

PRS & COVID

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The plight of private renters

- Private renters spent more of their income on housing costs than any other tenure
- Of renters and homeowners, they have the least security of tenure
- Most have no savings
- The loss of an AST is a leading cause of homelessness
- Nearly 1 in 5 don't report disrepair for fear of eviction

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What we wanted

- A total ban on possession proceedings
- LHA to cover at least the bottom third of rents and the Benefit Cap to be lifted
- Guidance for local authorities to accommodate everyone at risk of sleeping on the streets
- Amendments to Sections 8 and 21 of the Housing Act 1988
- Financial assistance for renters to clear 'Covid-arrears'
- The Renters' Reform Bill to be brought forward as a priority

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What was done – financial support

- LHA lifted to the 30th percentile – but subsequently frozen in cash terms
- Job Retention Scheme
- Mortgage holidays

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What was done - evictions

- A ban on possession proceedings that lasted from March to September 2020
 - Cases will be prioritised: ASB and pre-Covid arrears cases will be at the front of the queue
 - Recognition that courts will not be able to blast through cases and a slow and steady approach will be taken
 - This is in part to ensure the safety of court users: no block listing of cases
 - Landlords have to 'reactivate' cases
- Should see the impact of these measures in next quarter's possession statistics

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What was done - bailiff ban and notice periods

- Further measures were clearly needed
- In September, six-month notice periods were introduced for most renters (private and social)
- A ban on bailiff enforcement was announced for all areas where there was a ban on households mixing indoors – this quickly became the whole country
- A new Statutory Instrument was laid to keep the bailiff ban in place for the duration of the new national lockdown – this time with weaker protections

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But it's not enough

- Even with the eviction ban in place, many people were tipped into homelessness. Between April and June 2020, 63,570 households were found to be homeless or at risk of homelessness by their local authority
- Domestic abuse, relationship breakdowns and illegal evictions continue to be drivers of homelessness

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Renters are still struggling

- 42% of private renters are now having to claim Local Housing Allowance – but it only covers the bottom third of the market
- 57,000 households had to leave their homes even in the first lockdown after being served with a notice, either formal or informal
- There has been a 116% increase in the number of people benefit capped – they lose an average of £57 pw – the same as an average family's weekly food budget
- Those who are just about keeping up with rent are cutting back on essential expenditure – like food
- Over 50% of private renters who are in arrears have fallen into them since the start of the pandemic
- Landlords are still able to serve S21 eviction notices – and two thirds of tenants leave when they receive one

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What we need now

- Government needs to bring in further financial assistance for renters by providing emergency funds for renters who are struggling as a result of Covid
- The Benefit Cap must be scrapped
- Councils still need guidance from government to accommodate those at risk of the streets – including people with NRPF
- The NRPF condition must be lifted

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What we need in the future

- A genuine safety net – LHA pegged to local rents at at least the 30th percentile
- Remove the barriers that stop people receiving benefits
- The Renters' Reform Bill
 - Scrap Section 21
 - Reform Section 8
 - Regulate the sector with a register
 - Increase funding for local authorities
 - Stamp out discrimination

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Questions?

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Until there's a home for everyone

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