YOUNG PEOPLE AFFECTED BY HOMELESSNESS IN NORTH EAST ENGLAND

Anna Round and Marcus Johns
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SUMMARY

This report builds on IPPR North’s recent publication, *The future of transitional supported housing* (Johns and Longlands 2020), exploring the case of one key group of people who often rely on supported housing – young people affected by homelessness. We present findings from a study in the north east of England which looked at the experiences of stakeholders in the area of youth homelessness, including support services and young people themselves. The fieldwork for this project was conducted before the Covid-19 pandemic; unfortunately that development is unlikely to have improved matters.

Homelessness is a stark manifestation of inequality in a wealthy country, and homelessness among young people is especially shocking. Our ‘normal’ stories about growing up all feature homes; a family place where children feel safe and secure, the new households that young people build when they head out into the world to make their own way. Yet too many young people – across the UK and in our region – don’t get these opportunities for a good start in life.

By its nature homelessness is difficult to measure, but research suggests that in 2017/18, around 1.72 per cent of the North East’s population aged 16–24 sought support because they were at risk of homelessness. The English rate is 1.39 per cent (Homeless Link 2018). Various kinds of ‘hidden homelessness’ such as ‘sofa surfing’ mean the true figure is probably higher, both in the North East and more widely.

Across England, around 44 per cent of people who access homelessness services in England are aged 18–24. And young people are three times more likely to have experienced homelessness over the past five years than are adults.

The drivers of youth homelessness include family breakdown, overcrowded housing, family hardship, domestic abuse, mental health issues, and substance abuse (among young people themselves or within their families). Early intervention to support young people and their families can reduce rates of homelessness. However the relevant services need sufficient funding, specialist expertise, and effective partnerships.

Hostels and supported temporary accommodation are important in providing young people with a place to live, but austerity and cuts to public services place them under considerable strain. Where personalised support and ‘psychologically informed environments’ are available these are effective in helping young people to move on. However, in order to do so they need access to suitable and affordable rental properties – and even in a region known for its relatively cheap housing, these can be hard to find.

We identified several overarching policy challenges. These include the following.

- A default assumption in much government policy that young people have a family who can provide at least some practical support and a ‘safety net’; young people who are not in this position often do not fit into standard processes.
- Homelessness presents substantial challenges beyond not having a roof over your head or a fixed address. Young people affected by homelessness are at very high risk from loneliness and social isolation, which lead to further problems.
- Austerity has had a severe impact over the past decade, and its effects are still felt. It impacts services that are directly related to homelessness, as well as
the wider range of services that young people affected by homelessness need (such as health, mental health, and the police).

- Policies such as universal credit have also impacted on young homeless people, for example through delays in payment and sanctioning. In addition, the labour market opportunities for young people do not necessarily support a move to stable housing. Low wages, zero hours contracts, and financial difficulties around the shift into employment are all problematic.

Good practice in supporting young homeless people is well established in the north east of England. The partnership working recommended in the Homeless Reduction Act (HRA) has a long history in the North East and is at the heart of several innovative programmes, for example Newcastle’s ‘Street Zero’ initiative. Personalised approaches are also widespread. However, funding constraints present a constant challenge.

Devolution offers an opportunity to address youth homelessness. The focus on housing in devolution deals relates primarily to economic growth but there are precedents for metro mayors to use their convening powers effectively in this area, for example promoting affordable housing that meets the needs of local communities and uses regional assets effectively through mayoral housing and land boards.

**RECOMMENDATIONS**

*Recommendations for regional stakeholders*

1. Develop a comprehensive account of how austerity has impacted on homeless among young people in the North East.

2. The mayors of the North of Tyne and the Tees Valley mayor should collaborate to address youth homelessness in the North East, using current devolution deal mechanisms and manifesto promises, and working together to influence national government to extend relevant devolved powers.

3. The newly devolved adult education budget should be used to support learning and accreditation of learning among young homeless people.

4. Stakeholders should work to reduce loneliness among young people affected by homelessness, working with other providers and in other parts of the region, and extending funding.

5. Build on established good practice within the region in integrating housing provision for vulnerable young people – in particular, care leavers and children’s services.

6. Strengthen support and opportunities within the region for good practice sharing and policy development on youth homelessness.

7. Consider how a ‘housing first’ model of accommodation provision for young people in the north east of England could reduce homelessness and improve long-term outcomes.

*Recommendations for central government*

8. Regional stakeholders should seek to influence national government policy that affects young people at risk of homelessness, where relevant working together and with other national and regional actors.

*Recommendations for regional and national stakeholders*

9. Consider the regional use of a pathway for young people at risk of homelessness that takes account of the needs of young people with no secure parental ‘safety net’ and no access to a parental household.
1. YOUNG PEOPLE AND HOMELESSNESS IN THE NORTH EAST

1.1 RATES OF HOMELESSNESS AMONG YOUNG PEOPLE
Homelessness by its nature is difficult to quantify. People without a fixed address live in a number of different ways and may move between these, depending on circumstances. ‘Street homelessness’ is the most visible manifestation of housing crisis, but people without a home may live in different kinds of temporary accommodation including bed-and-breakfasts, hostels, supported or unsupported provision, informal short-term housing, staying with family and friends, and ‘sofa surfing’.

FIGURE 1.1: THE NORTH EAST HAS ENGLAND’S HIGHEST RATE OUTSIDE LONDON OF HOUSEHOLDS ASSESSED AS HOMELESS OR AT RISK OF HOMELESSNESS (ON THE BASIS OF PRESENTATION TO THEIR LOCAL AUTHORITY)
Households per 1,000 that are assessed as at risk of homelessness or homeless, English regions, April 2019–March 2020

Source: MHCLG 2020, authors’ calculations
The government publishes figures for the number of households who present to their local authority and are assessed as being ‘threatened with homelessness or homeless and therefore owed a prevention or relief duty’ (MHCLG 2020). A higher proportion of households in the North East than in any other region of England outside London are assessed as being either at risk of homelessness or homeless.

However, these data may not fully reflect the extent of the problem, as some people affected by homelessness may not (at least initially) approach their local authority for support. They may not be aware that this is an option (Robinson and Coward 2003), or they may seek support through informal networks – if they do so at all. Alternatively, they may get help with housing issues as part of another service (Homeless Link 2018a).

Specialist estimates suggest that young people make up a high proportion of people affected by homelessness:

• about 44 per cent of people who access homelessness services in England are aged 18–24 (Homeless Link 2017)
• young people are three times more likely than adults to have experienced homelessness over the past five years (Homeless Link 2018a)
• about 84,000 young people are estimated to have been in contact with council homelessness services in England in the past year (CentrePoint 2019c).

But even these figures may be an underestimate. Some young people may rely on family and friends rather than formal help for as long as possible. For example, ‘sofa surfers’ often wait until they have exhausted their informal options before approaching a council or a charity, sometimes for six months or more (Centrepoint 2018b, SSAC 2018).

Centrepoint’s Youth Homelessness Databank (Centrepoint 2019c) provides ‘snapshot’ data on how many young people approach their local authority for housing and homelessness support. These figures suggest that a slightly higher rate of support needs in the North East. Centrepoint estimate that in the year 2017/18:

• around 5,200 young people presented to local authorities in the north east of England. This represents 1.72 per cent of the North East population aged 16–24
• across England, around 84,000 young people presented to their local authority. This represents 1.39 per cent of the population aged 16–24.

These figures from the Youth Homelessness Databank are broadly in line with data gathered in the annual survey for Youth Homeless North East (Irving 2018a).

Across England, the number of young people who presented to their local authority as homeless or at risk fell by around 2 per cent between 2016/17 and 2017/18. This was driven by a sharp fall in a small number of urban (large town and smaller city) areas, possibly reflecting improved early intervention and partnership working initiatives. In rural areas presentations it rose by around 2 per cent (Centrepoint 2018d).

The latest available data suggest that the North East may have a slightly higher proportion of young people as the main applicant in households assessed as being owed a statutory homelessness duty (MHCLG 2019a and MHCLG 2020), but a slightly

1 The latest available figures largely precede the Covid-19 epidemic.
2 Data for 11 of 12 North East local authorities are available for 2016/17 and 2017/18, the highest proportion of councils returning data for any English region. However, some gaps remain within individual records and methods of responding to the Freedom of information request used to obtain data may vary. Changes are currently in progress to the way data on homelessness is collected by local authorities (CentrePoint 2018d).
smaller proportion of young people affected by homelessness in their wider family. Of households assessed as being owed a duty of support for homelessness:

- **1 per cent have a main applicant aged 16–17** in the North East and across England outside London; the rate is higher in Northumberland and Durham, following the national trend for a higher rate of young applicants in rural areas

- **24 per cent have a main applicant aged 18–24** compared to 21 per cent across England outside London

- **1.2 per cent include a young person aged 16–17**, compared to 2.3 per cent across England outside London

- **7.2 per cent include a young person aged 18–25 who needs support to live independently**, compared to 8.2 per cent across England outside London

- **1.6 per cent include a young parent needing help to manage independently**, compared to 2.2 per cent across England outside London.

**Care leavers**

Despite a relatively high rate of looked after children\(^3\) in the North East (LG Inform 2019) the proportion of care leavers in households assessed as eligible for homelessness support is slightly lower than for the rest of England. In the North East, 1.6 per cent of households affected by homelessness include a care leaver aged 18–20 and 2.8 per cent include a care leaver aged 21 or above. The English rates are 2.6 and 2.8, respectively.

Our qualitative research identified care leavers as a group who may be at high risk of homelessness. However, interviewees described interventions in place in various parts of the North East that are designed specifically to meet their needs, with close collaborations between children’s services departments, homelessness services and housing providers (see chapter 5). In addition, many North East local authorities have undertaken extensive work to protect children’s services funding during the austerity decade. This may help to explain the relatively low levels of need associated with care leavers. However it does not imply that all care leavers have a good experience of finding and keeping a place to live.

Even with good-quality and innovative support in place, care leavers remain a vulnerable group, often with few practical or personal ‘safety net’ resources. Nationally, one in five of England’s 12,000 annual care leavers end up homeless within two years (SSAC 2018). 26 per cent have sofa surfed, 14 per cent have slept rough (Centrepoint 2017), and they are nearly three times as likely as their peers to be subject to benefit sanctions (SSAC 2018). Without specialist interventions, young care leavers may be especially unprepared for independent adult living. One government enquiry was told by a care leaver that they “should not be considered adults until they are 21 because the barriers they have had growing up means they are often unprepared to be taking on adult life when they turn 18” (SSAC 2018).

**Street homelessness and rough sleeping**

Official statistics suggest that the North East has a relatively low rate of rough sleeping, in contrast to national trends (Irving 2018a). In 2018 the rough sleeping rate per 10,000 households was the lowest in England, at 0.6; this compares to a rate of 1.4 in the North West and 1.1 in Yorkshire and the Humber, 1.8 or 1.9 in the Midlands, and 2.5 in the South East. The rate across England outside London was 1.7.

‘Street counts’ suggest that rough sleeping rose in the North East following the recession, then fell again to a relatively low level (MHCLG 2019b). However, they

\(^3\) 95 children per 10,000 children under 18 were classified as ‘looked after’ in the North East in 2017/18 – the highest rate in England. The national rate for England is 64 per 10,000 children under 18.
have increased steadily since 2013, a trend also seen in the rest of the North and the Midlands. This contrasts with a fall in street homeless counts in the south and east of England. The lowest rates are in rural parts of the region, while Gateshead and Newcastle have substantially lower rates (at 1.1 and 1.2 per 10,000 households) than Manchester (5.7), Bristol (4.2), Nottingham (2.6), Leicester (2.5) and Birmingham (2.1); its figures are close to those for Leeds and Sheffield. Only in Middlesbrough (1.9) is the figure slightly above the English rate outside London (of 1.7).

In 2016, 2017, and 2018 the number of rough sleepers aged under 25 in the North East was recorded as being fewer than 10, with age unknown for 10 or fewer rough sleepers counted in the North East (MHCLG 2019b).

Interviewees stressed that intermittent rough sleeping is part of the experience of the region’s homelessness young people. It is associated with crisis points, for example while awaiting a decision about acceptance into housing, after voluntarily leaving an unsuitable situation, or when no ‘emergency’ accommodation is available and they are simply out of options. This echoes national findings: for example in the sample of young people who took part in a study by DePaul, 27 per cent had slept on the street and 18 per cent had slept in a public place such as a station (McCoy 2018).

Homeless Link similarly found that (2018a) “a lack of affordable housing and emergency accommodation” drive rough sleeping numbers. Although interviewees felt that periods of rough sleeping were generally brief, they also suggested that they represent a time of heightened vulnerability for young people. Risks include becoming involved with problematic peer groups, in particular older and established homeless groups or deliberate exploiters, and self-medication with alcohol or illegal drugs. Across a year the numbers are small but for a young person, one night is one night too many.

1.2 BECOMING HOMELESSNESS
Prevention of homelessness was outside the stated scope of this project. However, it became clear at an early stage that in many cases routes out of homelessness are closely related to the reasons why a person becomes homeless in the first place.

Research for Youth Homeless North East (YHNE) found that the stated reasons for young people becoming homelessness were very similar in the North East to those for England as a whole.

<table>
<thead>
<tr>
<th>TABLE 1.1: A COMPARISON OF NATIONAL FIGURES FOR 2017 WITH FIGURES FOR THE NORTH EAST IN FEBRUARY 2018</th>
<th>North East</th>
<th>England</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parents no longer willing to accommodate</td>
<td>36%</td>
<td>37%</td>
</tr>
<tr>
<td>Others no longer willing to accommodate</td>
<td>16%</td>
<td>15%</td>
</tr>
<tr>
<td>Violent breakdown of relationship with partner</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Loss of rented accommodation due to termination or other reasons</td>
<td>7%</td>
<td>9%</td>
</tr>
<tr>
<td>Left local authority care, prison, hospital, or other institution</td>
<td>4%</td>
<td>6%</td>
</tr>
<tr>
<td>Non-violent breakdown of relationship with partner</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Rent or mortgage arrears</td>
<td>5%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Source: NE figures from Irving 2018a; England figures from Centrepoint 2018d
Several analyses suggest that young LGBTQ+ people are especially vulnerable to homelessness, and make up a disproportionate proportion of the homelessness population. In addition, they may face additional barriers and/or discrimination when trying to find accommodation or access services. We were not able to explore this issue in detail during this research, although it was mentioned by several interviewees. Irving (2018a) found that this is a relevant issue for the North East.

Family breakdown is the most common reason why young people become homeless. Several interviewees stated that their organisations provided extensive services designed to reduce its impact, including family mediation and support. Most felt that these interventions reduce the incidence of youth homelessness very substantially, especially when they occur before crisis point; this allows support workers and families time and space to address issues in depth.

Interviewees stressed the value of personalised responses, because ‘every family breakdown is different’. Young people who leave home under stressful circumstances (possibly including earlier and unaddressed trauma or abuse) can end up living ‘chaotic’ lives by the time they finally make contact with formal services. By contrast, young people who ‘come through the system’ with support from social services or schools are more likely to access services and to get more benefit from these.

Housing supply is not only an issue for young people seeking to live independently; it can also be a reason why they need to leave the parental home. Overcrowding due to lack of affordable housing, or the breakdown of their parents’ tenancy in the private rental sector were among the reasons for a young people to find themselves in need.

Young people may also need to leave the parental home if they are no longer ‘part of the family income’, for example if they turn 16 without entering education that qualifies them for support. Families under pressure due to the welfare reforms and labour market issues discussed in chapter 3 may be unable to accommodate young adult children. And some young people may also be unable to live with their family following rehousing, for example in response to domestic abuse. These trends may be exacerbated by a shift towards private rather than social rental housing for families (Centrepoint 2019b).

1.3 GETTING SUPPORT WITH HOMELESSNESS

National figures on homelessness suggest that “52 per cent of young people seeking help from their council left with neither an acceptance nor any other documented prevention and relief support” (Centrepoint 2018d). 35 per cent received prevention and relief, and 13 per cent were assessed as statutorily homeless. In the 10 North East local authorities for which full 2017/18 data is available, of young people who presented to their local authority:

- 46.6 per cent received prevention or relief.
- 5 per cent were accepted as statutorily homeless.

However, this does not mean that the rest did not receive any services and support from their Council. They may have received services which are not recorded as specific to homelessness, and/or have been signposted to other agencies in the public or third sector. Our interviewees reported that although stories about how things can go wrong are often more compelling, many young people do get a good outcome, going on to resettle and maintain a tenancy.

4 Figures for Gateshead (no data) and Stockton (insufficient) are excluded from this analysis.
Difficulties in accessing services, however, are common. Homeless Link (2018a) found that across England it was ‘fairly or very difficult’ for young people to access specialist services such as: floating support (37 per cent), help with finding independent accommodation (54 per cent), long-term supported accommodation (57 per cent), emergency accommodation (58 per cent) and women-only accommodation (67 per cent). Barriers include being considered ‘too high risk’ to other residents, having needs that are too high, and having no local connection to the area where support is sought.

Interviewees reported that some services, such as ‘crisis beds’ and services for young people at ‘high risk’, are in very short supply. And access to supported accommodation or to tenancies often takes time, including a wait for references and other information. Even getting a hostel place or a crisis bed requires a police check. A delay of a fortnight between presenting to the local authority and obtaining a place to stay can occur, and longer periods are not unknown. Questions over eligibility for a particular funding stream were a particular frustration, meaning that young people are left without accommodation even if on the basis of need they are eligible for a bed.

Young people access services in different ways. They may be ‘walk ins’ to their local authority, at which point they enter ‘the system’ via a Council Gateway or Framework structure. Younger people may be referred by children’s services, youth services, health visitors or schools and colleges. People aged 18 or above are expected to use ‘adult’ systems, even if their independent living skills are relatively poorly developed. Young people in the care system benefit from intensive and tailored support before they leave care, delivered partnerships with children’s services (see below for further details).

Making contact with rough sleepers and ‘street homeless’ people is challenging. ‘Very proactive’ outreach work is effective, but it is often hard to contact this group even after they have started the formal process of seeking support. Many don’t have a mobile phone, or live chaotic lives that don’t fit into official structures; one interviewee noted that early morning appointments are impractical if your home is a doorway.
2. SUPPORT FOR YOUNG PEOPLE AFFECTED BY HOMELESSNESS

2.1 SUPPORT NEEDS OF HOMELESSNESS YOUNG PEOPLE

Around one-third of single homeless people in the UK have ‘low or no’ support needs beyond a roof over their head; they are homeless only because there aren’t enough houses (Bellis and Wilson 2018). The lack of accommodation is a key factor for the other two-thirds, but they also need support to manage on their own. The cracks in the housing system are deep, and additional needs go a long way towards explaining which young people fall through them.

Being homeless can in turn create additional needs, sometimes quite quickly. It is intensely stressful, confusing, and complex; young people can end up with little choice about where they live and who they live with, often finding themselves alongside strangers who are dealing with equally severe challenges. The situation itself can foster substance abuse, possibly as self-medication and/or a response to a new peer group, involvement in anti-social behaviour, and petty crime.

People who become homeless at a young age often experience poor physical and mental health, as well as risk-taking behaviour such as self-neglect, self-harm, suicide, and alcohol or drug use. Half of single homeless people became homeless before the age of 21 and the earlier a person becomes homeless, the greater the likelihood that they will have five or more homeless experiences (Mackie and Thomas 2014). A large proportion of homeless young people have complex needs. These in turn are compounded by constrained service capacity and resources, which reduce access to early intervention and specialist help (Homeless Link 2018a).

2.2 INDEPENDENT LIVING SKILLS

Many young homeless people need opportunities to develop the ‘independent living skills’ that mean they can eventually manage a tenancy and create a safe and sustainable home for themselves.

In this, they are like any other young people in their late teens. The difference is that young people faced with homelessness need those skills acutely, while others get to develop them over time, with support, in environments where failure is a learning experience rather than the root of a crisis. If you live with family, or in a ‘mainstream’ transition setting such as a house share or university residence, you can work out gradually how to manage your own income, finances, accommodation, education, health, social life, household and peer group. If you live on the streets or in a hostel, the task is harder and the stakes are immeasurably higher.

Key independent living skills include shopping for food and household goods, cooking healthy and affordable food, and skills for ‘looking after yourself’, such as doing laundry, keeping accommodation clean, basic home maintenance and in some cases personal hygiene, and managing regular health maintenance (such as doctor and dental appointments) as well as specific conditions. Many young people also need to develop their skills for employability, such as finding training and applying for jobs.
Budgeting skills are a further important support need. Two factors combine to make budgeting a challenge for young people; a lack of experience and awareness of living costs, and simply having to manage with very little money. Many hostels and supported accommodation providers offer support with developing these skills. This is rarely formally accredited, although several interviewees suggested that it could be. Young people in independent or transitional accommodation can also benefit from intermittent or ‘floating’ support.

### 2.2 PHYSICAL AND MENTAL HEALTH

Nationally, around 42 per cent of homeless young people have a diagnosed mental health problem or report poor mental health symptoms. 21 per cent have a history of self-harm, and 18 per cent have attempted suicide (Centrepoint 2014). Yet many do not seek help with their mental health – for example, if they don’t know what services are available, are anxious about getting treatment, or fear they won’t be taken seriously.

Being homeless can also make it harder to access services, especially for people without a permanent address. Young people may ‘fall through the net’ between child and adult services, particularly if other aspects of their lives are in flux. And these services have been substantially cut over a decade of austerity (see section 4.3; also YHNE 2019).

Some research suggests that young people who experience mental health difficulties prefer to seek support from their friends and/or family rather than from professional or formal sources – especially if these are hard to access (YHNE 2019). This may mean that they are particularly vulnerable to the lack of family support noted above in relation to developing ‘independent living skills’. The issues relating to peer group, friends and loneliness discussed below may also mean that it is harder for young people affected by homelessness to find the kind of support they seek.

The physical health of homeless young people is less discussed, but in fact this group has a high level of conditions and risk factors. 31 per cent have a physical health issue, 52 per cent report sleep problems and 55 per cent smoke (Centrepoint 2014). Very unhealthy diets and eating patterns, associated with a lack of cooking skills, facilities and money are part of the problem. Physical activity is also very limited for homeless young people – only 39 per cent regularly engage in physical activity, and just 9 per cent walk or cycle regularly (ibid). This latter was mentioned by some of the young people we met.

A related issue is the prevalence of learning disabilities. Interviewees suggested that these can often go unrecognised until young people enter formal support. Undiagnosed learning disabilities were mentioned as a contributory factor to some family breakdowns.

### 2.3 SUBSTANCE USE

Substance use is relatively widespread among homeless young people (see, for example, Homeless Link 2018a); in this they are typical of their generation. Across the UK the proportion of young people who have used illegal drugs or ‘legal highs’ is rising. In 2016, a ‘large and unexpected rise’ in young people’s drug use took place between 2014 and 2016 (NHS 2019). In 2018, around 23.7 per cent of young people affected by homelessness were identified as having used drugs in the last month (ibid). Without further data, we cannot accurately estimate the extent to which these patterns are present in the north east.

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5 Because of changes to research instruments and to the list of substances included in these, it is not advisable to make direct comparisons between data for 2016 and later with earlier figures.
people reported that they had ever used drugs and just over 9 per cent had used drugs in the past month. Cannabis was by far the most frequently used drug (ibid).

Alcohol use is more common than drug use, but rates of frequent use of either alcohol or drugs are very similar. The proportion of young people who had drunk alcohol fell from over 60 per cent in 2003 to around 40 per cent in 2014. The proportion who had drunk alcohol in the week prior to the survey fell from 20 per cent in 2003 to 10 per cent in 2018; around one-third consumed fewer than two units (ibid).

Among young homeless people, rates of drinking are similar to general population but regular drug use is far more prevalent (Glyn 2016). Centrepoint (2014) estimated that 50 per cent of homeless young people used illegal substances, with 41 per cent using cannabis on a daily basis. 22 per cent used more than one illegal substance, including new psychoactive substances, MDMA, nitrous oxide and legal highs. However, only 9 per cent drank daily. Drugs are often used to cope with daily stress (Irving 2019).

2.4 HOSTELS AND SUPPORTED ACCOMMODATION

“Despite ‘seemingly similar environmental conditions’ residents have very different lived experiences including ‘fit’ to resident needs and hostel attributes, and the nature of the residents’ own social networks and behaviours – particularly their relationship with substances”

Irving 2018b

Hostels have a good track record of supporting young people into longer-term solutions, with ‘positive planned move-on rates’ between 52 and 90 per cent (Homeless Link 2018b). Most young people who at some point live in a hostel do ‘move on’ successfully. However, ‘unsuitable hostels and shelters’ are ineffective, especially if perceived as unsafe or unsupportive.

Good hostel provision demands adequate resources (Mackie et al 2019). National research (for example, McCoy 2018) supports the finding from our interviews that hostel accommodation can be hugely valuable to young people, but that it can also bring some risks. Three key sets of factors contribute to the quality of the hostel experience. On these, the young people we spoke to were in full agreement with the findings of national research such as Homeless Link 2018b, which informs much of the following section.

The first is the quality of interactions between staff and residents, underpinned by staff team and working cultures. In particular the nature of initial contact ‘sets the tone’ for the rest of a hostel stay. Time and emotional labour invested in getting to know residents beyond initial risk assessments is important, as are staff efforts to build authentic relationships with young people. Scheduling and processes need to be sufficiently flexible to meet the needs of different young people, and rules need to be sensitive to young adults – and sensitively enforced.

The physical environment is also vital. Young people need welcoming settings that feel at least something like a home, with appropriate spaces for both privacy and crisis support. Young people value cleanliness in communal areas; one slovenly resident can spoil things for a whole group. And security is a continual concern, both within one’s own room and for the hostel as a whole.

The final factor is the community in the hostel and the ‘mix’ of residents. Temporary accommodation must create a functioning community for a relatively transient group of strangers, many with limited independent living skills, mental health or substance abuse issues, and experience of trauma.
Young people affected by homelessness in north east England and instability. This is a very big ask indeed, especially with constrained budgets and a small staff.

A good hostel can help a young person address their issues through effective and sustained personalised services (see section 5.2). However, the hostel experience can also be poor, for example when a peer group within the hostel fosters activities such as substance abuse or destructive behaviours.

Less dramatic but more common are loneliness and boredom among hostel dwellers. The young people we spoke to described a sense of intense isolation while living in a hostel, separated from their family and established friendship groups and thrust into close proximity with a new peer group. Hostel providers seek to offer activities and encouragement to do things other than ‘just sitting in [your] room’, but this is difficult with constrained funding (and funding objectives that rarely refer to loneliness).

This was related to a sense of stigma associated with living in a hostel (Centrepoint 2018a). Some young people may avoid telling others that they live in a hostel, or feel that a hostel address could be a disadvantage when applying for work or study, making new friends or reconnecting with old ones. These factors in turn drove them back into the relatively limited social life of the hostel.

**Psychologically informed environments**

The findings above provide strong support for the principle of ‘psychologically informed environments’ (PIEs). This approach acknowledges the psychological and emotional impacts of homelessness, and the complex factors involved in becoming homelessness.

The concept of a ‘psychologically informed environment’ is used across different fields of service provision, having originated in the therapeutic model of ‘enabling environments’. It was initially developed in good practice guidance issued in 2010 by the [then] DCLG and National Mental Health Development Unit (NMHDU), as a framework for homelessness support in temporary accommodation and other frontline provision. One well-established definition suggests that highly fixed criteria are inappropriate because they could limit innovation and tailoring to local settings; however:

> “the definitive marker of a PIE is simply that, if asked why the unit is run in such and such a way, the staff would give an answer in terms of the emotional and psychological needs of service users, rather than giving some more logistical or practical rationale”

Johnson and Haigh 2010

This approach can especially effective for people who have left home under complex and traumatic circumstances (Breedvelt 2016). Organisations such as Youth Homeless North East have provided specialist training in the ‘five key elements of psychologically informed environments’ for individuals and organisations supporting young people. This includes a focus on relationship building, and sensitive planning of cultures, ‘psychological frameworks’ and physical environments and social spaces. Evidence for effective practice is gathered on an ongoing basis and used to inform future developments.
2.5 MOVING ON

Services for young people in supported accommodation are designed to help them move on and live independently. Yet a lack of affordable housing and restrictive welfare policies increasingly make this harder to achieve. As many of one-fifth of people living in supported housing may be ready to leave but can’t because there is nowhere for them to go (Centrepoint 2018c). Funding cuts have also reduced the extent of ‘floating support’ within the community. Some providers in our study could still offer this, but others had been forced to reduce or remove it.

Nevertheless, our successful move-ons remain a common outcome. Young people may be reunited with their families, after a period of respite from tensions and a chance to resolve issues. Others establish their own tenancies, independently or with practical and emotional support. They may ‘move on’ to one of the following.

• **Move-on flats with some support:** These offer a lower level of support than a hostel, but do not require residents to be fully independent. These include blocks of flats or bedsits, with visiting or limited staff (such as support workers who ‘drop by’ several times a week, a night concierge, or specialists in mental health issues).

• **Council and social housing tenancies,** where one-bed or studio properties are available and affordable for young people under 25 (see section 3.2).

• **Private rentals,** which include more one-bedroom or studio properties but are often unaffordable (Gousy 2016). In addition, the conditions required by private landlords often exclude many formerly homeless young people (see section 3.2).

• **House shares:** Shared housing is an option that providers increasingly explore with young people. Effective practice includes working with young people to make sure that groups of sharers are a ‘good match’ that will create a positive and supportive household.
3. CONTEXT AND POLICY

3.1 THE 2017 HOMELESSNESS REDUCTION ACT IN CONTEXT

“[Policy] is not geared up to make things sustainable for young people – there’s not enough access or ease of access, and too much short-termism”

Interviewee

Our interviewees recognised many positive policy developments, including a shift towards prevention (see, for example, Please 2018), greater collaboration between stakeholders, and initiatives such as the ‘Positive Pathway’ model. The Fair Chance Fund supports young homeless people with complex needs, and the Platform for Life Programme funds low-rent accommodation for young people who are homeless or at risk of homelessness (Homeless Link 2018a).

In their review of the evidence on rough sleeping, Mackie et al (2019) examined over 500 sources to identify ‘what works’. They identify a cluster of ‘solutions’ that are shown to be effective, all of which are supported by our research: housing-led, person-centred and timely interventions, assertive outreach, a focus on addressing wider support needs, and collaboration across agencies and sectors. However, they also that this knowledge is frequently not put into practice because of a lack of suitable and affordable long-term accommodation, limited funding (especially for long-term investment), ‘siloed’ commissioning practices, and restrictive rules on eligibility for support.

The 2017 Homelessness Reduction Act (HRA) introduced a duty on local authorities to prevent and relieve homelessness for all eligible applicants, regardless of priority need. National research found that stakeholders welcomed the act with optimism, and that ‘... many local authorities [were] energised to make fundamental changes to their operations, culture and approach’ the HRA (Centrepoint 2018b).

This was echoed among our interviewees, although they pointed out that nationally the policy is still at an early stage of implementation. Several noted that partnership working of the kind encouraged in the HRA is already widespread within the North East (see for example discussion below of Newcastle’s Street Zero initiative and some of the good practice examples in chapter 5. The HRA’s emphasis on collaboration and prevention was seen as validating the region’s established approaches, rather than introducing new ones.

The HRA is an example of a good policy whose success will rely on adequate resource (Centrepoint 2018b). Councils have been allocated ‘new burdens’ funding to help them meet the duties in the act, at around £25 million per year in 2017/18, 2018/19, and 2019/20. However, over half of the local authorities who responded to a survey stated that this was not sufficient in their local area to increase assessments, prevention and relief for all young people who presented to them (Centrepoint 2018d).
3.2 HOUSING SUPPLY

A lack of affordable housing both sends young people into supported accommodation and keeps them stuck in it. Overcrowding contributes to family breakdown, and a lack of suitable properties stops young people moving on. Across England, 34 per cent of accommodation projects say that a lack of available accommodation is the main barrier to their residents moving on (Homeless Link 2017). A lack of appropriate properties for young renters was reported by 72 per cent of professionals in a survey (Wilson 2014).

Social housing

IPPR research found that 92 per cent of local authorities are not building enough affordable housing – only 67 per cent are meeting their overall housing need and fewer are delivering enough homes for low/middle income people (Baxter and Murphy 2017). The government’s on affordability focusses on buyers rather than renters.

Across England, in 2016 there were around seven households for every local authority-owned property. The North East retains a higher proportion of local authority properties in most of its local authority areas (see figure 3.1). Even so, the number of households has risen more quickly than the number of council houses. A further issue is the focus on building family accommodation when planning for social housing. This means that even where stocks of social housing are high, options may be limited for young, single people.

![Figure 3.1: The stock of local authority-owned property has fallen in the North East, relative to the number of households](image)

**Figure 3.1: The stock of local authority-owned property has fallen in the North East, relative to the number of households**

Number of households per local authority-owned property, selected North East local authority areas

Sources: ONS 2018, MHCLG 2018d and 2018e, author’s calculations

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6 Full data for other areas was not available.
Earlier research conducted by YHNE\(^7\) found that in some cases, the local authority housing that is available may be in neighbourhoods or locations where vulnerable young people do not feel safe. This will be a concern for any tenant group, but is even more problematic for young people who may already be vulnerable and isolated, without a strong family safety net or good independent living skills.

The requirement for social renters to have a ‘close connection’ with the local authority in which they are housed also presents challenges, particularly in regions where family and personal connections run across administrative boundaries. Interviewees spoke positively of cooperation between local authorities in handling referrals for young people. These have sometimes been set up in response to frustration that young people got ‘stuck on a waiting list’ when a suitable place is available in a neighbouring area.

**Allocations, access, and affordability**

Private rentals and housing associations can offer more shared or studio properties, but they may still not be accessible for young people. Landlords may be unwilling to rent to young people at risk of homelessness (Homeless Link 2018a), and social housing providers often apply ‘age barriers’ – letting only to people over a set age – which restricts an already small pool.

Young people with a history of homeless can also find it difficult to provide references and pass police checks. Affordability checks and refusals on grounds of income can also ‘screen them out’. If a guarantor is required, renting is almost impossible for young people whose family relationships are poor – or whose wider family struggle to afford their home. The upfront fees and costs for a private rental, including rent in advance, deposits and agency fees, can be way beyond the means of many young people.

The North East’s ‘low cost of living’ is often cited as a reason why lower benefits levels and wages are less of a problem in this region than elsewhere. But a great deal of the difference in cost of living between regions is accounted for by housing costs, which explain over one-third of the £200 difference in average weekly household expenditure between London and the North East (ONS 2019a, authors’ calculations). For people who rely on social security for some of their housing costs, regional differences are managed through the application of the local housing allowance (LHA), which is set for each local authority area based on local private rent levels. It matches either the 30th percentile of current rents for the area or the current LHA, whichever is lower. By contrast, items such as food, travel, clothing etc. are generally not cheaper in the region.

In addition, most people aged under 35 can only claim housing support at the ‘shared accommodation rate’ (SAR), or the cost of a room in shared accommodation within their region. Those aged 25 or above can claim the rate for a one-bedroom property if they have lived in a homeless hostel for three months and accepted support, as can most care leavers aged under 22. In the North East, the 2018/19 median monthly rent for privately rented single rooms (£347) was 88 per cent of the English median (£390); the SAR in the region ranged from £213 to £302 per month, depending on local authority.

### 3.3 INCOMES

**Social security**

The current system of welfare and benefits presents challenges for young homeless people, both through its organisation and the levels of support.

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\(^7\) This work was undertaken during the development of YHNE’s 2010 *Youth Housing Charter*. 

available. At the time when we conducted our primary research, working-age benefits and tax credits had been held for four years at their 2015 levels, and were worth about 6.5 per cent less than if they had risen in line with inflation (JRF 2019). Young people also get a lower rate of universal credit and are at greater risk of benefit sanctions (Batty et al 2015), with nearly one-third of homeless JSA claimants sanctioned compared to an average of just 3 per cent (Homeless Link 2018a).

A further problem is the immediate withdrawal of welfare and housing support when a young person starts to earn money. Some housing providers are also bound to charge a higher rent to people who are in work or study as soon as they begin their job or course. This sharp transition might be manageable for young people with a family safety net of financial and practical support; it feels like a cliff edge for those who don’t.

Our interviewees echoed the concerns expressed in the wider literature about the negative impacts of universal credit both on rates of homelessness and on the experiences of young homeless people. Some of the issues raised included the following.

- **Digital by default:** Many young homeless people do not have reliable access to the internet, so struggle with the digital processes of universal credit.
- **Delayed payments:** Universal credit payments may be delayed (sometimes for over a month) until homeless status is fully documented (SSAC 2018). This in turn can delay entry into accommodation or support.
- **Advance payments:** Young homeless people who have poor budgeting skills and little experience of managing their own money can find themselves in long-term hardship while repaying a large advance loan.
- **Systems for paying the housing element of universal credit:** It is relatively difficult to get the housing element of universal credit paid directly to a landlord. This was seen as important in helping young people manage their money effectively. One interviewee took issue with the argument that it ‘disempowers’ claimants, arguing that it is no less ‘empowering’ than paying bills by direct debit.

**Employment**

Unemployment is relatively high in the North East and job density is relatively low. In a challenging labour market, young people with experiences of homelessness have a particularly hard time getting and holding onto jobs that can offer a decent living.

Those who had poor experiences in education and disrupted school careers find it harder to get a job, especially a good-quality one. Having no or low qualifications has historically been more strongly associated with unemployment in the North East than elsewhere in England (Round 2016). For those in work, low wages and precarious conditions make it harder to get a tenancy and pay the rent.

National research shows that young people on zero hours contracts several years after leaving supported accommodation had the lowest overall incomes and the highest levels of personal debt, even when compared to those not working at all (Centrepoint 2018c). Low wages, including the reduced National Minimum Wage for people under 25, add to problems with finding affordable housing and managing

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8 This is despite the government’s original intention to review or lift it in April 2019. There were some suggestions early this year by the [the] Work and Pensions Secretary that it could be removed in 2020, but no further announcements have been forthcoming.
Young people affected by homelessness in north east England

Nationally, 56 per cent of people aged 20–29 spend over 40 per cent of their income on housing (APPG 2018).

Interviewees described various activities to support young people to prepare for employment or to get a job. In some cases, simply motivating young people to feel that this is worth their while can be a challenge, particularly in areas of industrial decline where many jobs are poorly paid and offer few prospects. Approaches included the following.

- Encouraging young people in supported accommodation to recognise their ability to learn, starting with areas such as independent living skills, and building on this to move into more formal training or education.
- Creating opportunities in the wider organisation or its partners for young people to work and learn, perhaps starting as a volunteer.
- Providing dedicated support work that addresses employment and employability, with advice that is closely tailored to the needs of the individual and their ‘distance from the labour market’. Some support organisations work directly with Job Centre Plus (JCP).
4. POLICY CHALLENGES

This chapter sets out three key challenges that underpin many of the themes identified in this research. The previous sections have touched on many of these, but here they are discussed separately in order to bring to light background assumptions and factors that might otherwise be missed.

4.1 POLICY CHALLENGE 1: FROM WORKAROUNDS TO YOUNG PEOPLE CENTRED POLICY

The age of the youngest users of homelessness services, 16, is a transitional age, and the contradictions of what 16 year olds can and cannot do (legally) are notorious. Much of our culture treats people aged 16 as adults, but much of the policy discussed above frames them as members of their parents' household until they are in their 20s.

When families break down, “housing services and children’s services should explicitly recognise [that young people are better off in the family home] and work proactively with young people and their families to identify and resolve the issues which have led to the homelessness crisis” (DfE 2018). However, in some cases this will not be in the young person’s interests. It may not even be possible in practical terms.

Living with parents into the early 20s (or beyond) has become more common. The proportion of 20–34 year olds living with their parents rose from 19 per cent in 1998 to 26 per cent in 2017 – equivalent to an additional 900,000 young people. For those under 23, it rose from 37 to 49 per cent (Bentley and McCallum 2019). In 2018, one-quarter of young people had never moved out of the family home (Centrepoint 2019b).

Those who do move out need substantial resources to manage this; today’s young people who don’t live with their parents spend an average of 65 per cent of their monthly income on rent. For people now in their 60s, just one in three spent over one-third of their monthly income on the rent when they first lived alone. It’s no surprise that only 27 per cent of 30-somethings are not in debt (ibid).

Of those who do move out, 27 per cent get some financial help from their parents, compared to just 11 per cent of today’s 60-somethings at the same age (ibid). People in their 20s and 30s had far higher levels of experiencing precarious housing; 16 per cent of people in their 30s have slept in a tent (up from 5 or 6 per cent), and a higher proportion have stayed somewhere they don’t feel safe. Just over 20 per cent of people under 30 have sofa surfed – although this has also risen for people in their 40s (ibid).

This new reality underlies the assumption that young people can cope with lower rates of minimum wage and social security, and can manage bureaucratic processes using their parents’ address, internet connection and phone. And it means that support with things like independent living skills tends to be underfunded. The element of housing benefit/element that is allocated to supported accommodation for these would provide about three hours of learning per client; providers strive to supplement it substantially.
Too often, the system “still leaves young people trying to pull it together for themselves” (interviewee). Processes for getting access to mental and physical health services assume that a young person has reserves of practical and emotional support – as well as a permanent address. And systems demand that young people access the kinds of information that a stable family normally has to hand, such as dates and places of birth, identity documents, personal records, etc. But many young people don’t have any form of photo ID, and don’t know where they were born or much of their own medical history.

Systems for homeless young people need to be set up with the recognition that an absence of family support is the norm, for this group. Otherwise they, and the people who support them, are condemned to a continual series of workarounds.

4.2 POLICY CHALLENGE 2: A PLACE TO CALL HOME

“Being homeless isn’t just not having a roof over your head”

Interviewee

The practical problems discussed above are one part of being homeless, but the emotional ones are also crucial. Young people need services and safety, but they desperately need a place that ‘feels like home’. This degree of security underpins the success of other kinds of support, and its absence could easily undermine them. National research (CentrePoint 2018b) and earlier work by Youth Homeless North East for its 2010 Charter identified precisely this issue.

Loneliness and isolation are identified as ‘a key additional need’ for young people (Homeless Link 2018a). For hostel dwellers this can be compounded by the stigma sometimes associated with hostel residence. It is difficult to keep up friendships with people whose experience is different, or to form new ones outside the hostel and the ‘hostel life’. Residents may also be more inclined to join peer groups that draw them into low motivation, substance abuse or criminal behaviour.

It is easy to say that they should just resist negative influences, but that is very difficult for a lonely young person with few options other than their closest neighbours – in proximity and also in experience. Young people told us about some of the things that meant they did not feel at home.

• It’s difficult to plan for the future when your living circumstances are characterised by unknowns, insecurity, and not knowing what happens next: “You’re told to plan for a future but what if there’s nothing there?”.
• Not being able to have ‘your own stuff around you’, for fear it is stolen or damaged or because there isn’t space.
• Feeling unsafe or insecure because of anti-social behaviour by other residents or by outsiders who see the hostel as a place where vulnerable people live.
• Being around people who ‘test your boundaries’, without family support.

Good-quality support that addresses these problems, practically and emotionally, is vital. Some of the effective interventions that we heard about included the following.

• A project on loneliness, working with people aged 16–24 in social housing. This is supported by a specific grant but its good outcomes to date mean that stakeholders are keen to extent it for longer, and across geographies.
• The regular Youth Hub meeting held by YHNE, which brings together young people affected by homelessness in an informal setting.
• Activities, including learning, volunteering, and commissioned programmes, based in supported accommodations for young people who ‘can't get out and about’ for whatever reason.
• Activities to support young people in the evenings, with a wide variety of topics.
• Activities to prepare young people moving out of supported accommodation and into a tenancy to engage positively with their local community.

One type of intervention that reduces the sense of insecurity and precarity for young homeless people is the ‘housing led’ or ‘rapid rehousing’ model (sometimes called ‘housing first’). This has been trialled in some small projects in the North East, although none were included in this project.

### Housing First

‘Housing first’ uses ordinary housing in both the private rental sector and social housing sector, allocated to people in need without conditions. Currently it is a fairly small sector in the UK, with 32 active Housing First providers supporting around 350 people in 2017 in England (HFE 2018). However, it is gaining momentum in England, Scotland, and Wales (Blood et al 2018).

Its primary aim is to get people with high needs into settled accommodation as soon as possible, providing support that meets their needs and enables them to sustain their tenancy for as long as they require.

There is no single definition of Housing First (Homeless Link 2015), but Homeless Link have developed seven principles for Housing First in England:

1. people have the right to a home
2. flexible support is provided for as long as it is needed
3. housing and support are separated
4. individuals have choice and control
5. an active engagement approach is used
6. the service is based on people’s strengths, goals and aspirations
7. a harm reduction approach is used.

These overlap with much of the supported housing already delivered in England, for example the focus on harm reduction approach and flexible support (Pleace 2018). In models of this kind, the separation of support and housing does not necessarily require separate providers. Housing and support in Housing First can be provided by the same organisation; it simply requires that they are not conditional on each other.

Like all transitional supported housing provision, Housing First needs careful management of relationships to promote positive outcomes (Blood et al 2018). In particular, it is crucial that tenancies are not conditional on the acceptance of support at the beginning of the tenancy or its continuation as the tenancy progresses (including where support is reduced because it has been successful). This should be considered the hard edge of the Housing First definition.

Characteristics of this approach include:

• quick access to secure and permanent, or potentially permanent, accommodation, without an extended period in supported housing or a need to prove ‘housing readiness’
• support, personalised and often intensive, provided while in this housing. This may include preparation to manage the tenancy independently in the long term
• where necessary, some time-limited financial assistance (such as deposit guarantees, or short-term grants or loans).

Based on APPG 2018, Bellis and Wilson 2018

‘Housing first’ approaches are the subject of a wide-ranging debate. They have been used in Denmark (the Critical Time Intervention (APPG 2018)), Finland, Canada, and the USA, and are is under consideration in Scotland. Although initially a high-cost option, upfront investment could result in long-term savings across different service areas. For example, upfront investment in a scheme (Help to Rent) run by Crisis was associated by a saving of £13 million in non-housing costs to the public purse, across 92 projects (Gousy 1981). Housing first is associated with better housing retention rates among users with complex needs, of around 80 per cent after a year compared to about 30 to 60 per cent for conventional projects (Bellis and Wilson 2018).

An evaluation of nine different examples in the UK (Pleace and Bretherton (2015) suggests that it can be highly effective in meeting the needs of certain groups of homeless people. However it is not ‘a comprehensive solution to single homelessness in itself’ and should be integrated into a wider, well-evidenced programme (Pleace 2018).

4.3 POLICY CHALLENGE 3: THE IMPACTS OF AUSTERITY

“We are doing the same job with less resources all the time”
Interviewee

Good policy in a complex area does not come cheaply. Our interviewees were acutely aware of the need for efficiency, innovation, and reappraisal of business models, and described how their organisations are actively pursuing these. They were also honest about the limitations of reducing costs through new ways of working. Ultimately, demand is high and funding is extremely tight. This was true both for homelessness services themselves and for other support that homeless people rely on.

Over the past decade, cuts to state funded provision have affected both ‘core’ homelessness services and other services that are relied on by young people affected by homelessness. Cuts to local government budgets have led to a real-terms fall in local government spending on services of 21 per cent between 2009/10 and 2019 (Smith and Phillips 2019). Research commissioned by St Mungo’s and Homeless Link suggests that spending by councils on homelessness services fell by around 27 per cent in real terms between 2008/9 and 2017/18, with services for single homeless people receiving around 53 per cent less funding over the same period. Cuts were larger in the North and South West than in London and the South East (Thunder and Rose 2019).9

Homelessness support is a major cost for Councils. Spending on temporary accommodation has risen by 71 per cent since 2011 (HCLG Committee 2019). But effective investment is – in the long term – a way to save money. The former Supporting People programme generated net savings of £3.4 billion per year

9 Analysis based on MHCLG Revenue Outturn data, which records spend by activity rather recipient group. The authors interviewed officers to identify the most relevant ‘lines’ of spend. Those included are: Supporting People, temporary accommodation, and homelessness administration, rent allowances and rebates and other homelessness spending. The definition of homelessness used goes beyond statutory provision, so figures may not be fully compatible with calculations from other sources. HM Treasury deflators are applied to reported ‘in year’ prices to allow for inflation/deflation. All figures are estimates (Thunder and Rose 2019).
against an overall investment of £1.61 billion (ibid), despite a fall of £69 million (from £1.44 billion to £444 million) between 2010/11 and 2017/18.

Service providers also face funding cuts. Across England, nearly 47 per cent of accommodation providers in one survey reported a reduction in income from the previous year (Homeless Link 2018a). The intensive housing management element of housing benefit is useful but insufficient to meet actual levels of need, and funding for early interventions before the point of crisis is scarce.

Constrained funding brings other challenges. These include the following.

- A large outlay of staff time on fundraising, including ‘chasing the same shrinking pot of money as everybody else’ in competitive funding applications.
- Limitations to the activities that a funded provider can undertake, where a specific funding stream is associated with a framework of key performance indicators (KPIs), outcomes or activities. Providers may have to change their ways of working frequently, not to incorporate best practice and learning, but to meet funder requirements.
- Short-term and ‘project based’ funding means that successful initiatives cannot be continued beyond the period of the specific grant (without intensive and possibly unrewarded further fundraising to make them ‘self sustaining’). This means that expertise and additional investments are often lost.
- The impact of short-term funding on staffing. Many staff join organisations on fixed-term contracts that end with a particular funding stream; even if funding is renewed, they may already have moved on. As a result, their experience is lost to the organisation, young people are supported by less expert staff, and providers must increase training budgets for new recruits.
- Fewer support staff, and high caseloads for those in post. One hostel had lost funding for around 70 hours a week of staffing in the past year, roughly equivalent to two full-time workers. There is also less funding for ‘floating’ support in the community, outreach and resettlement, and for specialised support services, such as counselling.

Cuts to other services are also damaging. This includes the following.

- **Mental health services**, particularly where young people transition from child to adult mental health services.
- **Children’s social care**, an important partner for those providing youth homelessness services. Our interviewees, including young people, were very satisfied with the work of children’s services departments and individual social workers, but acutely aware that this was despite very constrained funding and ongoing financial uncertainty. In local authorities where a decision had been made to protect spending on children’s services, interviewees said that they could ‘see the difference’.
- **The police service**. Cuts to officer numbers and community policing mean that vital engagement work within communities has had to stop. This was essential in supporting young people’s integration in their local area, and managing the extent of anti-social behaviour, petty crime, and substance abuse.
- **Ambulance services**. Again, long waiting times – even for incidents such as self-harm or suicide attempts – were described.
5. EFFECTIVE WORKING AND OPPORTUNITIES

In this section, we discuss two themes of highly effective working that is already ongoing in the north east of England, and one current opportunity for the region.

5.1 WORKING EFFECTIVELY TOGETHER
Throughout this project we heard about examples of effective partnership working, which is seen as a particular strength in the North East. Several interviewees felt that, when the HRA was introduced, it simply affirmed what people here were already doing.

Street Zero (Newcastle)\textsuperscript{10}

The ‘Street Zero’ partnership in Newcastle brings together 16 partners to work towards a future in which no-one sleeps rough in the city. Partners include:

- local government (the city council)
- health services (the local clinical commissioning group and foundation trust)
- housing providers (Your Homes Newcastle, Home Group, Tyne Housing)
- charities (Crisis, Shelter, Changing Lives)
- associated service providers (the probation service, the police, Northumbria Community Rehabilitation Company)
- local business stakeholders.

The partnership seeks to bring together a broad range of expertise and intelligence; as well as input from its members, it draws extensively on research and data. The aim is to provide joined-up and city-wide programmes to end rough sleeping and support people to move from temporary accommodation into long-term homes. Key principles of its approach include embracing the complexity of the issues, working directly with people affected by homelessness, and proactive rather than reactive interventions.

However, despite the ‘spirit and will’ to collaborate, procurement and resource pressures can sometimes make it more difficult. This is especially challenging when they create competition between services. Interviewees also felt that certain things are still too ‘silolated’ at the level of national government, which make it difficult to innovate locally; mental health services were a case in point.

We have already described some of the effective partnership working that our interviewees discussed. Some of the most extensive and successful were with children’s services, which were one part of the example discussed below.

\textsuperscript{10} See: https://streetzero.org/
Integrated working by an ALMO (arms-length management organisation) to support care leavers

Social housing in Newcastle, Gateshead, North Tyneside, and South Tyneside is managed by Your Homes Newcastle (YHN), an arms-length management organisation. YHN works with children’s services and other partners in these local authority areas to support care leavers aged 16 and 17 to prepare for independent living and to manage tenancies effectively. The programme is unusual in its structure and scope and was highlighted as an example of good practice by Ofsted.

The programme has two main features:
- the ‘embedding’ of staff with social work training within the housing sector, bringing together expertise in housing and personal support for young people and their families
- specialist tenancy preparation with looked after children who are likely to find themselves living independently when a placement comes to an end.

YHN also manage a direct access hostel that can where necessary take young people on the same day, a supported accommodation block for people aged 16–21, and a block of flats where people can ‘move on’ with floating support. Young people who live in supported accommodation or in a hostel are offered specialised tenancy preparation and can move either to independent or partially supported options.

This framework was established through extensive negotiation between partners, with ‘high-level political support’ and long-term commitment. Financial support comes from a variety of budgets, including children’s services and direct inputs from local authorities, where it is associated with agreed KPIs. The remainder comes from the local housing revenue account.

A guiding principle is the recognition that the housing system is ‘set up for adults’, and a recognition that young people – especially those aged 16–17 – are in a transitional stage between childhood and adulthood.

5.2 PERSONALISATION

Personalisation is identified as a key factor in good support, characterised by flexible service delivery, tailoring to the needs of young people, and positive and trusting relationships between young people and staff (Homeless Link 2018a). It goes beyond administrative structures such as ‘personalised budgets’ and is qualitatively different from the personalisation of outcomes setting and benchmarking. Rather, it involves one-to-one engagement with young people, and responses to their individual histories and circumstances.

Our interviewees described several successful examples of programmes within the region that embody this approach, including:
- the Active Inclusion programme in Newcastle: this assigns specific workers to support individual young people throughout their journey so that they are not ‘passed from pillar to post’
- Northumberland’s ‘Framework for Homelessness Young People’: this is commissioned from Places for People and uses ‘close personal support’ as a key organising and design principle, with successful results
- the approach to employability and employment support offered by a housing provider: here, workers support clients to identify the best options for study, work etc. that match their individual situations, aspirations, and ‘distance to the labour market’.
Young people valued support that was authentic, committed, and “specific to you, not focussed on five hundred people”. Several gave examples of people who had shown that kind of personalisation and focus, including social workers and workers in homelessness services. They were sceptical of support that is clearly generic or target driven. In particular, the desire to get people to move on was associated with the latter.

High quality personalised services are easy to recommend and extraordinarily difficult to achieve. Without the practical changes to the affordability and availability of suitable housing for young people, as well as to benefits and wages, it cannot achieve much. Approaches that prepare young people effectively to establish an independent home are of limited use if they can’t afford that home – or if it simply doesn’t exist.

Funding and monitoring frameworks should recognise and accommodate aspects of personalisation, for example:

- young people who enter the system of support for homelessness ‘start from different places’
- young people should be involved in developing their own support plans, so that these are ‘done with them not to them’; opportunities to build learning from lived experience into programme design are of great value
- funding should be sufficient to allow interventions that include repetition of the same activity, with adequate supervision and support
- resource should be provided for schemes that offer young people an individual ‘key worker’ who supports them across interactions with different services – this may involve collaboration across services and across geographical areas
- recognition of the kinds of knowledge and experience that support workers need. This includes peer support and the work of ‘experts by experience’.

Collaboration and co-working, of the kind discussed in this report, will help to set the conditions for effective personalisation. These offer a range of different ‘touching points’ with the lives of vulnerable young people, so that individual issues are identified and effective responses developed. In addition, allowing local authorities and providers to set outcomes that are appropriate for their local areas and even for specific services within this will help both to make personalisation more practical, and to embed cultures of dialogue and collaboration that support it.

5.3 THE OPPORTUNITY OF DEVOLUTION IN THE NORTH EAST

Several of the new metro mayors are making homelessness a high-profile element of their programmes, and this represents an important opportunity for the North East. In the North of Tyne region, Jamie Driscoll won the mayoralty with a manifesto including a chapter entitled ‘Build affordable homes: Secure laces to live’. This commits the mayor to using the housing and land board established in the deal to drive the delivery of affordable housing. As well as affordable homes for sale, he commits to developing cooperative social housing developments with long-term secure tenancies. Construction will adhere to high eco-friendly standards, so that the properties have a small carbon footprint and are highly affordable for tenants to run.11

Cooperative housing can follow several different models. However, any such development will need some form of capital funding to support development. Baxter and Murphy (2017) propose several possible models.

• The Manchester Matrix model, a housing investment model owned jointly by Manchester City Council, Greater Manchester Pension Fund and the Homes and Communities Agency. It is a partnership in which the city council provides land that it owns, and the pension fund is the investor in the development.

• The Bristol Housing Company, a wholly owned company established and owned by Bristol City Council. Its aim is to build housing without some of the constraints of borrowing restrictions imposed on councils. The council can transfer land that it owns to the company and then enter into a partnership with a developer. Proceeds are returned to the company and, through dividends, to the council.

• The Empty Homes Scheme, Thirteen Group. This Tees Valley scheme is a partnership between the Thirteen Group and several local authorities. Funding comes through the HCA, and the aim of the scheme is to bring long-term empty properties back into use. The Thirteen Group leases the properties for a fixed term, providing guaranteed rental income to the owners. Prior to letting them, the group refurbishes the properties so that they enter the market at a high standard. They find tenants and manage tenancies, deducting the costs of this from the rent paid to the landlord. The scheme has developed over 100 properties since 2010 across Hartlepool, Stockton, Middlesbrough, and Darlington.

Other options that could be combined with the mayoral housing and land board include the following.

• A ‘social rent’ model, in which commercial organisations are funded through grant subsidy to build and manage social housing that will remain at an affordable rent in perpetuity, unless sold through right to buy.

• Affordable private rent, funded through developer subsidy (section 106) and remaining affordable in perpetuity. Allocation policies are determined by local authorities, and rents are set at around 80 per cent of the median market rent.

Baxter and Murphy propose that central government should lift the housing revenue account borrowing cap, allowing councils to borrow to invest in building new council homes. They also recommend the devolution of greater powers to mayors to deliver the housing their regions need, with a consistent approach across combined authorities.

• Greater flexibility in the pooling and coordination of housing funding streams, allowing combined authorities to gather resources and coordinate activity in a way that ensures appropriate tenure mix while still meeting volume requirements. In the North of Tyne region, an example of good practice in this area is already in place with the YHN collaboration with children’s services.

• Lifting National Planning Policy Framework (NPPF) land use restrictions where brownfield opportunities alone are insufficient to deliver the necessary housing supply. In the North of Tyne area, an audit of brownfield sites and their potential as sites for affordable housing, within the remit of the new housing and land board, could be conducted.

• Council tax flexibility on empty sites and empty homes to speed up the process of bringing unused homes back into use and actioning unused planning permissions.

• Powers to set planning fees to improve capacity in planning departments.
• Retention of stamp duty receipts on all new-build properties, to top up housing investment funding.
• Powers to set design code standards and viability frameworks at a combined authority level, and to de-risk planning and improve the quality of the built environment. The mayor’s planned approach to environmental standards could prove a useful test case for this power.
• Re-allocate the funding for the Starter Homes programme to a programme for investing in genuinely affordable homes for rent, and devolve the appropriate proportion to the combined authorities.

In the North of Tyne region, the planned housing and land board could work alongside a housing company, a publicly owned vehicle for bringing land to use and capturing value for residents. This would follow the kind of model that has been used in Bristol. If the mayor’s plans for a regional bank progress swiftly there is potential for integration of these two parts of a regional policy programme.
6. RECOMMENDATIONS

6.1 RECOMMENDATIONS FOR REGIONAL STAKEHOLDERS

1. Develop a comprehensive account of how austerity has impacted on homeless among young people.

This should include expanded accounts of the issues discussed in this report and of the specific implications for young people affected by homelessness, including cuts to homelessness services, the funding available for commissioned services, and cuts to other services used by homeless young people.

It should also consider the impacts of new ways of funding services (for example, through short-term grants), the impacts of welfare reform, and regional housing supply.

This account should include an assessment of how cuts to funding have changed the ways in which homelessness services can operate, for example a shift to more short-term funding and forward planning.

Where possible this should include estimates of the cost impacts of funding cuts and their impact on the effectiveness of key government policies (such as the HRA).

2. The mayors of the North of Tyne and the Tees Valley mayor should collaborate to address youth homelessness in the North East, using current devolution deal mechanisms and manifesto promises, and working together to influence national government to extend relevant devolved powers.

This should include exploring options such as the role of new structures such as housing and land boards, and considering innovative forms of capital finance for housing and cooperative housing that work for homeless young people. Examples of initiatives that have been trialled elsewhere should be evaluated for their potential applications in this region.

Mayors and civil society should work together to call for new devolved powers and budgeting that will help the region to shape solutions to its housing issues in general and those of its young people in particular. Following the recommendations of Baxter and Murphy (2019), this should include:

- greater flexibility in the pooling and coordination of housing funding streams
- lifting National Planning Policy Framework (NPPF) land use restrictions where brownfield sites are insufficient
- council tax flexibility on empty sites and empty homes to drive up supply
- retention of stamp duty receipts on all new-build properties, to top up housing investment funding
- Powers to set design code standards and viability frameworks at a combined authority level, with environmental standards for affordability and carbon reduction as a ‘test case’
- re-allocate funding for the Starter Homes programme to a programme for investing in genuinely affordable homes for rent, and devolve the appropriate proportion to the combined authorities.
3. The newly devolved adult education budget should be used to support learning and accreditation of learning among young homeless people.

Regional stakeholders should work with combined authorities to develop routes into learning and training targeted to the needs of homeless young people. This could include building on established good practice including accreditation of independent living skills learning, building basic skills training into this support, and working to support homeless young people into and through training.

4. Stakeholders should work to reduce loneliness among young people affected by homelessness, working with other providers and in other parts of the region, and extending funding.

Loneliness is a major problem and can lead to other serious issues. Stakeholders should make this a priority in future developments, learning from initiatives such as Youth Homeless North East’s ‘Hub’.

5. Build on established good practice within the region in integrating housing provision for vulnerable young people – especially care leavers – and children’s services.

Innovative practice in integrating services for the transition between care and independent living is already in place within the region – for example, Your Homes Newcastle’s ‘children in need’ work with care leavers and people aged 16–17. This should be extended and supported through policy and funding.

Key features of these programmes include specific preparation for independent living, starting well before young people need to sustain a tenancy independently, and ongoing expert practitioner support for care leavers. A ‘keep in touch’ framework should be put in place by the local authority in which they leave care.

Care leavers living independently who need to move between local authority areas should receive proactive support in their new area. This should be arranged and offered by the ‘keep in touch’ services in each area.

6. Strengthen support and opportunities within the region for good practice sharing and policy development on youth homelessness.

The Youth Homeless North East organisation provided an effective ‘anchor institution’ for the sector in the region, supporting good practice sharing, policy input and frontline initiatives for young people. This is a time-consuming activity that is even more necessary in a period of constrained funding and heavy schedules for professionals. Formal opportunities to share practice should be resourced so that learning is not lost.

7. Consider how a ‘housing first’ model of accommodation provision for young people in the north east of England could reduce homelessness and improve long-term outcomes.

The ‘housing first’ model has been trialled in the North East and has been shown to be effective in improving long-term outcomes for young people with complex needs. The work with mayors and combined authorities recommended above should include a specific strand looking at the feasibility of extending the use of ‘housing first’.
6.2 RECOMMENDATIONS FOR CENTRAL GOVERNMENT

8. Regional stakeholders should seek to influence national government policy that affects young people at risk of homelessness, where relevant working together and with other national and regional actors.

Many of the factors that impact on youth homelessness in the North East are outside the control of regional government and organisations. We recommend that regional stakeholders continue to work together to influence central government on a number of key issues.

In particular, we recommend a focus on the negative impacts of welfare reform. Following Baxter and Murphy (2017), this would include:

• reforms to universal credit so that it better supports renters
• an end to the freeze of LHA, re-assessing it so that it is set according to the 30th percentile of local rents with appropriate uprating in subsequent years.
• returning the upper age limit for the shared accommodation rate of the housing costs element of universal credit from 35 to 25
• making it easier for tenants to have the housing costs element of universal credit paid directly to their landlord.
• preventing private landlords from barring tenants whose rent is funded through social security from renting their properties
• increased funding for high needs temporary accommodation and crisis beds.

We also recommend the establishment of a forum that regularly brings together a multi-disciplinary group of sector stakeholders working on homelessness, including youth homelessness, with local authorities across the region. This group should include officers from organisations such as the Department for Work and Pensions and JCP.

6.3 RECOMMENDATIONS FOR REGIONAL AND NATIONAL STAKEHOLDERS

9. Consider the regional use of a pathway for young people at risk of homelessness that takes account of the needs of young people with no secure parental ‘safety net’ and no access to a parental household.

Many challenges for homeless young people are exacerbated by the fact that policies and services for those aged 16–24 assume a level of parental support and access to a secure family home. This means that their experience of accessing many services effectively involves a series of ‘workarounds’. When they quickly enter the system and encounter experienced and empathetic professionals, their experience can still be fairly positive, under the circumstances. But even when it goes as well as it can they still get lower levels of funding and need to spend longer than necessary on bureaucracy.

Homeless Link have developed a pathway for young people in this position, which is currently under review by MHCLG. We recommend that regional stakeholders consider its suitability for young people in the north east of England, and its potential implementation in the region.
NOTE ON METHODOLOGY

This report was informed by a series of interviews with practitioners in the homelessness sector in North East England. We conducted a total of twelve interviewees with this group during July and August 2019. We also conducted a focus group with young people affected by homelessness in the region; this took place in August 2019.

Interview and focus group guides were developed through a workshop with a group of young people affected by homelessness. This was held in July 2019, and facilitated by Youth Homeless North East.
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