























Renters' Rights Bill: House of Commons, Second Reading

• Improving Protection for Tenants who are Care Leavers

9 October 2024

Summary

- Every year around 12,000 young people leave foster care or residential care homes. These young people often struggle to find a place to live and are at particular risk of homelessness it is estimated that one in three care leavers become homeless in the first two years immediately after they leave care. We therefore welcomed the Prime Minister's commitment in his speech to the 2024 Labour party conference that young care leavers "Will have the security they deserve. They will have a roof over their heads"
- Renting in the private sector can be challenging for this group. Evidence from a survey of care leavers by the Charity Centrepoint found that one in 10 (13%) care leavers had been unable to access accommodation because the landlord was unwilling to accommodate them while 40% of young people in same survey reported that not having enough savings for a deposit had been a problem.
- Without access to good quality accommodation young people face barriers to entering the labour market, participating in education, and accessing financial and health services.
- As currently drafted the Renters' Rights Bill provides no additional protection for this group. The Bill should be amended to provide specific support for care leavers seeking to rent in the private sector including:
 - Adding care leavers to the groups that are specifically protected from discrimination by landlords in Chapter Three.
 - Promote the greater availability of rent deposit and guarantor schemes provided by local authorities for care leavers.

1. Protecting care leavers from discrimination

Ensuring young people who have grown up in care have a suitable and safe place to live is vital. However, evidence shows that care leavers often end up living in poorer quality accommodation including in less desirable areas of a city which can make accessing jobs or education difficult. Young people also report

feeling forced to take properties where they have felt unsafe, including moving into shared accommodation with much older adults¹.

One in three care leavers aged 18-21 live in rented accommodation². In recent years access to the private rental market has become increasingly important, given the shortage of social accommodation³ and length of waiting lists⁴.

There has however been a reduction in the number of private rented properties in England⁵ in recent years – this has resulted in increased competition for homes with landlords increasingly able to pick and choose which tenants they take. This can disadvantage groups which face additional challenges in their lives such as care leavers. A survey by Centrepoint found that 13% of care leavers has been refused housing because landlords refused to rent to them⁶. Care leavers we support have also reported this issue:

"I have found the cost of accommodation challenging. It was mainly my background because I came from a broken unorganised background not a lot of places would take me and those that would had a long waiting list." Care leaver supported by Barnardo's

While specific adverts which ban care leavers from applying for properties are rare, there have been some instances. This includes a subsequently withdrawn advert from the Guinness Housing Association which originally read "Sensitive let: No history of substance misuse within the last five years - no care leavers". Currently there is no protection for care leavers against discrimination and landlords can legally refuse to let properties to people because they have grown up in care.

Recommendation: Care leavers (defined as those who are relevant or former relevant children under s.23 of the Children's Act 1989) should be added to Chapter Three of the Bill as a group landlords must not discriminate against when letting properties.

2. Provision of rent deposit and guarantor schemes for care leavers.

Most landlords demand rent upfront alongside a deposit and many also require that there is someone who can act as a guarantor - in the event of non-payment of rent. Young people who have grown up in care often don't have family members who can perform this role, yet lack of a guarantor can seriously limit the properties available to them.

"The only place I could find that would take me without a guarantor was a shared property with unknown flatmates who I didn't know if I could trust –one night the police turned up looking for them which made me feel very unsafe and anxious." – Care leaver supported by Barnardo's

Some care leavers can access support from their local authority who may, for example, provide help with deposits or act as a corporate guarantor. These schemes reduce the barriers young people face when seeking to rent private properties. Local authorities also report that by offering support to both young people and landlords they can reduce the risk of default and therefore such schemes do not pose a significant financial risk. For example, Kent County Council, which provides a joint rent deposit and

¹ No Place Like Home: experiences of leaving the care system | Barnardo's (barnardos.org.uk)

² Statistics published by the Department for Education, November 2023 available online at Children looked after in England including adoptions, Reporting year 2023 – <u>Children looked after in England including adoptions</u>, Reporting year 2023 – <u>Explore education statistics</u> – <u>GOV.UK (explore-education-statistics.service.gov.uk)</u>

³ Social housebuilding in England is at its lowest rate in decades. Since 1991, there has been an average annual net loss of 24,000 social homes – The housing deficit in 2023 | HA Magazine

⁴ More than one in ten households are on council waiting lists for more than five years – see <u>Allocating social housing (England) - House of Commons Library (parliament.uk)</u>

⁵ Renting: Number of UK homes available down by a third - BBC News

⁶From care to where - Centrepoint report

⁷ CYP Now - Housing association under fire over 'no care leavers' advert

guarantor scheme for care leavers had no defaults in rent in the first three years of operation. However, evidence suggests that such schemes are offered by less than half of local authorities.

Recommendation: The Bill should require all local authorities in England to offer rent deposit and guarantor schemes for care leavers.

Action you can take

For more information and to discuss this issue further please contact Nicola Smith, Senior Policy Adviser, Barnardo's at nicola.smith4@barnardos.org.uk. We would be happy to provide an oral briefing if this would be helpful.