

The Centre for Social Justice
11 Belgrave Road | London | SW1V 1RB
020 7592 1160
www.centreforsocialjustice.org.uk



PRESS RELEASE FROM THE CENTRE FOR SOCIAL JUSTICE

Date: Monday 15 February 2016

UNDER EMBARGO UNTIL 00.01 WEDNESDAY 16 FEBRUARY 2016

Estate agents should turn social workers to help the poor keep a home, says new report

Specialists in getting people off welfare and into work and in resolving crippling problems such as drink and drug addiction and petty crime should play a pivotal role in stabilising the chaotic lifestyles of would-be tenants, a new report by the Centre for Social Justice recommends.

They would be employed by “social lettings agencies” – a new type of not-for-profit estate agency – set up and managed by charities and other voluntary sector agencies. The plan, aimed at turning around the lives of the nearly 70,000 families without a proper home, should be backed by diverting £40 million of Government money, already allocated for tackling homelessness, to launching these new agencies across the country.

The scheme is put forward by the Centre for Social Justice against the background of a decline in the numbers of private landlords willing to rent their properties to housing benefit claimants. In recent years, as a result of the success of the Government’s welfare reforms, thousands of people have come off benefit and moved into work. Those left behind, roughly 5 per cent of the workforce or 1.68 million, are more likely to suffer from a range of serious lifestyle or health problems and are regarded by many private landlords as too risky to consider as tenants for fear they will not pay their rent, will damage their properties or indulge in anti-social behaviour infuriating their neighbours.

The aim of the scheme is to switch the burden of risk from reluctant private landlords to the new agencies which would guarantee rent payments to the landlords over a five-year period and undertake to turn around the lives of otherwise unwanted tenants.

The CSJ report notes that private renting is becoming the new norm for low-income families, with their numbers doubling from one million to two million in the last decade. But those at the bottom of the pile – the ones regarded as least reliable by the private sector – are being left behind, fuelling a rise in homelessness with the numbers of families in temporary accommodation rising from 48,000 at the end of

2010 to nearly 70,000 today.

Restoring stability to the lives of homeless families is identified by the CSJ as a core objective of housing policy for the poorest. Under the existing arrangements, where private rented tenancies are typically for 12 months or less, many are forced into sudden and frequent changes of address, making it harder for them to hold down a job and disrupting the lives of their children, who then become more prone to behavioural problems.

"A stable home provides a period of predictability and security so that households have a reliable base around which to organise working and family life," the CSJ report says.

"Social lettings agencies provide a solution to these problems. They manage properties on behalf of private landlords and provide sustainable tenancies for those on low income.

"Their support workers help vulnerable tenants sustain their tenancies (which can be undermined through arrears, damage to the property, and anti-social behaviour).

"They reduce the risk for landlords to enable them to let to local housing allowance (housing benefit) claimants. They often provide tenants with five-year tenancies."

The report says that there are already a number of social lettings agencies spread unevenly across the country. Many of these are small and heavily reliant on grant funding. But there are ways of making them financially secure.

It adds that £40 million of the £1 billion being devolved to local councils to tackle homelessness should be switched into greatly expanding these agencies and encouraging the formation of new ones.

CSJ Director Philippa Stroud said: "We understand that for most the era of a guaranteed social sector house for life is over.

"However, we must make the private rented sector work better for low-income families. Currently, the instability caused by not knowing how long a tenancy will last has a huge impact on children's education and on parents' ability to retain a job.

"We recommend the Government spends at least £40 million on aiding the expansion of social lettings agencies with credible business plans to make the scheme sustainable in the long term.

"Any Government serious about tackling poverty in our country must have a housing strategy that includes policies to help those in the bottom 20 per cent of incomes.

"The right-to-buy and affordable home building schemes are both laudable, but they do nothing to help the poorest, which cannot afford to benefit from either."

ENDS

Notes to Editors

For media enquiries please contact Beatrice Timpson on 07803 726 977 or beatrice@mippr.co.uk

The Centre for Social Justice

The Centre for Social Justice (CSJ) is an independent think tank established in 2004 to put social justice at the heart of British politics. In June 2013, the CSJ was awarded UK Social Policy Think Tank of the Year at Prospect magazine's Think Tank Awards.

Last year the CSJ published Breakthrough Britain 2015, which set out almost 200 evidence-based policy recommendations to tackle poverty in the UK. This included solutions to worklessness, educational failure, addiction, family breakdown and problem debt.

The CSJ has published dozens of seminal papers which have shaped government policies, including Dynamic Benefits, which has led the Coalition's welfare reforms. Further to this, the CSJ manages an Alliance of over 300 of the most effective grass roots, poverty-fighting organisations. The CSJ is able to draw upon the expertise and experience of Alliance charities for research work and media inquiries. Journalists wishing to conduct grass-roots research into social problems can be put in touch with front-line charity directors and staff.

Baroness Stroud

Baroness Stroud of Fulham (Philippa Stroud), was an original founder of the CSJ in 2004. Philippa Stroud served as Director from 2004-2010, before leaving to become Special Advisor to Rt Hon Iain Duncan Smith MP (Secretary of State for Work and Pensions) in Government from 2010-2015. Philippa Stroud was ennobled by the Prime Minister after the 2015 General Election and became Baroness Stroud of Fulham and a Conservative Peer in the House of Lords. Baroness Stroud re-joined the CSJ in October 2015 as Chief Executive.