Renters (Reform) Bill – House of Commons – Report stage

Duty on landlords not to discriminate against an individual on the grounds that they are a care leaver.

These amendments are intended to allow a debate on the implementation of this recommendation.

The purpose of this amendment is to ensure that landlords do not discriminate against people who have grown up in the care system when making the decision on who to rent the property to. It would place a specific duty on them preventing them from denying those who have grown up in the care system a tenancy on this basis. Landlords who are found to be in breach of the newly inserted clause 28 could be subject to a financial penalty by a local housing authority under s.29 of the Act.

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Care leavers are defined in s23 of the Children's Act 1989, depending on whether they are 16/17 - where they are defined as a "relevant child" - or 18-25 - where they are defined as a "former relevant" child. This amendment aims to introduce a duty on landlords not to discriminate against tenants who have either status.

This amendment is number NC12 and is published in the amendment paper here: <u>renters_rm_rep_0322.pdf (parliament.uk)</u> on page 7.

To move the following Clause – **"Discrimination relating to care-leaver status"**

- (1) The provisions of this section apply to individuals who are
 - (a) a relevant child as defined by section 23A of the Children's Act 1989; or
 - (b) a former relevant child as defined by section 23C of the Children's Act 1989.
- (2) A relevant person must not, in relation to a dwelling that is to be let on a relevant tenancy
 - (a) on the basis that the individual meets either of the criteria set out in subsection (1), prevent the person from—
 - (i) enquiring whether the dwelling is available for let,
 - (ii) accessing information about the dwelling,
 - (iii) viewing the dwelling in order to consider whether to seek to rent it,
 - (iv) entering into a tenancy of the dwelling, or

(b) apply a provision, criterion or practice in order to make care leavers less likely to enter into a tenancy of the dwelling than people who are not care leavers.

- (3) Subsection (2) does not apply if the relevant person can show that the prospective landlord of the dwelling, or a person who would be a superior landlord in relation to the dwelling, is insured under a contract of insurance
 - (a) to which section 33 does not apply, and

(b) which contains a term which makes provision (however expressed) requiring the insured to prohibit a tenant under a relevant tenancy from being a care-leaver,

and the conduct is a means of preventing the prospective landlord from breaching that term.

(4) Conduct does not breach the prohibition in subsection (2) if it consists only of—

(a) one or more of the following things done by a person who does nothing in relation to the dwelling that is not mentioned in this paragraph –

(i) publishing advertisements or disseminating information;

(ii) providing a means by which a prospective landlord can communicate directly with a prospective tenant;

(iii) providing a means by which a prospective tenant can communicate directly with a prospective landlord, or

(b) things of a description, or things done by a person of a description, specified for the purposes of this section in regulations made by the Secretary of State.

Clause 29, page 32, line 23, leave out "section 27 or 28" and insert "sections 27, 28 or *[Discrimination relating to care-leaver status]*".

Clause 30, page 34, line 21, at end insert –

"(5) A term of a relevant tenancy or regulated tenancy is of no effect so far as the term makes provision (however expressed) prohibiting the tenant from being –

(a) a relevant child as defined by section 23A of the Children's Act 1989; or

(b) a former relevant child as defined by section 23C of the Children's Act 1989.

(6) Subsection (5) does not apply if the landlord or a superior landlord is insured under a contract of insurance.

(a) to which section 33 does not apply, and

(b) which contains a term which makes provision (however expressed) requiring the insured to prohibit the tenant from being a relevant or former relevant child.

and the provision in the tenancy is a means of preventing the insured from breaching that term."

Clause 31, page 35, line 12, at end insert –

"(4A) A term of a lease of premises that consist of or include a dwelling is of no effect so far as the term makes provision (however expressed) requiring a tenant under that or any inferior lease to prohibit a sub-tenant under a relevant tenancy or regulated tenancy from prohibiting the tenant from being –

(a) a relevant child as defined by section 23A of the Children's Act 1989; or

(b) a former relevant child as defined by section 23C of the Children's Act 1989.

(4B) Subsection (4A) does not apply if the landlord under the lease or a superior landlord is insured under a contract of insurance

(a) to which section 33 does not apply, and

(b) which contains a term which makes provision (however expressed) requiring the insured to prohibit a sub-tenant from being a relevant or former relevant child.

and the provision in the lease is a means of preventing the insured from breaching that term."

Clause 32, page 35, line 30, at end insert –

"(3) A term of a mortgage of premises that consist of or include a dwelling is of no effect so far as the term makes provision (however expressed) requiring a mortgagor to prohibit a tenant under a relevant tenancy or regulated tenancy from being –

(a) a relevant child as defined by section 23A of the Children's Act 1989; or

(b) a former relevant child as defined by section 23C of the Children's Act 1989."

Clause 33, page 36, line 2, at end insert –

"(2A) A term of a contract of insurance to which this section applies is of no effect so far as the term makes provision (however expressed) requiring the insured to prohibit a tenant under a relevant tenancy or regulated tenancy from being –

(a) a relevant child as defined by section 23A of the Children's Act 1989; or

(b) a former relevant child as defined by section 23C of the Children's Act 1989."

Purpose of the amendment

Young people who have grown up in care often struggle to access housing.

There are currently around 80,000 children growing up in local authority care in England and every year 12,000 young people leave care, most at the age of 18, some as young as 16. Life for these young people can be tough. Many have faced significant trauma in their lives and while some will have had a relatively stable experience in care, living with the same foster family, others will have been 'bounced around' the system, between many different homes and schools. On leaving care these young people also face a significant drop off in support. The average age for leaving the family home is currently 23¹ and yet these young people face the challenges of living independently at a much younger age. Many face challenges with issues ranging from managing their own tenancy, to living on a low income, to struggling because they feel lonely and isolated.

We are concerned that landlords may discriminate against care-experienced young people.

Evidence from a survey of care leavers by the charity Centrepoint found that over one in ten (13%) said they had been unable to access accommodation because the landlord was unwilling to accommodate them². Care-experienced young people interviewed for Barnardo's recent report *No Bank* of *Mum* and *Dad*³ commented on how they often felt discriminated against:

"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

Ensuring that these young people have a safe and stable home to start their adult lives is very important. Housing can act as a "vehicle for stability"⁴. Without access to good quality accommodation young people can face challenges in getting a job, participating in education, and accessing health services. However, despite the key role that housing can play in helping a young person transitioning to independent living, many care leavers struggle to find suitable accommodation in the early years after leaving care.

- It is estimated that one in three care leavers become homeless in the first two years immediately after they leave care⁵.
- One in four homeless people have been in care at some point in their lives⁶.

⁴ InLoco cover (demos.co.uk)

¹ <u>Milestones: journeying into adulthood - Office for National Statistics (ons.gov.uk)</u>

² Centrepoint (2017) 'From care to where? Care leavers access to accommodation' available online at <u>From care to</u> <u>where - Centrepoint report</u>

³ report-cost-living-crisis-care-experienced-young-people-bank-mum-dad-.pdf (barnardos.org.uk)

⁵ appg_for_ending_homelessness_report_2017_pdf.pdf (crisis.org.uk)

⁶ appg_for_ending_homelessness_report_2017_pdf.pdf (crisis.org.uk)

Care-experienced young people tell us that the accommodation they find is often of very poor quality. Barnardo's *No Place like Home report*⁷ included examples of young people living in properties with mould and damp. One care leaver who moved into a flat with her baby described:

"There was mould everywhere, it grew on my curtains and on my clothes, it was everywhere, I got a dehumidifier and after an hour I had to empty it because there was so much water in there." Care leaver supported by Barnardo's

The same report also found that some care leavers who we spoke to told us that they felt unsafe in their accommodation:

"The amount of antisocial behaviour that was there, my neighbour smoked crack which leaked into my flat, I witnessed knife fights outside my front door... I spoke to the council and the police...they don't think if this was happening to my child what would I do, they don't seem to have that approach" Care leaver supported by Barnardo's

Care leavers live in different types of accommodation; some continue to live with their foster parents, but many will find themselves living independently in either the private or social sector – **over one in three care leavers aged 18-21 live in this type of accommodation**⁸. For care leavers who live independently, the private rental market has become increasingly important, given the shortage of social accommodation⁹ and length of waiting lists¹⁰.

There is growing evidence of a reduction in the number of private rental properties available to rent in England. One investigation by the BBC found that the number of properties available to rent in the UK had fallen by a third in the 18 months before March 2023¹¹. This has resulted in increased competition for the properties which are available and has enabled more landlords to pick and choose which tenants they take. This can make it especially challenging for vulnerable groups, such as care leavers.

Practical problems can also make it very difficult for care leavers seeking to access accommodation in this sector. Most landlords demand rent upfront alongside a deposit which can be very difficult for care leavers to provide due to their average income and lack of familial financial support. Landlords can also require that there is someone who can act as a guarantor in the event of non-payment of rent which is again a significant challenge for young people who don't have family members who can perform this role. These barriers make it difficult for care leavers seeking to access property in the private rented sector – 40% of care leavers in one survey reported that not having enough savings for a deposit has been a barrier to them accessing accommodation¹².

There is also evidence from some care leavers that they believe that landlords are starting to use their lack of access to a deposit or guarantor in a discriminatory way. They report that some landlords are insisting on the requirement even when the individual otherwise meets all the requirements of the tenancy. As one care leaver reported:

⁷ <u>No-Place-Like-Home-Report-IKEA.pdf (barnardos.org.uk)</u>

⁸ 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>, <u>Reporting year 2023 – Explore education statistics – GOV.UK (explore-education-statistics.service.gov.uk)</u>

⁹ 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 – <u>The housing deficit in 2023 | HA Magazine</u>

¹⁰ 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</u> <u>Library (parliament.uk)</u>

¹¹ Renting: Number of UK homes available down by a third - BBC News

¹² Centrepoint (2017) 'From care to where? Care leavers access to accommodation' available online at From care to where - Centrepoint report

"When you're a care leaver everybody wants a guarantor, regardless of how good your credit history is." Care leavers supported by NYAS

Care leavers also report that landlords frequently do not understand why they struggle with this issue. One member of NYAS' Campaigns Advisory Group explained his experience of how it was "embarrassing" to have to explain to a landlord – often someone he's never met – about why he cannot get a guarantor. One time he explained his situation, the landlord responded with "*well, can you not ask your parents*?".

Some local authorities provide help to care leavers with deposits or a scheme where they act as a corporate guarantor. Such schemes help make care-experienced young people more attractive tenants and a number of local authorities report that such schemes have had significant success. The scheme operated by Kent County Council, for example, had no defaults in rent from when the scheme started in 2018 until 2021. However, such schemes are not offered by most local authorities - Freedom of Information requests by the 'Care Leaver Offer' website to the 151 local authorities in England with a children's social care department, showed that 91 (60%) will not act as a guarantor for care leavers wishing to access private renting.¹³

What we are calling for

The Renters (Reform) Bill already includes provisions which seek to ensure that landlords do not discriminate against benefit claimants and those with children. Given the specific vulnerabilities of those who have grown up in the care system and the difficulties that this group have in accessing accommodation – including their significant increased risk of homelessness - we are calling for those who have grown up in local authority care to also be protected from discrimination from landlords. We are also calling for this right to be enforced through enabling local housing authorities to issue financial penalties to landlords found to be breach, in line with other forms of discrimination which are legislated against in this Bill.

Greater support is also needed from local authorities to help care leavers access accommodation in the private sector including more offering rent deposit and guarantor schemes such as those offered by Kent Council¹⁴. We urge the Government to issue guidance for local authorities across England on the need to introduce rent guarantor and deposit schemes alongside the Bill.

How we can work together

Please contact Nicola Smith, Senior Policy Adviser, Barnardo's at nicola.smith4@barnardos.org.uk

¹³ Care Leaver Offer (2023) "Care leaver local offer: Compare Council Performance". Available at: <u>https://www.careleaveroffer.co.uk/</u> [Accessed 10th November 2023].

¹⁴ Rent guarantor - FINAL.pdf (barnardos.org.uk)