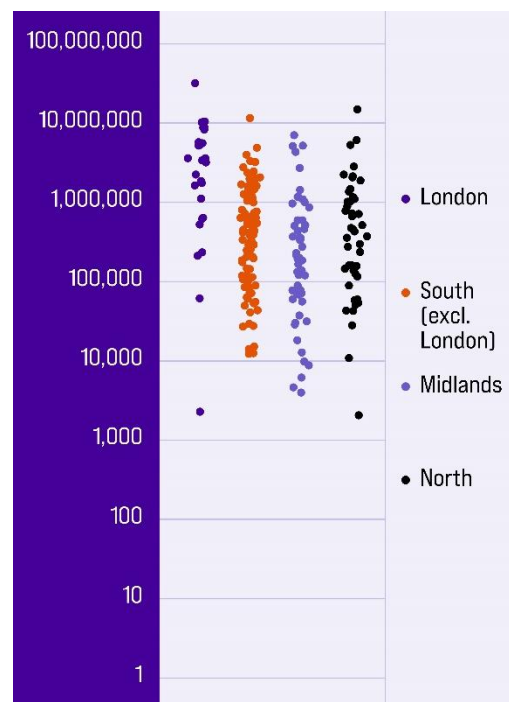


Figure 1: Increase in spending required to extend assessment to all young people presenting to homelessness services, baseline scenario, by local authority, 2022/23 (log-scale). Source: WPI Economics.022/23 (log-scale).

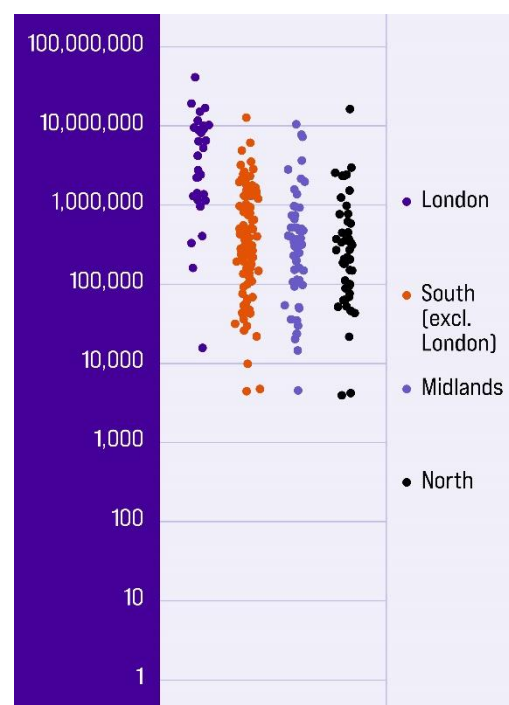


Figure 2: Increase in spending required to extend assessment to all young people presenting to homelessness services, baseline scenario, by local authority, 2023/24 (log-scale). Source: WPI Economics.

The local authority with the greatest requirement for additional funding in 2023/24 is the London Borough of Lambeth, with £41 million per annum of unmet funding need. While Lambeth does have a high number of unassessed young people (642), this figure is not an outlier: it is the 10th highest in England and the 2nd highest in London - the highest is Brent. Equally, costs per case are not unusually high. The average cost per case where a person is initially homeless, and then accepted for the Main Duty, is £103,383 – the 12th highest in England and the 11th in London.

Instead, the high estimate for Lambeth is driven by the pathways taken by existing completed cases. Over six-in-ten (61 percent) completed cases in Lambeth end in a Main Duty. This is the second-highest rate of Main Duty acceptance in England, and the highest in London. Under the baseline scenario, it is assumed that unassessed young adults, were they assessed, would proceed through the system in the same manner as existing completed cases. We are therefore assuming that:

- A higher proportion of young people in Lambeth receiving an acceptance reflects higher need locally.
- Those young people who remain unassessed are likely to have the same need as those who were assessed, and therefore also to have higher need than elsewhere in the country.

This estimate of high levels of need, combined with a high number of unassessed cases (although not an outlier) and high per-case costs (although again, not an outlier), results in a high estimate for the total increase in spending that would be required to ensure that all young people who present receive an assessment and relevant duties.

# **COSTS ASSOCIATED WITH THE HOMELESSNESS REDUCTION ACT**

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## COSTS ASSOCIATED WITH THE HOMELESSNESS REDUCTION ACT



Our 2023/24 modelling suggests that the Main Duty of the HRA is the most expensive, at **£22,000 per case** – see **Table 2**. The next most expensive is the Relief Duty, at around **£4,000 per case**.

The significant cost of the Main Duty for local authorities can be attributed to costs associated with securing temporary accommodation. **Table 2** shows that, for England in 2023/24, temporary accommodation accounts for **89 percent** of the total cost of the Main Duty, while administration costs only account for 9 percent and support 2 per cent. The cost increases when just examining London specifically, where temporary accommodation spending constitutes **94 percent** of Main Duty costs.

Duty	Average duty cost (£ per case)
Stage 1: Initial Assessment	£300
Stage 2: Prevention	£2,000
Stage 3: Relief	£4,000
Stage 4a: Main Duty	£22,000
Stage 4b: Intentionally Homeless	£1,500

*Table 2: Average duty cost in £ per case, for England in 2023/24.  
Source: WPI Economics.*

The local authorities with the highest Main Duty case costs are in London. We estimate that seven London Boroughs spend more than **£100,000 per main-duty case** on average, with the City of London, Enfield, Kingston, Lewisham and Newham, spending the most. This may reflect local authorities' significant spending on temporary accommodation for relatively small caseloads. The only local authority outside of London that spends above £100,000 per case on average is Slough.

Only one local authority outside of the South of England spends more than £50,000 per case: North Lincolnshire. By contrast, 24 London local authorities have an average main duty case-cost above £50,000, as do six local authorities in the wider South of England – **see Figure 3**.

Duty	Administration	Support	Temporary Accom.
London	5%	1%	94%
Rest of England	15%	3%	83%
England	9%	2%	89%

Table 3: Breakdown of main duty costs, for London, the rest of England and England. Source: WPI Economics.

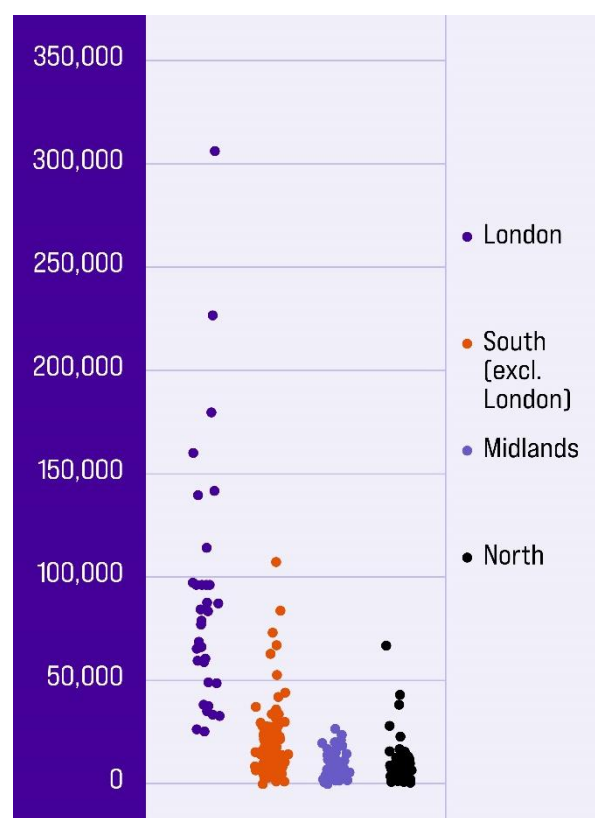


Figure 3: The cost of main duty, per-case, by local authority, 2023/24 (linear-scale). Source: WPI Economics.

# RECOMMENDATIONS



## RECOMMENDATIONS

***The Government should provide additional funding to local authorities in England to ensure that all young people who report to homelessness support services receive an assessment and support if required.***

Under the baseline scenario in 2023/24, we estimate that local authorities in England required an additional allocation of £400 million. However, our modelling also shows that significantly more funding may be required if a greater number of the young people presenting to local authorities have higher levels of need – meaning that their homelessness cannot be prevented or relieved and they require the Main Housing Duty.

To address this issue, the Government should develop a funding allocation for local authorities to meet their obligations to young people under the HRA, encouraging local authorities to not divert this funding to other services. The Government should ensure that this funding supports councils in meeting the specific needs of young people, many of whom experience homelessness and present differently compared to other cohorts of people experiencing homelessness.

***To support local authorities with this, the Government should also work with young people and the youth homelessness sector to write and implement a youth-specific chapter in the Homelessness Code of Guidance.***

This chapter should clarify the obligations of local authorities at the presentation, initial interview and assessment stages to ensure that all local authorities are aware of what is and is not acceptable practice. In doing this, the chapter should delineate a) the factors a local authority must consider and b) what constitutes a realistic burden of proof when the Homelessness Code of Guidance states that a local authority must only have “reason to believe” a person is homeless or at risk to get an assessment.

By securing dedicated funding and introducing specific guidance for young people, the Government can ensure that local authorities provide consistent, high-quality support for young people facing homelessness.



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