

Sharing in Scotland:

Supporting young people who are homeless on the Shared Accommodation Rate

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Crisis

About Crisis

Crisis is the national charity for single homeless people. We are dedicated to ending homelessness by delivering life-changing services and campaigning for change.

Our innovative education, employment, housing and well-being services address individual needs and help homeless people to transform their lives.

We are determined campaigners, working to prevent people from becoming homeless and advocating solutions informed by research and our direct experience.

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Executive summary

Purpose of the study

In April 2014 Crisis received funding from the Scottish Government to facilitate the development of new shared tenancy schemes. Crisis' role is to help share best practice, support pilot sharing schemes and make the case for funding. This report helps provide insight into some of the challenges facing the establishment of sharing support. The research underpinning it set out to evidence where demand for shared accommodation is highest across Scotland and what is currently being done by local authorities and third sector organisations to support single homeless people under 35 into shared accommodation in the private rented sector (PRS). It sought to understand what difficulties or barriers these organisations encountered when working with this group. The research, based on interviews with local authority and third sector stakeholders in seven case study areas, explored what they felt needed to be done to help them develop more support for Shared Accommodation Rate (SAR) claimants.

Context

Young people in Scotland make up a disproportionate number of homelessness applications to local authorities with over a half (54%) of them in 2013-14 being made by 18-34 year olds. However, there are fewer accommodation options for young single homeless people when they approach their council for help due to the size of available social housing stock¹ and restrictions on the levels of Housing Benefit they are eligible for.

With falling levels of affordable housing being built and the loss of social housing through

the Right to Buy, the PRS is increasingly being seen as a viable housing option for single homeless people - albeit one with its own issues around accessibility, affordability and quality. Despite this, the PRS in Scotland is growing and makes up a larger proportion of all housing tenure in Scotland than ever before.

The Scottish Government's removal of priority need eligibility for settled accommodation in 2012 has increased the number of people who local authorities have a duty to house. This has placed further pressure of declining social housing stocks and led to a rapid increase in the use of temporary accommodation. Local authorities can now discharge their duty into the PRS, however, just five per cent of homeless households were offered a PRS tenancy in Scotland during 2013-14. Young people in particular find it difficult to access the PRS because of recent changes to the amount of Housing Benefit they are entitled to, the SAR, which is only enough to cover the cost of a room in a shared house (rather than a one-bedroom property).²

Findings

At the time of the research there was only one incidence of an established scheme offering specific support for young people claiming the SAR across the seven case study areas. General PRS access support was being provided by both local authorities and third sector schemes but there is a shortage of assistance aimed solely on helping young people needing to share. The 'default' means of helping was to place young people in temporary accommodation to wait for a social tenancy to become available.

1 75 per cent of social housing stock in Scotland is estimated to be family sized. Fitzpatrick, S., Pawson, H., Bramley, G., and Wilcox, S. (2012) *The Homelessness Monitor: Scotland 2012*. London: Heriot Watt University, University of York and Crisis. p 45 <http://www.crisis.org.uk/publications-search.php?fullitem=377>

2 Previous research conducted on behalf of Crisis focusing on SAR claimants in England found that the extension of the SAR and setting benefits at the 30th percentile of local rents has made it even harder to secure the limited number of shared properties available. Centre for Housing Policy, University of York (2011) *Unfair Shares: A Report on the Impact of Extending the Shared Accommodation Rate Of Housing Benefit*. London: Crisis.

Local authority stakeholders felt the PRS might be a more appropriate means of helping young people instead of long waits in temporary accommodation and there was a will to do more to support them into shared accommodation. Motivation came from the need to address the growing cost of the number of young people housed in temporary accommodation. However, without investment in resources and staff training/support many local authority stakeholders felt the number of challenges they foresaw – how to alleviate any risk to young people, how best to engage landlords and learn more about their PRS – would be difficult to overcome.

Current spending on under 35s in temporary accommodation for five of the case study areas was £110,497 per week. If 20 per cent of those under 35s were housed in the PRS each authority would make an average weekly saving of £12,124. The cumulative effect of these savings along with associated savings on support costs (an average weekly saving £1943 weekly) would enable local authorities to make the investment needed to mitigate the challenges and risks they foresaw.³

Conclusions

While investment in developing schemes was needed, there were wider, less funding-dependent, changes required. More needs to be done to share best practice and information about the variety of options available to create sharing support.⁴ Local authority staff require better training to help procure PRS properties and to ensure that the PRS is offered as a viable alternative to temporary accommodation. Working and engaging with landlords could be improved by linking landlord accreditation with the

landlord register thus improving knowledge of the PRS. Calls were also made for the Scottish Government to build on the existing sharing support work being done to promote it more and establish an evidence base premised on best practice and value for money which local authorities could apply to their own circumstances.

3 2009 figures show that the average cost of helping an individual into the PRS is £1,177 but these costs are covered by savings made on temporary accommodation across the year. See Crisis (2009) Accessing the private rented sector: the cost effectiveness of the deposit guarantee schemes in Scotland. London: Crisis. www.crisis.org.uk/data/files/publications/ScotRep09.pdf

4 Fieldwork for the report was conducted relatively soon after Crisis received funding for developing sharing support which may account for some of the lack of awareness of what was already being done to share best practice.

1. Young people and housing in Scotland

Young people make up a disproportionate number of homelessness applications to their local authority in Scotland; in 2013-2014, over half (54%/13,054) of the homelessness applications were made by 18-34 year olds. However, there are very few accommodation options available to single homeless people who require re-housing by their local authority in Scotland (as is also the case in the rest of the UK) because they often do not meet the eligibility criteria for social housing allocation policies. Consequently, the private rented sector (PRS) is increasingly being viewed as a means of housing single homeless people. For instance, data from the Scottish Government shows that the proportion of 16 to 34 year olds living in the PRS has increased from 13 per cent to 33 per cent between 1999 and 2010.⁵ However, problems with the amount of Housing Benefit young people are entitled to (explained in further detail below) makes accessing affordable PRS accommodation difficult. The aim of this research was to understand the ways in which Scottish local authorities and third sector organisations are currently supporting young homeless people in accessing and maintaining tenancies in the PRS and what more work can be done.

Falls in the levels of affordable housing being built, coupled with a loss of social housing due to the Right to Buy means that social housing is increasingly in scarce supply – one estimate suggests that 10,000 social rented homes need to be built annually (at an annual cost of £200 million) to meet demand.⁶

Whilst Scotland has a higher supply of social housing compared to other UK nations (13% of Scotland's housing stock is owned by local authorities in Scotland, compared to 7% in England and 6% in Wales),⁷ changes to the homelessness legislation are compounding pressures on this stock.

Since 2012 all households who make a homelessness application and are considered unintentionally homeless have a right to settled accommodation (a council or housing association tenancy or a private rented tenancy). This reform received widespread praise for extending the right to housing to previously ineligible groups, and it has increased the numbers of people who local authorities have a duty to house: in Scotland 6 per 1,000 of the population are accepted as homeless compared to just 1 acceptance per 1,000 in England.⁸ A lack of social housing has caused a rapid increase in the use of temporary accommodation (see Figure 1) whilst people wait for settled housing to be found (an increase of 171 per cent between 2002–2011⁹). There are now currently 10,471 households in temporary accommodation¹⁰ who spend an average of 34 weeks waiting for settled accommodation to become available.¹¹

Regulations introduced in February 2010 gave local authorities in Scotland increased powers to use the PRS for re-homing unintentionally homeless households in priority need. They can now discharge their duty by securing a six month Short Assured

5 Scottish Government (2013) *A place to stay, a place to call home. A Strategy for the Private Rented Sector in Scotland*. Edinburgh: Scottish Government, p.10. www.scotland.gov.uk/Publications/2013/05/5877

6 Shelter Scotland (2014) *Housing supply debate*. Edinburgh: Shelter http://scotland.shelter.org.uk/_data/assets/pdf_file/0020/972101/Shelter_Scotland_Briefing_-_Housing_Supply_Debate_30_Sept_2014.pdf; Audit Scotland (2013) *Housing in Scotland*. Edinburgh: Audit Scotland.

7 Wilcox, S. and Perry, J. (2014) *UK Housing Review 2014*. Coventry: Chartered Institute of Housing

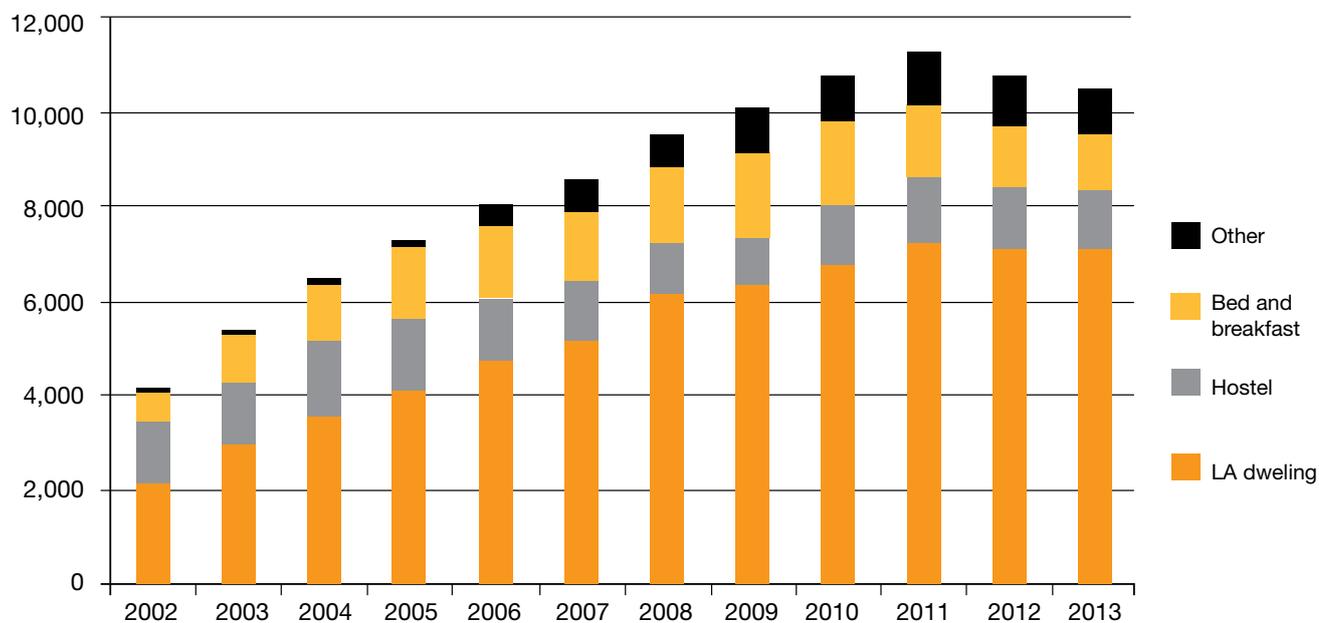
8 Fitzpatrick, S., Pawson, H., Bramley, G., and Wilcox, S. (2012) *The homelessness monitor: Scotland 2012*. London: Heriot Watt University, University of York and Crisis. p.19

9 See Table 91c in Wilcox, S. and Perry, J. (2014) *UK Housing Review 2014*. Coventry: Chartered Institute of Housing

10 Housing statistics for Scotland – Housing Lists www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/HSFS/HousingLists

11 Final Business Regulatory Impact Assessment - The Homelessness (Abolition of Priority Need) (Scotland) Order 2012 see www.scotland.gov.uk/Publications/2012/11/5309/4

Figure 1: Increased use of temporary accommodation in Scotland



Source: UK Housing Review 2014

Tenancy in the private rented sector as long as certain conditions are met,¹² which could potentially alleviate the pressures on social housing and temporary accommodation.¹³ Between 2013 and 2014 just five per cent of the households assessed as homeless (and where their application reached a conclusion) were offered a private rented tenancy in Scotland,¹⁴ though in the future this figure is likely to increase.

Whilst there are advantages of the PRS in terms of how relatively quick it is to access

and because it provides opportunities for homeless people address barriers to social integration,¹⁵ it needs to be used with caution. People often have very little flexibility or choice in the tenancies they accept, and there are specific barriers for them in finding a suitable tenancy. For example, needing a tenancy deposit can be a barrier to accessing the sector; landlords can be reluctant to rent to people receiving Housing Benefit and there are issues around the affordability and conditions of properties.¹⁶

12 The most important condition is that the original Short Assured Tenancy must be renewed for a minimum of 12 months for the duty to be discharged. Other conditions are also required to be met. Please see: Scottish Government (2010) Scottish Statutory Instruments 2010, No. 2. Housing: The Homeless Persons (Provision of Non-Permanent Accommodation) (Scotland) Regulations 2010. London: Office of Public Sector Information

13 Scanton, K., Whitehead, C., Williams, P. and Gibb, K. (2013) *Building in the rented sector in Scotland: attracting new sources of funding to expand a growing market*. Edinburgh: Homes for Scotland

14 Operation of the homeless persons legislation in Scotland: 2013-14 available at www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/RefTables

15 Luby, J. (2008) *Private Access, Public Gain: The use of private rented sector access schemes to house single homeless people*. London: Crisis and the London Housing Federation.

16 Crisis and Shelter (2012) *A roof over my head: The final report of the Sustain project*. London: Crisis and Shelter.

Young people claiming Housing Benefit in particular find it difficult to access the PRS. In 2010 the UK Government's Spending Review announced the expansion of the Shared Accommodation Rate (SAR) to all single adults aged between 18 and 34.¹⁷ This is a lower rate of Housing Benefit which covers the cost of a room in a shared house/flat rather than a one-bedroom property in the private rental market. It was estimated that 7,500 Housing Benefit claimants would be affected by this change, of which 4,440 would be worse off and facing average rent shortfalls of £22 per week – a large amount of money to someone claiming benefits or with a low income.^{18 19} The Scottish Government predicted that an additional 600 single people per month would have to approach their local authority for help with their housing now they were only receiving enough money to rent a room.²⁰

The 2010 reforms also changed the method of calculating the amount of Housing Benefit people receive if they rent privately known as the Local Housing Allowance (LHA) which also affected the SAR. Previously, how much Housing Benefit an individual received was calculated by taking an average of the cheapest 50 per cent of properties in their local area (the 50th percentile), though this has now been decreased to the 30th percentile (the cheapest 30% of properties), and the uprating of the benefit is now fixed at one per cent rather than rising with real rents

and inflation. Subsequently LHA rates are often out of step with real market rents in large parts of the country, making it harder to access private rented accommodation.²¹ The result of this means they are confined to the lower end of the PRS market.

The extension of the SAR has also created a demand for shared accommodation that outstrips supply in some regions of Scotland. Prior to the extension, the Scottish Government identified nine local authorities where the number of claimants exceeded supply, and an additional seven local authorities where the number of SAR claimants and supply of shared accommodation was more equal.²² Moreover, while there is a more equal demand and supply of shared accommodation in some regions of Scotland accessing it is more difficult. DWP data shows that SAR claimants are concentrated in Scotland's urban areas, particularly Glasgow and Edinburgh. These are some of Scotland's most expensive places to live and where claimants are likely to have to compete with young professionals and students to access shared accommodation.²³

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- 17 There is an exemption for those who have spent at least three months in a specialist hostel (or hostels) for homeless people. See DWP (2011) Housing Benefit and Council Tax Benefit Circular – A12/2011, 'Changes made to the use of the Shared Accommodation Rate (revised). London: DWP. Exemptions also exist for those that are severely disabled and live with a non-dependent, if you require an extra bedroom for a non-resident carer, if you are leaving care. Ex-offenders who are subject to active Multi Agency Public Protection Arrangements (MAPPA). See www.crisis.org.uk/data/files/publications/Crisis%20and%20Homeless%20Link%20Joint%20SAR%20Q&A%20update.pdf
- 18 Scotland Government (2011) *Evidence on the impact in Scotland of increasing the Shared Accommodation Rate* www.scotland.gov.uk/Topics/Built-Environment/Housing/supply-demand/chma/marketcontextmaterials/ImpactSharedAccomm
- 19 Similarly, Citizens Advice Scotland have showed that when the Single Room Rate was in operation claimants receiving that were more likely than other claimants to face a shortfall between rate of benefit and actual housing costs and that 87 per cent of all claimants faced a shortfall of on average £35.14 a week (Citizens Advice Scotland (2011) *Being young being heard*. Edinburgh: CAS).
- 20 Scotland Government (2011) *Housing Benefit Changes: Scottish Impact Assessment* www.scotland.gov.uk/Topics/Built-Environment/Housing/supply-demand/chma/marketcontextmaterials/hbchangesscottishimpact/
- 21 For instance, research by Crisis in 2012 found that just 1.5% of available shared properties were affordable and accessible to young people claiming SAR in England. Sanders, B. and Teixeira, L. (2012) *No room available: study of availability of shared accommodation*. London: Crisis. See <http://www.crisis.org.uk/publications-search.php?fullitem=379>
- 22 Scotland Government (2011) *Evidence on the availability of shared private rented accommodation by local authority area in Scotland Table 7* www.scotland.gov.uk/Resource/Doc/49296/0122625.doc
- 23 Between December and May 2014 large urban areas in Scotland (Glasgow, Edinburgh, North Lanarkshire and Dundee) all saw a proportional decrease of around 10 per cent in the numbers of under 35s claiming the SAR.
- 24 Luby, J. (2008) *Private Access, Public Gain: The use of private rented sector access schemes to house single homeless people*. London: Crisis and the London Housing Federation.

caution as there are a number of issues with this kind of tenancy to do with accessibility, affordability and the condition of properties.²⁵ Support is growing in Scotland to overcome these issues. There are currently 30 Rent Deposit Guarantee Schemes operating across the 32 Scottish local authorities (the Scottish Government requires all local authorities to provide RDGS's), two of which also support under 35s into shared accommodation, and three third sector organisations are also doing similar sharing work. However, research by Homeless Action Scotland into services specifically for young people showed that a number of homeless sector workers felt that services were 'patchy' across the country with only some of the major cities able to provide a wide range of services.²⁶ Moreover, Crisis found in 2012 that 94 per cent of PRS access schemes (in England) were finding it much harder to find accommodation for under 35s since the changes to the SAR.²⁷ It is hoped that the findings of this research will inform the work of local authorities and third sector organisations as support for sharers becomes more prevalent over the coming years.

Research questions

Given these challenging circumstances, the report was driven by a series of research questions to learn more about what is being done to support access to shared accommodation in the PRS:

1. What issues do local authorities and third sector agencies encounter in finding housing for those on the Shared Accommodation Rate?
2. What support is offered by local authorities, or outsourced to third sector

agencies, to help people on the Shared Accommodation Rate to secure and/or sustain accommodation?

3. What further assistance would be useful to help people on the Shared Accommodation Rate to secure and/or sustain accommodation and what is preventing local authorities and third sector organisations from offering this?

Methodology

The research was split into two stages. The first comprised a literature review about the private rented sector, shared accommodation and the housing options available to young people in Scotland, as well as secondary data analysis about the numbers of SAR claimants using Department of Work and Pensions data.

The second stage of the research involved conducting 13 interviews with members of staff in seven case study areas across Scotland. In each area a member of staff from the local authority and a relevant third sector agency were interviewed.²⁸ All interviews were conducted face-to-face and were held between July and August 2014.

The seven areas were selected because they had some of the highest numbers of under 35 year olds claiming the SAR and included a mix of urban, rural and semi-rural local authorities.

Verbatim comments from the interviews are used throughout the report. Those attributed to local authority stakeholders are marked LA1-7 whilst third sector organisations are marked TS1-6.

²⁵ Crisis and Shelter (2012) *A roof over my head: The final report of the Sustain project*. London: Crisis and Shelter.

²⁶ Harleigh-Bell, N. (2013). *Youth Homelessness in Scotland 2013* An overview of youth homelessness and homelessness services in Scotland. Edinburgh: Homeless Action Scotland.

²⁷ Teixeira, L. and Sanders, B. (2012) *Hitting home: access schemes and the changes to Local Housing Allowance*. London: Crisis. www.crisis.org.uk/data/files/publications/1212%20Hitting%20Home.pdf

²⁸ The aim at each fieldwork area was to conduct two interviews, one with the local authority and another with a third sector organisation, though there was one area where the relevant third sector organisation was not available.

Report structure

The following chapter explores what is currently in place in the case study areas visited to support young people claiming the SAR and financial reasons why more is not being done. Chapter 3 shows how, through calculations conducted on figures provided by the local authorities, savings are possible on the use and cost of temporary accommodation which might potentially help the financial means to address the challenges stakeholders felt are stopping them. Chapter 4 then discusses what other changes will need to take place to ensure more was being done to support young homeless people access shared accommodation in the PRS. The final chapter concludes by putting forward recommendations for local authorities themselves and the Scottish Government.

2. Support currently available

With the PRS increasingly being looked to as a more viable housing option for single homeless people this chapter outlines what support is currently in place for assisting those on the SAR to find and secure shared accommodation. It starts by specifically exploring what is already being done in the case study areas before looking at the aspirations that the local authorities and third sector organisation stakeholders have for developing sharing support. As the chapter makes clear this is driven by a desire, and need, to address the increasing number of young people in temporary accommodation and the financial burden this places on local authorities. However, the biggest challenges stakeholders foresaw is finding the finances and resources to start sharing support in the first place.

Support

Sharing households as a current tenancy form is not very widespread across the case study areas. There was, however, a historical legacy of sharing in the form of worker lodgings in two of the areas (Urban LA1 and Rural LA4) and a further two (Urban LA2 and Urban LA5) have a student and young professional population that share in the PRS.

“At the moment in X nobody thinks about sharing. Students and young professionals do, but members of the public, people in homelessness, no.”
(Urban LA1).

In these areas where there is not a culture of sharing there is nothing being done by either third sector organisations or local authorities in terms of providing assistance to homeless young people under 35 to access shared accommodation in the PRS. Among the seven case study areas there is only one scheme that offers specific

sharing assistance for young homeless people under 35. There are also two other pilot sharing schemes in operation. While support for sharing was limited and generally stakeholders have little or no experience of it, this one existing scheme was well known across the other regions visited.

Run by a third-sector organisation in an area that lay north of a large urban area (semi-rural TS3) it had originally started off as a RDGS supporting homeless people into the PRS. After getting increasing numbers of young people under 35 referred to them from the local Housing Options service and feeling that their ‘hands were tied’ because it felt like the only route open to helping was ‘to go down the statutory route’ (i.e. waiting in temporary accommodation for a social tenancy) they started to explore what else could be done.

Addressing the perceived disadvantages of the statutory route - long waiting periods for time for a tenancy that might not be in an area a young person wanted – the scheme began to look seriously at shared accommodation. They explored what successful sharing schemes in England were doing and recognised the importance of providing pre-tenancy training in helping successful tenancies so set about creating a scheme of support that would provide pre-tenancy training whilst young people were resident in temporary accommodation.

The scheme established their support by beginning a tenant matching process while young people were in temporary accommodation. They now run events encouraging young people to build relationships with others they can potentially share with. Once young people are matched scheme staff would begin to look for a suitable property in the PRS and liaise with landlords to meet with the sharers. Landlords

are under no obligation to let to those participating in the scheme but the meetings help address their fears about young people as tenants.

Once a suitable property and landlord are found then the scheme provides the deposit guarantee. As soon as the tenancy begins regular support and visits are given which is all in the interest of 'empowering them to sustain the tenancy and repay the deposit':

"The support initially is on a weekly basis and the reason for that is first of all to make sure that Housing Benefit is addressed, utilities are addressed, council tax addressed, all that sort of thing. Because in the early stages that's where you need to make sure that all the belt and braces are done. And then you can look at actually tailoring the support to actual needs."
(Semi-rural TS3).

The scheme representative explained that the close working relationships staff had already built through the success of the RDGS was integral to persuading reluctant landlords to consider letting to young homeless people. The intense support, at the start of the tenancy, was also appreciated by landlords with them coming to see scheme staff as their 'eyes and ears' and could step in early to try and resolve any issues.

Generic help

While sharing support and assistance for young homeless people under 35 is limited across the seven areas visited, there is more general support for accessing the PRS which is successful. As part of their Housing Options services two local authorities (Urban LA1 and Semi-urban LA6) ran RDGS to help people access the PRS. They have created shared tenancies when young people have approached them already paired up and specifically wanting to share.

"We've been doing it because we have been doing joint tenants. We've done eight in the last financial year, but they've been people who have knew each other."
(Semi-urban LA6).

Examples of young homeless people being supported into PRS shared accommodation for these two schemes is the exception but, as with the specific sharing scheme above, key to this is the close working relationships that the schemes have with landlords. This enables them to capitalise on vacant PRS properties and allay the anxieties landlords have about letting to young homeless people.

Aspirations to do more

Where no specific support is available for young homeless people eligible for the SAR, local authorities are most likely to assist them via the statutory route which involves being placed in temporary or supported accommodation (the latter if it was felt the young person have particular support needs). Local authority stakeholders were, however, becoming increasingly aware of the (financial) need to provide other options for young homeless people.

Local authorities explained that by using the PRS more not only could they begin to provide 'settled accommodation' for homeless young people but also save money on the cost of keeping under 35s in temporary accommodation for prolonged periods of time.

"The council are definitely driving ahead with this as fast as they can... They are very much in favour of shared [accommodation], obviously for the main reason, to reduce cost, share bills and all these kind of things, and it can cut down the costs. The head of homelessness has been fighting for shared accommodation for about two years. The committee are fully on board with it, so they are pushing ahead with it."
(Semi-rural LA3)

Table 1: Number of under 35s on housing lists 2013-14

	Under 35s on HL	Total on HL	% of under 35s on HL
LA1	758	7,518	10
LA2	9,738	25,765	38
LA3	797	8,897	9
LA4	2,020	5,595	36
LA5	2,385	15,479	15

Five of the cases study areas provided figures for the numbers of under 35s they had in temporary accommodation in 2013-14²⁹ and calculations show that total cost per week for TA was £110,746.³⁰ This equates to an average cost of £22,149 per week to each of those five local authorities.

The potential savings from developing sharing assistance for young people encouraged them to seriously look at starting it especially given the pressure they are under to reduce costs.

“Clearly now with under 35s, not only will the council lose a great deal of money for providing temporary accommodation to this group, because the statute overrides financial considerations, but if we’re looking to move people on and shorten the length of stay in temporary accommodation, it’s something we’re going to have to consider.”
(Urban LA2)

“...a shared accommodation initiative could potentially reduce the number in temporary accommodation we’d certainly be looking at it then. Because it would maybe become cost effective. It might be a spend to save kind of situation. Plus it would improve people’s lives. Being in

temporary accommodation is not good. If we get somebody settled somewhere else, that’s great.”
(Rural LA4)

The pressure of growing social housing waiting lists also shapes local authorities resolve to develop sharing support. As one stakeholder explains, they have:

15, 16,000 people sitting on [our] waiting list. It’s an impossible task. And that’s why the housing option hubs hopefully will start to change things because I’ve been saying for quite some time we need to do something about promoting the PRS for people. ...We also need to start thinking about sharing as well. And this is something that’s been quite recently admitted that we’d quite like to do.”
(Urban LA7)

The proportion of young people under 35 on five of the authorities housing waiting lists ranges considerably from nine per cent to 38 per cent (see Table 1).

²⁹ These authorities covered a mix of urban, rural and semi-urban regions.

³⁰ Further explanations of these costings is provided in the following chapter. See Table 3.

The financial cost of sharing support

While stakeholders are openly enthusiastic for developing sharing support for under 35s to help them access shared accommodation in the PRS, there is one major obstacle to making their aspirations a reality which is funding. While there are other challenges to overcome – the manner in which the legacy of the social sector shaped council staff and those seeking help expectations, the risk of sharing to vulnerable young people, the understandable risk of institutional damage if sharing was to go wrong and how best to engage landlords (which are explored in the next chapter) – the overarching one is how to invest in support which could then address these subsequent issues.

“There’s so many tensions and it comes down to funding. So is it [sharing support] happening at the moment? No. Is it likely to happen? Unlikely. Because it’s just not. It comes down to funding.”

(Semi-urban LA3)

Local authorities are working within a funding context where there is a dearth of resources allocated to providing sharing support for the under 35s. Furthermore, one local authority representative feels that ‘many options for homeless households, especially young people’ have been ‘scuppered’ by recent welfare reforms (Urban LA2).

“There’s just no money to do that ... The funding to support it, to support its introduction, it’s going to be a key element because local authorities are stretched to the limit already.”

(Urban LA7)³¹

It is clear that there is a will to develop and promote access to PRS shared accommodation for young homeless people.

Stakeholders are increasingly aware of the way in which the PRS, as a housing option, can also serve as a more cost-effective means of helping the young people who approached them for help.

Therefore, stakeholders reported that extra resources are needed in terms of staff and funding if new forms of support to help under 35s are to be put in place.

“It [sharing scheme] could be developed but then it would incur costs. And in the homeless sector, as with everywhere else in Britain, it unfortunately comes down to money....So that process could be began but then you’re talking about employing more staff, and within the voluntary sector they have been cut so close to the bone, the hours, the staff are not there.”

(Semi-rural LA3)

Local authorities explain that their housing teams are already at ‘stretching point’ and have none or little capacity to invest the time and energy that is needed to develop sharing support. Some stakeholders envisaged needing dedicated staff to focus on this work:

“It would be very labour intensive and it would be very costly and I’m not sure that we’re ever going to get to that stage unless we can find money that we can bid for somewhere or get a specific support worker.”

(Urban LA1)

“They’re going to have to put in the funding to develop the scheme and the support that the scheme’s going to need but they’re also going to have to give additional funding potentially to local authorities to allow them to employ somebody to actually do it.”

(Urban LA7)

³¹ It should be noted that local authority stakeholders often mentioned the impact of the spare room subsidy that had affected a lot of the social housing tenants and required help with trying to downsize.

Key points

- Across the seven case study areas only one established scheme exists operating with specific support for young homeless people to find shared accommodation in the PRS
- While generic PRS access schemes exists more widely the experience and knowledge of sharing support is limited
- The success of the established scheme comes through close joint working with the local authority and Housing Options
- Local authorities recognise the need to develop more sharing support and want to make progress in this area as a means to lower their current spending on housing under 35s in temporary accommodation and address the growing housing waiting lists
- The most prominent perceived obstacle to establishing sharing support is the need for investment and funding to pay for the staff and resources
- Calls were also made for evidence to demonstrate the cost-effectiveness of sharing in the PRS and so build a case for further investment.

3. Cost-effectiveness and the challenges of sharing support

As stakeholders make clear, there is growing awareness of the need to make more use of the PRS as a more viable housing option for young homeless people because it can lessen the amount of time young people spend in temporary accommodation. This means the chances of young people's support needs worsening, whilst in temporary accommodation, also decreases.³² Local authorities also report the need to economise on the cost of using temporary accommodation. With recent estimates of the cumulative impact of Westminster welfare reforms that could over six years to 2015-16 result in the Scottish welfare bill being reduced by around £6 billion³³ there is a pressing need for Scottish local authorities to explore means through which they can save money.

The analysis and calculations in this chapter show that significant savings are possible by making more use of the PRS to house single homeless young people. This chapter proceeds by showing the extent of the savings possible to local authorities if 20 per cent of those under 35s they currently had in temporary accommodation are instead housed in the PRS. It then explores how these savings, along with associated cost savings from a move from fixed to mobile forms of support, could help to overcome the remaining challenges local authorities foresaw to establishing sharing assistance. These were the continuing influence of the

social sector on local authority's offers to young people and young people's own expectations, the risk to young people themselves and the difficulty of working with landlords.

Savings

"If we could promote this sharing, if we could prove and promote that it would save money in the long term or it would reduce our costs in temporary accommodation in the long term or things like that, yeah, we might have a goer then."
(Rural LA4)

Of the seven case study areas visited, five areas provided figures for the number of under 35s they had placed in temporary accommodation (TA) over 2013-14 (see Table 2). By taking the cost of placing an individual in temporary LA stock, a hostel, a Bed and Breakfast or temporary private accommodation for a week^{34 35} it is possible to calculate the cost of temporary accommodation for those under 35s. The total spending on temporary accommodation for all five authorities' amounts to £110,497 per week or an average weekly cost of £22,099 per authority.

To provide an idea of the potential savings local authorities can make new calculations were run presuming 20 per cent of those under 35s currently in temporary accommodation were housed in the PRS

³² Homeless Action Scotland (2014) Written evidence submitted to Scottish Government. Available: www.scottish.parliament.uk/S4_Infrastructure-andCapitalInvestmentCommittee/2014.08.12_Homeless_Action_Scotland.pdf

³³ Scottish Government (2014) Impact of UK Government Welfare Reforms on Families - Autumn 2014 update www.scotland.gov.uk/Resource/0046/00460599.pdf

³⁴ Costings for temporary accommodation are taken from *Making it Count Scotland* (forthcoming 2015). An average housing benefit subsidy (2011 1-bed LHA rate at 90% + £60 management costs) has been removed from these costings to reflect the actual cost to local authorities. The exception is for B&B costings for which 100% of the 2011 1 bed LHA rate has been removed. Average housing benefit subsidy was calculated from the 2011 1 bed LHA rates for the five local authorities to submit figures.

³⁵ These proportions mirror the overall breakdown of temporary accommodation placements for all of Scottish LAs in 2013 see www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/RefTables. It could, however, be expected that the proportion of under 35s in Bed and Breakfast and Hostels would be higher given that it is generally households with children that are placed in LA stock and predominantly single people who are placed B&Bs and hostels - see Crisis (2009) Accessing the private rented sector: the cost effectiveness of the deposit guarantee schemes in Scotland. London: Crisis. p. 9 www.crisis.org.uk/data/files/publications/ScotRep09.pdf

Table 2: number and cost of under 35s in temporary accommodation³⁶

		Proportional spread of under 35s in temporary accommodation								
		67% in LA stock		12% in Hostel		11% in B&B		9% in PRS TA		
		Cost to LAs (£)		Cost to LAs (£)		Cost to LAs (£)		Cost to LAs (£)		
	Total no. of under 35s in TA	No. of under 35s	0	No. of under 35s	0	No. of under 35s	243.31	No. of under 35s	6.11	TA costs (£)
LA1	1,583	1,061	0	190	0	174	42,336	143	874	43,210
LA2	116	78	0	14	0	13	3,163	10	61	3,224
LA3	1,215	814	0	146	0	134	32,604	109	666	33,270
LA4	385	258	0	46	0	42	10,219	35	214	10,433
LA5	749	502	0	90	0	82	19,951	67	409	20,361
	4,048	Total	0	Total	0	Total	108,273	Total	2,224	
									Grand TA costs	110,497
									Average TA costs	22,099

Table 3: Potential savings on temporary accommodation

		Proportional spread of under 35s in Temporary Accommodation after 20% in PRS										
		63% in LA stock		8% in Hostel		5% in B&B		3% in PRS TA				
		Cost to LAs (£)		Cost to LAs (£)		Cost to LAs (£)		Cost to LAs (£)				
	Total no. of under 35s in TA	No. of under 35s	0	No. of under 35s	0	No. of under 35s	243.31	No. of under 35s	6.11	Total TA cost £	TA weekly saving £	Yearly savings
LA1	1,583	997	0	127	0	79	19,258	47	290	19,548	23,662	1,230,399
LA2	116	73	0	9	0	6	1,411	3	21	1,432	1,792	93,167
LA3	1,215	765	0	97	0	61	14,781	36	223	15,004	18,266	949,818
LA4	385	242	0	31	0	19	4,684	12	71	4,754	5,679	295,286
LA5	749	472	0	60	0	37	9,002	22	134	9,137	11,224	583,643
	4,048	Total	0	Total	0	Total	49,136	Total	739		60,621	3,152,313
							Grand TA costs		49,876	Avg TA saving	12,124	
							TA savings		60,621			

³⁶ Cost of LA stock and hostel temporary accommodation is zero because the housing benefit subsidy covers total cost.

Table 4: PRS access scheme costs

	No. of under 35s in the PRS	Savings on hostel support costs per week (£)	Scheme costs per person into PRS (£)	Total savings per annum (£)
		12	1,177	TA saving x 52
LA1	317	3,799	372,638	1,230,399
LA2	23	278	27,306	93,167
LA3	243	2,916	286,011	949,818
LA4	77	924	90,629	295,286
LA5	150	1,800	176,550	583,643
Total	810	9,718	953,135	3,152,313
	Total yearly support savings	505,315	Avg. yearly savings per LA	630,463
Average yearly savings		101,063		

subject to the local SAR for that BRMA.³⁷ Twenty per cent was deemed by the Scottish Government the likely proportion of all homeless applicants who would be suited to a private rented let.^{38 39}

Table 2 shows that with 20 per cent of under 35s housed in shared accommodation, the total cost of temporary accommodation falls to £49,876 per week. This is a saving of £60,621 or an average weekly saving to each of those five local authorities of £12,124.⁴⁰

Support costs

Some young people in the PRS will require support to sustain their tenancies and

stakeholders already have experience of providing independent living skills/pre-tenancy training to young people while they were in temporary accommodation. While these support costs will still be incurred by local authorities, there will be possible savings as young people will receive mobile rather than fixed support (the former is cheaper).⁴¹

While the Housing Benefit subsidy local authorities receive covers the housing cost of young people in hostels,⁴² Table 3 details the support savings which are possible from a move from support in hostels/support accommodation to floating (mobile) support

³⁷ BRMA refers to the Broad Rental Market Area from which is a geographical area used to determine the Local Housing Allowance rate see www.voa.gov.uk/corporate/RentOfficers/localHousingAllowance.html#BRMA

³⁸ Scottish Government (2009) Scottish government review of the private rented sector volume 1: Key findings and policy implications. Edinburgh: Scotland Government. www.scotland.gov.uk/resource/doc/264996/0079349.pdf see paragraph 6.12

³⁹ The 20 per cent of under 35s were 'removed' from the different types of temporary accommodation proportionally with more 'moved' into the PRS from temporary accommodation associated with housing those with less support needs. The assumption being that those residing in that form of temporary accommodation would more likely be 'PRS ready'.

⁴⁰ These savings could be significantly more if the proportion of young people under 35 currently housed in B&B or hostels was higher. The table shows the regional variation between the five local authorities that gave figures for this report.

⁴¹ Support costs vary on an individual case-by-case basis and specific forms of support incur different costs but there is evidence to show that supporting an individual via mobile support (tenancy sustainment, floating support workers, day centres visits) is cheaper than fixed support costs associated with hostels and supported accommodation whereby both rent and supports costs have to be met see Pleace, N et al. (2013) *The Costs of Homelessness in Europe. An Assessment of the Current Evidence Base*. Brussels: FEANTSA. Another recent study in England found that average weekly support costs for someone living in a hostel were £203. Support costs dropped to £173 when PRS accommodation was used. See Pleace, N. and Bretherton, J. (2013) *Camden Housing First. A Housing First Experiment in London*. York: Centre for Housing Policy, University of York.

⁴² While this current funding arrangement is in place there is no guarantee that it will continue indefinitely in the future.

received while in a PRS tenancy.⁴³ Overall savings equate to £9,718 per week across all five local authorities which is an average weekly saving of £1,943 per authority.

A study from 2009 calculated that the average overall cost to a Scottish PRS access scheme to help an individual into PRS accommodation is £1,177.⁴⁴ While this figure is not directly comparable to the cost of sharing support for under 35s, and would have to be adjusted for inflation, it gives an idea as to the costs involved with helping young people into the PRS. Table 3 shows the cost to each of the five case study areas to support 20 per cent of under 35s into the PRS and how the savings made on temporary accommodation across the year comfortably cover those access scheme costs. For example, overall support costs for schemes amounts to £953,134 per annum versus total temporary accommodation savings of £3,152,313 per annum.

The savings achievable by supporting young homeless people under 35 into the shared accommodation in the PRS are considerable as these calculations show. The savings also exceed the average costs to PRS access schemes to help an individual into PRS accommodation. Further to these savings are the potential benefits to the young people themselves. Research has shown that 45 per cent of hostel places are occupied by residents ready to 'move-on' with nowhere to go and that there are negative consequences for those over staying in hostels. These include loss of independent living skills, loss of motivation and worsening physical and mental health.^{45 46}

Meeting the challenges of sharing support

Savings made on temporary accommodation and on fixed support costs can be invested to develop the infrastructure and staffing that would enable local authorities to develop the specific sharing support they recognised as being urgently needed. Given that the Department for Work and Pensions are currently reviewing the subsidy regime for temporary accommodation under the proposed move to Universal Credit, it is likely that the savings made through developing alternatives to temporary accommodation will only increase in the future. Local authorities would also be able to allocate resources to tackling the other challenges they anticipated would hinder the successful support of under 35s into PRS shared accommodation. These include shaping the housing expectations of young people, local authority concerns about the riskiness of young people sharing together and how to best work with landlords.

Social housing

The under-utilisation of the PRS as a viable housing option for young homeless people by local authorities is set in a housing context in which young people still want and expect social housing, which has traditionally been what local authorities have been able to offer. This is understandable given the security that social housing offers compared to the PRS, however the increasingly scarce supply of social housing means it is no longer possible to provide this tenancy for everyone. In the case study areas, this legacy shaped how local authority staff gave advice and options to those approaching for help whereby being

⁴³ This saving is based on the difference between the cost of one weekly floating support visit (£78) and the cost of the equivalent support in a hostel (£90). The cost of floating support comes from *Making it Count Scotland* (forthcoming 2015) and has been updated by the proportional difference found to exist between fixed and mobile supports cost in Pleace's (2013) evaluation of Camden Housing First. As with the number of under 35s currently in temporary accommodation the level of support may well be more than one weekly support visit dependent upon individual support needs. Consequently potential savings from support costs could be higher.

⁴⁴ Crisis (2009) *Accessing the private rented sector: the cost effectiveness of the deposit guarantee schemes in Scotland*. London: Crisis. www.crisis.org.uk/data/files/publications/ScotRep09.pdf

⁴⁵ See Homeless Link (2004) *No room to move*. London: Homeless Link; Tower Hamlets Supporting People Team (2005) *Draft review of hostels in Tower Hamlets*. London: LBTH quoted in Luby, J. (2008) *Public Access, Public Gain: The use of private rented sector access schemes to house single homeless people*. London: Crisis and the London Housing Foundation.

⁴⁶ This should not however draw attention away from the manner in which the state of accommodation on the PRS itself can have negative impacts on an individual's well-being. Please see Crisis and Shelter (2012) *A roof over my head: The final report of the Sustain project*. London: Crisis and Shelter.

placed on the housing register and waiting in temporary accommodation for a property is often the default means of assistance.

The stakeholders below express sentiments that ring true for all the case study areas visited:

“I think most of the council officers would think that “why would we need the private rented sector? We’ve got plenty stock of our own.” It’s only in recent years has that pressure really began to build. So I think historically it [the PRS] was probably never a thought because we’ve got big stock levels ... [They see] social housing as probably the most prominent thing in their remit.”
(Urban LA7)

“So if you [young homeless person] come through the official homelessness route or even the housing options route you’re still probably going to look at a social tenancy or you’re going to look at supported accommodation.”
(Urban TS5)

Stakeholders at some local authorities also feel that frontline staff are reluctant to promote the PRS:

“Our staff still have that, ‘Oh, well they’re [young person] entitled to council housing.’ Well, actually, there’s no entitlement. Our staff need to get this culture of change before we’ll ever convert the clients to the culture of change.”
(Urban LA1)

It is also suggested by stakeholders that young people themselves are hesitant to consider the PRS as a housing option:

“It’s about you put your name down on... [a] council housing waiting list and you secured social housing. Or if you were our young people, in terms of homelessness ... you went in supported accommodation,

we secured you a social house somewhere within a social housing estate. That’s their housing trajectory.”
(Urban LA5)

“We’ve always been able to give them council houses, even though they can wait maybe a year and a half so there’s no need for them to go the route of getting a private let ... they’ll just be prepared to wait.”
(Urban LA1).

Moreover, many stakeholders feel, from the experience of working with young people, that the PRS is a more unattractive proposition for young people when the prospect of having to share accommodation, potentially with someone they do not know, is added into the equation.

“They don’t want to share, they don’t like it. They want a place of their own, they want their own space, they want to learn to grow and develop on their own.”
(Semi-rural LA3)

More clearly needs to be done to make the PRS more appealing to both young people and council staff and enable it to become a more viable option for helping young single homeless people (albeit one with its own associated problems).

“We need to be honest and up front about what the chances are of getting a house in the area they want from the council, and tell them the truth, tell them the facts. And we need to start promoting and saying ‘have you thought about the private sector?’”
(Urban LA1)

Local authority concerns about risk

The reluctance of young people and council staff to consider the PRS as a viable housing is further compounded by a risk averseness demonstrated by local authority stakeholders. Given the documented issues around the

suitability of the PRS for single homeless people,⁴⁷ understandably stakeholders have doubts about its use for vulnerable young people. These centred on what might happen if a local authority was to support vulnerable young people into private rented shared accommodation and their vulnerabilities worsened and, if tenancies fail, the risk of repeat homelessness becomes real.

This also contributes to a fear about reputational damage to local authorities if a tenancy they have created was to go seriously wrong. The consequences of such an event made stakeholders particularly anxious:

“I think the problem is risk. What if you promote sharing and somebody is violent and you don’t know that? We’re a bit risk averse, I suppose. If you take it from a broadest perspective, the council doesn’t want to be associated with doing something that then causes harm to someone else, or for their situation to be more detrimental to them. So ...that is probably why [sharing support] it’s viewed as ‘hmm, I don’t think we like this idea.’”
(Urban LA7)

“We’ve been a bit wary about being the one to kind of instigate the matching up. I think that’s kind of... I think in the back of our mind we don’t want to be in a position where we’re on the front page of the local paper saying that X Council put these two people into a room and one’s murdered the other one. You know, worst case scenario kind of thing.”
(Rural LA4)

“The issue of safe-guarding institutional reputation is key to stakeholders: it is important to get sharing support right, if it is done, and ensure that the political reputation of an authority ‘doesn’t become

something that you’re trying to rescue, doesn’t become a bad news story’.”
(Urban LA5)

The underlying factor to all of this, however, is how difficult stakeholders believe the tenant-matching process would be to ensure compatible young people are found to share together. They are wary of ‘stranger shares’ where the onus is on the council/third-sector organisation to match tenants. Instead they have a preference for working with young people who approach them for help already paired/matched.

“They are therefore likely to have mental health, addiction issues, criminal justice issues. And what you’re effectively doing is putting someone in there who’s got mental health problems who later comes out with an addiction issue that they never had before. That’s the high risk stuff ... and there’s fallout from that but you do tend to find some people that are taken advantage of.”
(Urban LA7).

“More stakeholders echo this suggesting that within sharing lay the potential for vulnerable young people to be mismatched and ‘put in a position where they would be abused in some way, whether that be psychologically, physically, sexually or financially’.”
(Rural LA4)

The volatile nature of some young people is also considered and consequences of tenancies failing for young people ending up homeless again.

Stakeholders thus saw tenant matching as a ‘very complex’ problem and something to approach with caution.

“It’s finding similarities of demographic, if you like, to kind of match people up. And I would suspect you wouldn’t want many young women wanting to share with young men they don’t know particularly well.”
(Rural LA4)

“If both people have got exactly the same interests, perhaps that’s not a good idea. Perhaps it’s better if you like cooking but I like DIY. That could be a perfect match.”
(Urban LA1)

Initial findings from Crisis’ own *Sharing Solutions* programme has found that in some cases ‘unlikely’ matches of tenants can work well.⁴⁸ Schemes find that houses with a mix of clients of different ages and sexes are working well.

Landlords

Working with landlords is another issue to address both third-sector and local authority stakeholders feel if sharing support is to be successful. Landlords are deemed to have reservations because of expectations that young sharers would make ‘poor’ tenants. Letting to young people, one local authority stakeholder explained, is completely off limits for some of the landlords they work with because of the associated risk young people bring.

“Won’t take them. They’re just petrified it’s going to be party central in each of their flats. And I can understand that. Even when they’re working sometimes it can be difficult to convince a landlord to take the chance, or when they’re not working.”
(Urban LA1)

Also the current buoyant state of a local PRS market can mean that landlords are less likely to want to accept Housing Benefit claimants.

“There are a couple of landlords out there, I mean just a couple, who do work very closely with us and have a social aspect to their work. But the rest of the sector, we’d have to incentivise them in some way because they don’t need us. There’s plenty other demand that comes from other areas.”
(Urban LA5).

Even among landlords that will consider letting to young people there are concerns that if something was to go wrong there will be negative knock-on consequences for letting to other young people in the future and working with PRS access schemes more generally.

These sentiments echo what Crisis’ 2011 survey of Scottish landlords found: one in three landlords did not let to Housing Benefit claimants and just under half did not because were concerned about tenant behaviour and bureaucracy with benefits. Those that did not let through a RDGS explained they had no need to because they had no difficulty finding professional tenants with ‘normal’ deposit procedures.⁴⁹

These findings may help explain the poor uptake of interest one local authority stakeholder has experienced after considerable effort was put into trying to engage with landlords:

“We know there are around 7000 landlords, just over that, we send them a flyer every single time one of these things go out, most of the time they don’t read the information ... as well as local information about the rent deposit guarantee scheme, about other things that could help, about training that’s available through the Landlord Accreditation Scotland... They don’t read it because they’re not interested.”
(Urban LA7)

⁴⁸ See www.crisis.org.uk/data/files/Private_Rented_Sector/Sharing_Solutions_Interim_Report_Oct_2014_-_FINAL.pdf
⁴⁹ Crisis (2011) Scottish Landlords’ Survey On letting to tenants through Deposit Guarantee Schemes. Crisis: London.

Challenges are indeed manifold and it is in response to these that Crisis set up its *Sharing Solutions* programme.⁵⁰ This is helping to improve availability of shared accommodation, support tenants to sustain their tenancies and develop new models to encourage and support landlords to rent their properties to SAR claimants in England. The on-going support of eight pilot schemes in a wide range of housing markets aims to identify and disseminate good practice and help other schemes and organisations learn the lessons about what works and why.⁵¹

In addition, Crisis received funding in April 2014 from the Scottish Government and will draw on this programme, aiming to build on existing - create new – links and relationships with Scotland's local authorities and third sector RDGS to increase awareness of shared tenancy models. Crisis will support local authorities to design and resource services for homeless or vulnerably housed people in Scotland who need to move into shared housing.

Key points

- The cost of placing more young people under 35 in temporary accommodation is a more expensive option than supporting them directly into shared accommodation in the PRS
- The cost of housing the total of five local authorities under 35s in temporary accommodation is £110,497 per week. If 20 per cent of those under 35s had been helped into PRS shared accommodation then savings of £60,621 per week would have been made on temporary accommodation (an average weekly saving of £12,124 to each local authority)
- Average weekly savings of £1,943 per local authority are also possible on support costs through the switch to more use of mobile support
- These annual savings exceed the cost of a PRS access scheme to help an individual into the PRS and would provide means to invest in staff and resources to address the manner in which social housing continues to shape expectations of young people and the options local authority staff offer, overcome risk adverseness and how best to work with landlords.

⁵⁰ See www.crisis.org.uk/pages/sharing-solutions-programme.html

⁵¹ Wesolowicz, E (2014) Sharing experiences on shared accommodation www.homeless.org.uk/connect/blogs/2014/oct/09/sharing-experiences-on-shared-accommodation

4. Making change happen

While there is currently little support in place to help young people access shared accommodation in the PRS there is a will to do more across local authorities. This chapter explores the need for better sharing of information and best practice in sharing work that many stakeholders feel was severely lacking. Alongside this is a knowledge gap in many stakeholders' understanding of their PRS. Finally there are calls for the Scottish Government to take a policy lead in helping to establish sharing support for young homeless people more generally.

Information

Generally stakeholders have very little knowledge of the variety of ways support and assistance can be developed to help young people on the SAR access the PRS. Stakeholders want to learn and understand more about what forms of support are possible and how they can be applied in their local circumstances. While some are aware of successful schemes operating in Scotland they are uncertain about how to proceed.

"It's really difficult to know about the unknown. I suppose a model that... and I know I'm saying this and I know it can't be tested until somebody tests it, but I don't know that we would delve our toe into the market that we knew it worked somewhere else."

(Urban LA7)

The 'unknown' alluded to above contain a multitude of questions that stakeholders wanted answers, including: what would "pre-tenancy training look like? What do share and match schemes look like? What would work best, where would we start tenancies?' In line with their fears about putting young vulnerable people at risk, they also wanted to know how effective support could be put in place and maintained once a young person is

in the PRS, given concerns about the sector's reputation for lack of regulation and insecurity of tenure.

"Lots of information about how it could be done. If you had any successful groups, and letting people emulate a successful group or successful projects, that would let people see how it can work. Because people are frightened to start it off because all they see are the problems. But if you can see a successful group then somebody might pick that up and run with that."

(Urban TS1)

The dissemination of best practice and information will be greatly beneficial and enable authorities to begin to address their fears about starting to embark in this type of work. The knowledge stakeholders already have is because individuals have taken the initiative themselves to research sharing support rather than the result of a strategic roll out of best practice and learning.

"What I would say is there really needs to be better sharing of information as to what's happening nationally because if what's happening in X is working, I need to know about it. If it's not working, I need to know what they've done and why it's not worked so I don't repeat that issue."

(Semi-urban LA5)

Knowledge of the PRS

Many stakeholders feel they do not have a detailed understanding of what their PRS consisted of in terms of housing stock or even availability. Without detailed knowledge of what their PRS market looks like, stakeholders feel they will struggle to proceed with any real competence in developing sharing support. The reason for this knowledge gap comes from two sources: a lack of readily available evidence and difficulty working with landlords.

This lack of detailed understanding of the profile of their PRS stems from difficulties in trying to ‘map’ the PRS:

“But it’s quite difficult, one of the other things I’ve asked of our PRS... the finance people that deal with the benefit, do they get any information that tells them about what size and type the properties are? I’ve asked that question but I’ve not had any response yet. ... It’s very difficult because we don’t know what the profile of the PRS is. We don’t actually know what size, what type. We know that they’re there and we know where they are.”
(Urban LA7)

A result of this lack of knowledge of the PRS led to a discrepancy in understanding about the availability of suitable housing stock in the PRS in one rural authority region. One third sector interviewee claims that their PRS market is now distorted as a result of legislation changes in 2012 which required all local authorities to provide temporary accommodation. This has incentivised local landlords to switch from the traditional rental market to the more lucrative provision of emergency accommodation.

“The little [PRS shared accommodation] that there was has largely been destroyed by the local authority implementing a policy of very heavy use of temporary emergency accommodation ... The sorts of individuals that were minded to establish businesses in terms of providing accommodation for people have been encouraged to switch to the provision of temporary emergency accommodation because of its heavy usage and because of the very high rates of income that they can receive from that.”
(Rural TS4)

This, however, contrasts with the local authority stakeholder’s view that is somewhat more hesitant about the state of the PRS:

“There probably is a market. Probably,

Because we’ve not accessed it and we’ve not actively been accessing it we don’t actually know what’s available out there.”
(Rural LA4).

Trying to get a clearer understanding of the stock available is often made harder because of the difficulties local authorities have with requesting information from landlords. Many of the efforts authorities have undertaken to develop closer working relationships have struggled to get off the ground.

“When we ask landlords for information they pretty much just don’t respond to us, it’s pretty apathetic.”
(Urban LA7)

“The communications between private landlords and the council taking part... they just don’t meet, it’s not there, so there’s an awful lot of work. I would love to do it. But there’s an awful lot of work to be done there.”
(Semi-urban LA3)

The result of this is calls from one local authority representative for a more robust landlord registration system whereby it would record where properties are, their size and detail the type of property they are.

National lead

Stakeholders look to the Scottish Government to help galvanise the desire of local authorities to develop and promote sharing support in their areas. It is felt that there needs to be an overarching institutional body that can draw together the existing information and knowledge about supporting young homeless people in shared PRS accommodation to help collate a robust evidence base around the cost-effectiveness of doing such work.

“The Scottish Government has an opportunity to deal with an issue [youth

homelessness] that has been verging on scandalous for years and to say “we’re not accepting this.” But it requires somebody with some... it requires the research to be done, the evidence base to be provided and then it requires some management and some bringing together of different organisations.”

(Urban TS2)

Local authorities want to know what works and how to implement it. Currently it is felt that there is ‘no flow of information coming through’ from the Scottish Government which, while this gave local authorities the opportunity to take the initiative, left them, and the third-sector, wanting guidance and reassurance about how best to proceed.

“I think the Government needs to... or somebody needs to fund a specific development post that can actually do the work about engaging with the private sector and actually starting to pave the way and to have a strategic vision and develop a plan. And then various, the council and the third sector can then actually access it and get into it.”

(Urban TS5)

“For example, the Scottish Government says, “here’s what you want to think about.” There’s none of that. You’re having to drive it yourself. You need to go and look for it. It’s not readily available.”

(Semi-urban LA6)

Key points

- Local authorities knowledge of how best to proceed with implementing sharing support is limited and better sharing of information about ‘what worked’ is called for
- Local authorities and third sector organisations struggled to understand the local PRS market and engage with landlords. There are calls for the landlord registration system to be changed to help improve the information collected
- Stakeholders want the Scottish Government to take the lead in galvanising and driving forward the initiative for developing more sharing support and assistance for under 35s. This means creating a robust evidence base about what works to guide local authority plans to create sharing support.

5. Conclusion and recommendations

This report has explored what support is offered by local authorities and third sector organisations across seven case study areas in Scotland for young single homeless people claiming the SAR. It outlines what issues stakeholders felt hindered them in providing assistance to find and sustain shared accommodation for young people and what needed to be done to enable them to do more.

Currently there is a shortage of specific work being done across local authorities and third-sector organisations to help young homeless people access shared accommodation in the PRS. Local authorities are increasingly using temporary accommodation to house young homeless people for prolonged periods of time which is harmful to them and local authorities have to bear financial cost.

There is growing recognition and desire amongst stakeholders to make more use of the PRS to house young people. In part this is driven by the realisation of the savings that are possible if temporary accommodation is used less. However, stakeholders feel that there is little they can do to start providing such support without funding or a means to evidence what sort of savings are possible.

Calculations based on projected savings, show that if 20 per cent of the under 35s currently housed in temporary accommodation were in PRS shared accommodation, an estimated saving of £60,621 per week is possible. This equates to an average weekly saving to local authorities of £12,124. In addition to savings on temporary accommodation there would also be efficiencies made on support costs (average savings of £1,943 per week) as young people would receive cheaper mobile support rather incur fixed support costs.

With appropriate investment in developing sharing support in the PRS, the other additional challenges stakeholders foresaw – the lasting influence of the social sector on young people’s housing expectations and the assistance offered by councils, the fear of getting tenant matching wrong, and how to work with landlords – could begin to be tackled. The calculated cost-effective measures comfortably cover the average cost of helping an individual into PRS accommodation.

Even where/if the barrier of funding can be overcome, via the savings from less use of temporary accommodation, and organisational investment made there remains three issues – deemed quite fundamental – to be overcome before sharing support can be successfully established. There are calls for better dissemination of best practice and information about the various ways of helping young people into PRS shared accommodation to address the uncertainty stakeholders have about what sort of scheme to start. The gap in knowledge stakeholders have about PRS housing stock, stemming from difficulty in engaging landlords, can be addressed, it was argued, through changes in the landlord registration system. Underpinning all of these is a call for a lead to be taken by the Scottish Government to support the establishment of a robust evidence base; galvanising the good will there is towards developing sharing support for under 35s at the local level.

Recommendations

Local authority recommendations

- Local authorities need to ensure that frontline housing staff have sufficient training and knowledge to understand how the PRS can be a viable housing option for young single homeless people
 - All local authorities to include in their Housing Options service assistance for those subject to the SAR and who express a desire for a shared PRS tenancy
 - The existing five Housing Options regional hubs should establish a specific sharing support division to their work. This should feature an initiative to pool and share systematically knowledge, information and experience about sharing support and work.
 - Local authorities to develop and link the landlord registration system with accreditation whereby local landlords it would be compulsory for them to submit details of properties in their portfolios including size, location and rent levels.
 - Housing Options regional hubs to develop a cost-effectiveness measurement tool that enables local authorities to more readily calculate the savings they can make through using the PRS more for housing under 35s. This can develop into something akin to the *Making it count* tool which exists for PRS access schemes in Scotland to calculate and show the cost-effectiveness of the services they deliver.⁵²
- development of support for under 35s to access shared accommodation in the PRS
- It should also establish ‘best practice’ standards in sharing support that set out what local authorities should be striving to achieve
 - Collect performance data on the outcomes of local authorities’ discharge of homelessness duty in the PRS and sustainment of those tenancies.

Scottish Government recommendations

- The Scottish Government should drive and promote the sharing initiative across all 32 local authorities to encourage further the

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About Crisis

Crisis is the national charity for single homeless people. Our purpose is to end homelessness.

Crisis helps people rebuild their lives through housing, health, education and employment services. We work with thousands of homeless people across the UK and have ambitious plans to work with many more.

We are also determined campaigners, working to prevent people from becoming homeless and to change the way society and government think and act towards homeless people.

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