

Report for:	Corporate Parent Advisory Committee (CPAC)
Title:	Housing legislation and welfare changes that may affect care leavers
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1. Introduction

This briefing seeks to update CPAC Members on the housing legislation and welfare reform changes that may impact on the housing options available to care leavers.

2. Homelessness Reduction Act

The Homelessness Reduction Act received Royal Assent in April and is likely to be implemented from 1 April 2018. The Act primarily amends current homelessness legislation and redefines the assistance and service that people will receive when they are facing homelessness.

In Haringey we try to avoid young people becoming homeless at the point when they leave care by setting aside a quota of social housing so that planned moves can be made. However, if a care leaver were to become homeless they would be advised and supported under the new approach which looks to provide alternative solutions to making a homeless application and a placement in temporary accommodation.

In addition, the Act has a specific section, clause 8, which describes the criteria for local connection for care leavers. The clause states that in addition to having a local connection with the authority whose care the young person is in, they can also claim a local connection with the area in which they have been placed provided that they have been:

'...resident in the district of a local housing authority for a continuous period of 2 years, some or all of which was before their 16th birthday'.

So young people who are placed in care arrangements outside Haringey who fulfil the criteria above will have the option of claiming local connection for assistance in the area in which they are placed. Likewise,

care leavers placed by other authorities here can claim a local connection for housing to Haringey.

3. Welfare Reform changes

3.1 Application of Local Housing Allowance Cap in social housing

Housing Benefit claimants living in the social rented sector have generally not faced restrictions on the level of rent that can be considered as eligible rent for Housing Benefit purposes. However, from April 2019 the level of Housing Benefit, or the housing element of Universal Credit, claimed by tenants in social housing (council and housing association stock) will be restricted to the Local Housing Allowance (LHA) rate. In most cases in Haringey this does not present an issue as social housing rents are lower than LHA rates.

However, this change will have a particular impact on people aged under 35 whose Housing Benefit payment will be limited to the shared room rate (currently £90.64 in Haringey). Care leavers will be able to receive the one-bedroom rate until their 22nd birthday but after that will be restricted to a shared room rate until they are 35.

This change applies to anyone who signed up as a tenant from 1 April 2016 but the reduction in the Benefit paid is not made until April 2019.

3.2 Removal of help with housing costs for 18 to 21 year olds

From 1 April 2017, 18 to 21 year olds claiming Universal Credit will not be entitled to help with housing costs. Haringey does not go fully live for Universal Credit until July 2018 and so this change will not apply until then.

It is now clear that care leavers will be exempt from this change.