**Points for MPs on the impact of cost-of-living crisis on charities like YMCA DownsLink Group (YMCA DLG)**

**Youth homelessness is increasing**

* YMCA DLG is seeing a 37% increase in youth homelessness on pre-pandemic levels.
* As the cost-of-living crisis worsens, young people are coming under increasing financial pressure which is making private renting, particularly in the South East, unaffordable.
* Family breakdown is exacerbated during periods of financial crisis.
* 16–25 year olds receive 16% less Universal Credit than claimants aged over 25 years old, due to an assumption they are supported by family.
* The Sept 2022 ‘Mini Budget’ has created a new barrier for young people claiming Universal Credit. This particularly impacts young people in supported accommodation who are often already dealing with poor mental health due to the trauma of facing homelessness and their childhood experiences.

**How YMCA DLG tackles youth homelessness**

* YMCA DLG have increased their supported housing provision to 787 young people (16-24) across Sussex and Guildford every night.
* Vulnerable young people in YMCA DLG’s supported accommodation are given a safe home and a pathway back into education, training, or employment.

**Impact of cost-of-living crisis on YMCA DLG**

* YMCA DLG utility costs are set to rise from £0.5million to £1.5million. Whilst the 6-month cap on energy bills has provided a short-term solution, charities like YMCA DLG need longer term certainty to continue providing the services needed to address the increasing needs of vulnerable young people.
* Most of YMCA DLG’s income won’t increase in line with inflation. YMCA DLG’s main source of income is from public sector partnership contracts; these are being squeezed and most won’t get an inflationary uplift.
* As a provider of supported housing for vulnerable young people, YMCA DLG doesn’t have the same level of financial reserves as larger housing association who simply provide tenancies.
* Supported housing providers like YMCA DLG cannot raise staff salaries to meet the rise in inflation. YMCA DLG are seeing many skilled and dedicated frontline workers leave the sector because they can’t afford to live on what they’re able to pay.

**What needs to happen**

* Charities like YMCA DLG need support with energy costs beyond the 6-month cap on prices.
* Providers of supported housing, like YMCA DLG, should not have the cap applied to their rent uplift like larger housing associations.
* Long-term statutory investment in preventative youth services.

**Benefits to investing in young people**

* Investing in young people has huge long-term benefits and saves the Government a significant amount of money because it:
	+ prevents young people become entrenched in homelessness and associated offending behaviours.
	+ supports young people back into education, work, and employment.
	+ prevents sexual and criminal exploitation through targeted youth work.
	+ reduces severity and length of mental illness.