

# The removal of housing benefit for 18-21s: who is affected?

## Introduction

On 3<sup>rd</sup> March 2017, the government [laid regulations](#) before parliament to remove the automatic entitlement to housing costs under Universal Credit for single people aged between 18 and 21.

The government expects to [save £105m](#) from this policy over the course of this parliament. It is expected to affect [1,000 young people](#) in the first year, rising to 11,000 eventually. The policy applies only to Universal Credit claimants, and only to those in a Universal Credit Full Service areas.<sup>1</sup>

Shelter is disappointed that these amendments have been laid and fear that young people will be left with nowhere else to go but sleep rough or sofa surf. Rough sleeping continued to rise last year, with 4,134 counted in a single night across England [in Autumn 2016](#).

We believe this measure runs counter to the government's support of the Homelessness Reduction Bill and will mean young people will have nowhere else to turn but to the streets.

## Exemptions to the 18-21s policy

A number of young people will still be entitled to housing support under Universal Credit, if they can prove one of the following:

### **Exemptions**

- People who are responsible for a child/children
- People exempt from the Shared Accommodation Rate (SAR)
- People in Temporary Accommodation
- People who do not have a parent
- Neither parent lives in Great Britain
- People for whom it is inappropriate for the person to live with parents, including if there is a serious risk to physical or mental health or they would suffer significant harm
- Those not subject to All Work Related Requirements
- Domestic violence has been inflicted on or threatened against the renter by the renter's partner or former partner or by a family member
- People who are working 16 hours per week or as an apprentice for 16 hours a week
- People who have been working 16 hours a week or as an apprentice in the past 6 months

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<sup>1</sup> Universal Credit has two rollout strategies: Live Service and Full Service. The Live Service takes applications from a limited group of claimants, mostly single jobseekers. The Live Service is in operation across Great Britain so that new claimants must claim Universal Credit and can no longer claim the legacy (old) benefits, such as Jobseeker's Allowance and housing benefit. The second rollout, Full Service, accepts applicants from all people of working age, placing no restrictions on who can apply. Full Service is gradually rolling out across the country, replacing legacy benefits and Live Service systems.

### ***People not in the All Work Related Requirements Group***

The regulations stipulate that the removal of HB will only apply to those who are in the 'All Work Related Requirements' (AWRR) group.<sup>2</sup> People who are not in the AWRR group include:

- Pregnant women, 11 weeks or less before the expected week of birth
- Those with Limited Capacity to Work
- Carers for a severely disabled person
- A responsible carer for a child under 1
- Women who were pregnant and it is 15 weeks or less since the date of birth
- Some types of students

### ***People who are in the AWRR but not subject to work-search requirements for a limited period of time***

Those who are in the AWRR group will be exempt from the policy if they qualify as being not subject to work-search requirements for a limited period of time. These people include:

- People who are attending a court or tribunal as a party to any proceedings or as a witness
- Prisoners
- People who are absent from Great Britain temporarily because they are receiving medical treatment
- People who have experienced the death of their partner in the last six months
- People on a drug or alcohol recovery course for up to six months
- People under protection due to their involvement in investigations or proceedings for up to three months
- People engaged in an activity in the nature of a public duty approved by the Secretary of State

### ***The SAR***

The government has tried to ease the exemption process by taking the exemptions to the Shared Accommodation Rate (SAR) over to the 18-21s policy. These include:

- **Care leavers**  
The government is exempting care leavers through the existing rule that the SAR doesn't apply to people under 22. These people will be exempt from the 18-21s policy.
- **Disabled people**  
People who receive the Disability Living Allowance at the middle or highest rate, or the daily living component of Personal Independence Payment are also exempt from the SAR. These people will be exempt from the 18-21s policy.
- **MAPPA**  
There is some confusion over whether people subject to Multi-Agency Public Protection Arrangements will be exempt because only people aged over 25 are currently eligible for this in the current SAR arrangements.

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<sup>2</sup> Depending on their circumstances, Universal Credit claimants fall into one of four groups called 'work-related groups'. The group they fall into determines what they will be required to do in terms of searching for work. If they do not meet their work-related requirement, their Universal Credit award may be reduced. Those who fall into the All Work Related Requirements Group (AWRR) are typically claiming Jobseekers Allowance. They are unlikely to have impediments to finding work, such as a recognised severe disability or illness. These people have to do everything they can to find work, including looking for employment, applying for jobs and going to interviews. They must be available to take up work straight away.

### **Supported Housing**

It is worth noting that though Supported Housing tenants are not exempt from the 18-21s policy, the majority will still not be subject to it. This is because most Supported Housing is classed as 'specified accommodation'. 'Specified accommodation' tenants are exempt from having to claim housing costs Universal Credit. This means the majority of people in Supported Housing will still be claiming legacy housing benefit and will not have to make a UC claim for housing costs.

## Problems with the exemptions

The Department for Work and Pensions (DWP) has said a number of groups will be exempt from the policy (the exemptions are listed below). This is welcome but still creates unnecessary risk. One of the broadest exemptions is for those where it is inappropriate for the person to live with parents, including serious risk to physical or mental health or they would suffer significant harm.

Young people may not want to reveal things to their work coach relating to them living at home for fear it might affect whether they are eligible for other benefits. They may also be reluctant to disclose details such as sexual abuse and sexuality, and it is likely to be painful to have to repeat distressing evidence.

## The Catch 22 problem

In theory exemptions are provided to ensure that vulnerable young people can access housing benefit. But Universal Credit rules create a Catch 22 problem that means even young people who should be eligible for support will struggle to find accommodation.

- ***Crucially, to make a claim for the housing costs in Universal Credit, a tenant must show that they have a tenancy agreement in place. The claimant must submit evidence to make a claim, which can either be a tenancy agreement, or in some circumstances a letter from the landlord confirming the rent.***
- ***However, in order to secure a tenancy in the first place, it is likely the landlord would want to know that the young person has a guaranteed exemption to this policy, and is eligible for housing support, before agreeing to a tenancy agreement.***
- ***But the potential tenant cannot say for sure that they have an exemption before making a claim. And the tenant cannot make a claim before having a tenancy agreement in place.***

Because of this Catch 22, young people may find they are unable to find a landlord that will rent to them.

If there is no solution to the Catch 22 problem, it is difficult to see how young people, even if they are meant to be exempt from the policy, will successfully avoid becoming homeless.

This diagram shows how 'Alex', regardless of whether she is exempt from the policy or not, ends up becoming homeless whichever way she turns.

**No home without housing benefit.**

**No housing benefit without a home.**

