

Housing, Communities and Local Government Committee

Oral evidence: Impact of Covid-19 on homelessness and the private rented sector, HC 309

Thursday 28 January 2021

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Members present: Mr Clive Betts (Chair); Bob Blackman; Ian Byrne; Ben Everitt; Rachel Hopkins; Ian Levy; Mary Robinson.

Questions 275 - 350

Witnesses

I. Eddie Hughes MP, Parliamentary Under Secretary of State for Rough Sleeping and Housing, Ministry of Housing, Communities and Local Government; and Penny Hobman, Director for Homelessness and Rough Sleeping, Ministry of Housing, Communities and Local Government.

Examination of Witnesses

Witnesses: Eddie Hughes and Penny Hobman.

Chair: Welcome to this afternoon's session of the Housing, Communities and Local Government Select Committee. It is another session in our inquiry into the impact of Covid-19 on homelessness and the private rented sector. A very warm welcome this afternoon to the new Minister and Parliamentary Under Secretary, Eddie Hughes MP. We will, first of all, ask members of the Committee who have a particular interest with regard to this inquiry to put it on the record. I am a vice-president of the Local Government Association.

Bob Blackman: I am also a vice-president of the Local Government Association. I also employ a councillor in my office and, of course, I was the sponsor of the Homelessness Reduction Act.

Ben Everitt: I am a councillor.

Ian Levy: I employ a councillor in my Westminster office.

Rachel Hopkins: I am also a vice-president of the LGA, I am a sitting councillor in Luton, and I employ a councillor.

Ian Byrne: I am a sitting councillor in Liverpool.

Mary Robinson: I employ a councillor in my staff team.



Eddie Hughes: First of all, I employ a councillor and, secondly, I am an accidental landlord.

Q275 **Chair:** We will see whether we explore that in due course. Minister, can I welcome you to your new role? You are coming to the Committee for the first occasion. We appreciate that you have been in post for only a few days, so there may be areas where you want to refer to your civil servants, and we have one of your officials with us, who I will ask you to introduce in a second.

We understand that it is a learning curve for you at present and fairly soon to come to the Committee after your appointment. You will find us not too unfriendly, and the rapidity with which Housing Ministers change has nothing to do with their appearances before the Select Committee. We will put you at ease on that. I do not know whether you want to say a few words to begin with and to introduce your official who is with you today.

Eddie Hughes: I am delighted that Penny is here because she will be able to fill in at least some of the gaps, of which, I would have to say, there may be many, given my incredibly brief tenure. In terms of professional background, immediately before becoming an MP, I worked for a charity for homeless people in Birmingham for three years, so I have some experience in the sector and I am at least familiar with some of the language.

Way more importantly than that, I spoke yesterday on BBC Radio WM and they were asking about the job. I said that, in many ways, this is my dream job because, given my background in housing and homelessness, it feels like a very good fit for me. I appreciate that I have had only a few days to settle in but, hopefully, when we meet again in the months and possibly years ahead, depending on how long my tenure is, I will be better informed and far more on top of my brief. I am getting my apologies in early, but please do not doubt my commitment and compassion in this field.

Q276 **Chair:** We understand that, occasionally, you may have to either defer to your official or say that you will come back to the Committee in due course. We appreciate that situation.

Just to begin with, the Everybody In programme was deemed by everyone to be a great success, with central Government, local authorities and charities all working together and delivering in record time, getting people off the streets and into secure accommodation. However, it is not certain now that there is the same degree of emphasis or understanding that the policy is to get everyone in. A lot of local authorities seem to think the Government's policy has changed. What is your response to that?

Eddie Hughes: My immediate response would be that I have not spoken to that many local authorities since I have been in the job, but all the ones I have spoken to seem completely committed to the programme, as



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much as they ever were before. As with many members of the Committee, I am sure, I am in regular touch with Walsall and their team. I spoke to them just two weeks ago, and they seemed to be completely on it and as enthusiastic as they were before.

With regard to the success of it, you are absolutely right. It has been an incredibly successful project so far, supporting 33,000 people, which is considerably more than the number of people who may have expected to be supported by the programme. I do not doubt the commitment of the Government, and the councillors, council organisations and charities I have spoken to so far all seem as committed as ever they were to this project.

Q277 **Chair:** In terms of Government policies, nothing has changed?

Eddie Hughes: No, I certainly do not think so. We are as committed as ever to sticking to it. As I say, the team have been phenomenal. They are regularly in touch with councils right across the country, so they would be aware of where there are particular challenges and offer extra support to those who are feeling the burden.

Q278 **Chair:** Would you accept that the risk to people on the streets is as great now as it was last March? Indeed, with the new strains of coronavirus around, they are probably more at risk, given the speed at which they transmit.

Eddie Hughes: Absolutely, these are delicate times, although I would also say how exciting it is that over 7 million people have had the first shot of the vaccine. Hopefully, the light at the end of the tunnel is burning quite brightly, and we will be able to see a way out of at least this present lockdown and a route back to normality in the very near future.

Q279 **Chair:** You are saying that the programme is exactly as it was, effectively, in terms of the Government policy. We will come on in a minute to new rough sleepers. We will also come on in some detail to no recourse to public funds and those people who are in that situation. When the Protect programme came in recently, it was made clear that this could not be spent on individuals who had no recourse to public funds. What about the recent £10 million of extra funding, which is very welcome? Can that be spent on people who have no recourse to public funds?

Eddie Hughes: My understanding of the situation is that there has not been any change to immigration law or the laws that apply to those with no recourse to funds, so there has been no change in the people it is appropriate to support. I would imagine that things will continue as they did previously. To give you an example, though, it is not just Government funding that helps people. I know from my own experience and from my time working with the YMCA that, in Walsall, there are many in the charity sector that provide support to people who might not be able to get it through other means. The homeless sector and the people who



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provide support to it is a bit of a jigsaw. It is a good mix of charities, councils and the Government providing funding, to make sure that, collectively, everybody who needs it is supported and helped.

Q280 Chair: That is an important point, but when the Government brought the Everybody In programme in, and the funds to go with it, they specifically said that local authorities could spend that money on individuals who had no recourse to public funds. In other words, everyone could be helped into accommodation. Has the £10 million recently announced come with the same approval for local authorities to spend it on individuals who have no recourse to public funds?

Eddie Hughes: I am sorry for dancing around it in this way, but councils have always had the discretion to spend money, providing it is within the law. No recourse to public funds is not a new identification. It was there pre-Covid, and councils, charities and other organisations have been helping those people for a number of years. People will still be able to be supported through one means or another.

Q281 Chair: That was not really an answer to the question about the £10 million. Do you want to come back to us on that point? Councils need clarity. It is new money, and the conditions that Government attach to new funding are really important.

Eddie Hughes: Maybe I will have to come back to you then. As I say, my understanding is that, with the law not having changed, councils will, I am sure, be able to use their discretion to support people.

Chair: We will come on to that, because we have had quite a lot of legal evidence that many of these areas are unclear. That is the problem.

Q282 Ian Levy: Thank you, Minister, for joining us today, and welcome to your new post. I appreciate that you have not long been in this position. I am going to ask for some facts and figures. Bearing in mind that you have not been in position for that long, if you feel that it might be better to clarify by getting back to the Committee, that would be appreciated. I will ask the questions and, if you feel you need to fire those back in an email to the Committee, I am sure that will be fine. Do you have any figures on how many people are sleeping rough during the third lockdown?

Eddie Hughes: I am not sure if we have any figures. My instinctive response would be "too many." The problem that we have, from my understanding of the sector, is that you can bring people in, as we did during the first wave, but we do not do internment in this country. We cannot make people stay if they do not want to. The type of people we are trying to help often have complex needs. They have perhaps several areas where they are struggling. That might be substance abuse, alcoholism or mental health problems, and they sometimes find it challenging to come in off the streets—particularly those who have been rough sleeping for a considerable amount of time.



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It is not a stat that we have been tracking. Our focus has been on the number of people we have helped, and those figures, as I said at the start, are considerable: 33,000 people who have been supported and 23,000 of those now in move-on accommodation. The throughput of the programme has been impressive but, with regard to the figures you are asking for, I am not sure that they are collected. We get that snapshot of rough sleepers. The last time it was produced was autumn 2019, when there were something like 4,200. If my understanding is correct, in about a month's time, we will be producing the updated version. Those figures were from 2019 and we will have the autumn 2020 figures in the next couple of weeks.

I appreciate that this is a completely cheeky point to make, to a degree, but the people on this Committee are likely to be interested in homelessness and housing, and I am sure they have had conversations with the teams in their councils with regard to the success that they are experiencing locally. For my part, as I said earlier, I have had that conversation with Walsall Council. Back in 2016, they were recording 26 people in the snapshot and are now down to four, so there has been dramatic progress. It would be good to hear, perhaps, from members of the Committee about the experience they have had in their locality.

Q283 Ian Levy: I would agree with you on that because, in Northumberland, and certainly in Blyth Valley, we have very few rough sleepers. We have a lot of youngsters who sofa surf, and I brought that up in the last Committee hearing when we talked about Everybody In. It was brought up at the last session that one person was offered accommodation in a hotel but he felt that it was like being in prison and he really did not like it. Have you found that a lot of people have rejected the help that they have been given?

Eddie Hughes: Yes, there will always be people who reject the help, for the reasons that I have given, because of their complex needs or, to a degree, because of the nature of the accommodation that is being offered. The sector is constantly looking for innovative new ways to offer accommodation. Perhaps I should apologise for leaning too heavily on my experience with Walsall Council or with YMCA, but I am new in this role, so I need to reach back to that.

YMCA offers a programme called Open Doors, which is for people who have a spare room in their house and can offer short-term accommodation to young people who need it. The council can fund accommodation in that way. I have met some of the people providing that support. Somebody being offered support in a family environment is a very successful way to address those who might find it difficult to accept other accommodation. That is what we have to work on collectively.

This is a complex area. We need to think of these people as individuals and address their individual needs. Sometimes, that will mean they initially reject the accommodation that they have been given. One of the



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other things that my time at YMCA has told me is that persistence is the key. Sometimes, you are not going to succeed at the first interaction with some of these people, because of their difficult circumstances, and you have to try again.

Q284 Ian Levy: I totally agree with you. I worked in mental health for nearly 30 years and it is a very difficult area. People sometimes do not feel that they want to be pigeonholed in a hotel room or whatever, and I totally get that. It is a very tough area to work in.

The NAO says that weekly data on rough sleepers exists. Do you find that the numbers are going up or that things have settled? I do not want to tie you down on that, so if you want to come back to the Committee that will be fine.

Eddie Hughes: If the NAO says there is weekly data, good luck to it, but it certainly has not crossed my desk so far. I have not seen any weekly data, but I will keep harking back to that figure of 33,000 people who have been through the programme so far, with 10,000 still in emergency accommodation but, fortunately, 23,000 who we have already moved on to longer-term accommodation. I appreciate that people would like there to be more data and information, and I am sure that there are bits and bobs of information being collected by various parties. As I said, Walsall Council will be tracking the success of its project, but our focus at the moment is just to get through what has been an incredibly difficult period.

Ian Levy: I do not believe that will be easy data to get either, given the nature of the problem.

Q285 Chair: It would be helpful if we could have that information provided to the Committee, as Ian suggested.

Eddie Hughes: Just to be clear, what information?

Chair: The weekly numbers on rough sleepers, which we understand are available.

Eddie Hughes: I have not seen them, so I will need to check that they exist before I can possibly provide them.

Chair: We will all be more the wiser after we have them.

Q286 Mary Robinson: Welcome, Minister, to your new portfolio. It is great to have you here before the Committee and giving evidence, although it is only a few days into your tenure. The NAO has estimated that about £312.5 million of different funding streams has been spent over the course of the pandemic on homelessness and rough sleeping, which is a significant amount. To get to grips with the reasons for the more recent spending—the £10 million that was recently announced—the NAO says that the previous amounts were based on an estimate of needs. On what evidence did you make the estimate of extra need for this £10 million specifically, as opposed to the reasons behind the other amounts?



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Eddie Hughes: One thing that I have appreciated since I came to the Department is just how good the connectivity is between the Department and the various council authorities up and down the country. There would have been an initial assessment. We will all remember Rishi's tenure as Chancellor, and how significantly and quickly things changed in terms of the amount of funding that the Government made available. Whatever funding we started off with initially—right at the start of March, we started off with about £3 million—as we moved through the programme and the pandemic, and appreciated just what challenges there were, we needed to be able to respond to those in kind.

The Chancellor and the Government have done a fantastic job of making appropriate amounts of money available as circumstances demand. It is probably not surprising that we would have started off with a lower-level assessment of how much money was required, and that would have increased when we realised the scale of the problem. As I said, that communication between the teams here in the Department and councils, and the great connectivity they have, means that we are quickly apprised of the challenges they are facing and are able to respond to those in a fairly agile way. People might say it is unfortunate that there are various funding streams that we have had under different banners, but you need to be able to respond to the changing circumstances and we have shown that we can do that.

Q287 **Mary Robinson:** This £10 million was a response to the councils indicating that there was an extra need?

Eddie Hughes: We were going into another lockdown. We appreciated that there would be significant extra challenges associated with that, so it was appropriate that extra funding was provided.

Q288 **Mary Robinson:** Is the £10 million funding for local authorities that did not benefit from the targeted Protect programme funding? I am just trying to see where it fits in with the funding that has already been given.

Eddie Hughes: I understand that point. The £10 million was available to all councils. However, those that had benefited from the Protect funding would, hopefully, have had sufficient money for their needs and, therefore, would not need to access the additional £10 million. One thing that has struck me since I got the job is that it is all very well for me to have a reasonably good knowledge of what is going on in Walsall and the west midlands, but it has been a real recalibration in terms of homelessness in London and the figures here.

I can appreciate that, across the country, there will be varying levels of demand, particularly in places like Manchester, for example. In Manchester, Birmingham and London, where we have the Housing First programmes going on, we understand that there is different demand, so they will require different levels of funding. Protect was focused on the areas where the need was greatest. Although the new £10 million applies



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to all areas, I would like to think that those that have had Protect funding would not need to be applying for the £10 million as well.

Q289 **Mary Robinson:** Are local authorities telling you or indicating that they have enough funding, or are they asking for more on a regular basis? In other words, are there still holes to plug?

Eddie Hughes: I was going to answer the first part of your question: is there enough money? You could always do more if you are given more money. We also need to realise that the restrictions that are put in place and lots of the funding that has been provided are based on this being a health pandemic. First and foremost, the Government are responding to the coronavirus pandemic. The fact there has been what will be a peripheral net benefit overall for the homelessness and rough sleeping sector, because money has been provided, is great, but, first and foremost, we are targeting the pandemic.

Do they have gaps? If they do have gaps, the communication that they have with the Department means that they will be making us aware of them, and I am sure the team will be doing everything they can to try to find a way round it. Let us remember that we have given councils a significant amount of money—£4.6 billion in un-ringfenced grants—so they have some latitude to use that money for support for rough sleepers. It is not just about the specific banner funding that we have given; there is some flexibility within the money that has been given to councils overall.

Q290 **Mary Robinson:** Homelessness and rough sleeping remains a huge issue, and I am sure it is going to be on your mind for quite some time in tackling it. Last year, St Mungo's and Homeless Link estimated that spending on tackling homelessness was around £1 billion less compared with 2008-09. Rough sleeping has doubled in that period. Even with the increases we have seen during the pandemic, local authorities appear to be being asked to do more with less. Is that the case?

Eddie Hughes: I do not think so. We are talking about very significant amounts of money that the Government are spending, with £700 million tackling homelessness this year alone. Going back to my time with YMCA, I joined YMCA in 2013. It is a small organisation that turns over only about £3.5 million. On average, it has had £1 million of capital funding each year for the seven years since I joined it. That funding is continuing. YMCA in Birmingham is not unique with regard to the support that it has had from the Government. The Government are keenly aware of the fact that they need to build various forms of accommodation for people to move into, but they also need to provide the wraparound support that allows people to maintain a tenancy.

With my experience of the voluntary sector, we are always trying to make every £1 go as far as we can, and we seem to be finding new ways of stretching a little further all the time. Of course, people could use more money if it was given to them. Councils have some latitude as to how



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they spend other areas of funding that have been given to them. We are living up to our commitment to deal with this problem, and we are funding it appropriately.

Chair: We now move back to the issue of no recourse to public funds, which you can appreciate, Minister, we have had a lot of evidence on. It is an important issue.

Q291 **Bob Blackman:** Congratulations, Minister, on your appointment. I should also say thank you for coming along very early in your position to the All-Party Parliamentary Group for Ending Homelessness at our evidence meeting on Tuesday, even though the technology failed me and I could not observe the evidence that you gave to us. I want to move on to the issue of no recourse to public funds, which is a particularly complex area of policy. The Prime Minister said to the Liaison Committee that "this country does not allow people to fall through the cracks, even if they are classified as NRPF."

I appreciate that you may not have had chance to see the evidence, but this Committee had evidence from a panel of people who had experienced rough sleeping and homelessness. In particular, a young man called Abeo, who had no recourse to public funds but cannot be deported, for political reasons, found himself in accommodation, supported under the Everybody In project, but no one was offering him any other support. He felt that the Government would prefer him to die. He is in temporary accommodation at the moment, but he could be evicted any time soon, without the option of move-on accommodation. He is not unique; there are many others in the same circumstances. What do you say to those individuals who face this problem of being assisted under Everybody In but not having recourse to public funds and, therefore, not being assisted with onward accommodation?

Eddie Hughes: That sounds like a dreadfully sad situation for anybody to be in. My personal experience is that, when we have been in this situation in Walsall, charities have frequently been able to step in. I appreciate that this is not going to be the solution in all cases. I am just saying that, in Walsall, they are using a programme called Change into Action. People can make donations. They have raised thousands of pounds in that way and have been able to support people they might not otherwise have been able to help. They have been able to continue to support them in that way.

I appreciate that is not a big solution. This "no recourse to public funds" label is a very broad one. It catches a lot of people in that net, where it is not necessarily a legal description of their circumstances. More importantly, it might be a current legal description but it might be possible for them to be transitioned to a more settled position. Through the Home Office, the Government try to help people regularise their immigration status and minimise the number of people who are inappropriately caught in that net, so that most people, if they are entitled to support, can get it.



It is possible that charities can take up some of that. When the Prime Minister said that, as a country, we do not allow people through the gaps, that is not just the responsibility of the Government. Sometimes, other people can and do step in to offer that support as well. There are certain things with regard to the support that we have provided to people, such as the furlough and job retention scheme. People who have no recourse to public funds but have been working for an organisation or a business could be supported through the furlough scheme, and I imagine that that would be a not insignificant number of people. There are lots of different ways that the Government have provided support to people.

For certain people, a return to their own country, if they are non-UK nationals, would also be an appropriate course of action in some cases. The Government have done some work to help people do that if that is appropriate, and, finally, to help them reconnect with family and friends if they are homeless because they have had a breakdown in a family relationship.

Q292 Bob Blackman: We will come on to some questions about data in a minute. Many of the people have leave to remain but do not have recourse to public funds. The Home Office has done that. Baroness Casey made the point quite accurately to us in evidence that the virus does not care whether you are from Portugal, Bexley or Sri Lanka. She could have picked any places in the world, really. Last March, the Government did absolutely the right thing, and all of us would agree that bringing everyone in off the streets was the right thing to do. Now, there is a more contagious version of the virus around and, clearly, that puts people's health at risk. Do you agree with Baroness Casey when she said to us that you cannot maintain no recourse to public funds during the pandemic, because of the risks to public health?

Eddie Hughes: I understand the point she is making, but we are already experiencing today that people are being supported one way or another, whether through a charity or through individual councils perhaps identifying what position they are in. I imagine that, sometimes, that is not a very straightforward thing to do, and perhaps they offer support in the meantime.

We are living—and you are dead right—through a health emergency. We are vaccinating people at pace, and that will include people with no recourse to public funds.

Q293 Bob Blackman: There is an issue about the priority that has been given to homeless people in terms of the vaccine, but I will park that for the moment. There are concerns about some areas where the vaccine is being given to people who are in homeless shelters at the moment, but that is certainly not a national policy, unless they fall within the age brackets or the particular high priorities.

Eddie Hughes: That is an important point. We know that the life expectancy of rough sleepers is less than 50, so they will frequently have



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multiple health needs that make them clinically vulnerable or clinically extremely vulnerable. They will, therefore, fit into that category of people whom the joint committee has identified as needing the vaccine.

Q294 **Bob Blackman:** There are other issues: for example, whether homeless people are registered with GPs and such, so whether they are going to be invited to get the vaccine is a particular issue.

Eddie Hughes: That is a very good point. Perhaps my figures are wrong but I understand that about 80% of homeless people are registered with a GP. When we wrote to councils at the start of this year, asking them to redouble their efforts, we told them to try to make sure that the people they engage with are registered with a GP. That is a strong focus that is going on at the moment.

Q295 **Bob Blackman:** There are going to be other questions about data and suchlike on the numbers of people involved in this. The Government have an intention of both halving rough sleeping and then ending it during the duration of this Parliament. From a practical perspective, is that achievable unless this issue of no recourse to public funds is addressed? We are always going to end up with people who, unfortunately, have no safe place to stay under the current circumstances, and we are always going to end up with those people who have leave to remain but no recourse to public funds, particularly at a time when we are going to have relatively high unemployment compared with what we have been used to.

Eddie Hughes: Earlier this afternoon, I was on a call with other Ministers, Kit Malthouse and Chris Philp, talking to the leader of Westminster Council. She was telling us about the problems they face with people coming over from mainland Europe with the intent of committing crimes and setting up encampments illegally. Those people fall into that type of category. They are rough sleeping and they have no recourse to public funds, but they are coming over here in significant numbers, deliberately with the intent of criminal activity.

We are not going to be able to end rough sleeping, in terms of having nobody at all on the street, if people are prepared to come over because the pickings they get from wealthy tourists in London, by begging or other criminal activity, are too much of a draw to stop them. That highlights the fact that this problem is much more complex than all the levers that MHCLG has. It is also about border control and Home Office enforcement. There are a number of factors and it is wrong simply to paint the picture that everybody who has no recourse to public funds is somehow naturally destitute and, therefore, needs to be looked after, when some of them are hardened criminals.

Q296 **Bob Blackman:** That is why I say this is a very complex area of policy. While you are the Minister in this position, I would suggest that you consider what the commitment is and qualify the commitment to make it clear what the Government are going to do. Otherwise, this is going to return continually to haunt us.



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Could I just look at what happens at the moment? We are now in a position whereby a large number of people—and we will come on to the data in questions later—are in emergency accommodation under the Everybody In programme. They cannot be offered any move-on options, because they have no recourse to public funds. Clearly, we do not want them to return to the streets, so what happens to those people going forward? What is the Government policy on those people who are currently in emergency accommodation and have no recourse to public funds and, therefore, councils cannot, in these circumstances, move them on to move-on accommodation? What happens to them?

Eddie Hughes: Through the Next Steps Accommodation programme, councils are allowed to work with them to reconnect them, for example, with family and friends, or to facilitate a voluntary return, if they want to return to their home country as non-UK nationals. Ultimately, it comes down to the point that sometimes that is necessary. If they have come to this country under a particular set of conditions, they accept those conditions. I appreciate that we are in exceptional circumstances with the pandemic. The Government have done a considerable amount to support them, and still there are charities available that might be able to provide support to them. Ultimately, perhaps a voluntary return is sometimes the only option available.

Q297 **Bob Blackman:** When we talk about Abeo and others, who cannot return home because they are in fear of their lives due to the political situation, what happens to people like that?

Eddie Hughes: The charity sector will frequently step in and offer support. That is my personal experience. I am sure that you, with your extensive personal experience, will have seen that as well.

Q298 **Rachel Hopkins:** You said earlier, Minister, that no recourse to public funds is incredibly broad. Can you tell us exactly who is subject to no recourse to public funds?

Eddie Hughes: It would be too straightforward an answer for me to say that, if you have come into this country, it would be stamped in your documentation if you had passed through a legitimate process. There are a lot of people, for example, who will have overstayed visas or something like that, so it will not be recorded in the same way. It is sometimes a difficult thing to identify, and that is why we need to work with individuals sometimes to help determine what position they are in.

Q299 **Rachel Hopkins:** Can you not even give us an example of broad categories? You have talked very much, I sense, about the negative end of people overstaying. In my constituency of Luton South, lots of students at the University of Bedfordshire, who are an asset to my town, have no recourse to public funds. That is one category. Can you elucidate any others that are not at the overstayer end that you seem to be keen on?



Eddie Hughes: No, I would not say that I am keen on them. You have just given another example. If people come here to study and are surely expected to return, and they fall into that category as well, that is not an inappropriate classification.

Q300 **Rachel Hopkins:** I am trying to get a bit more around your understanding of the different categories and the data behind that on how many. Do the Government not keep data on how many people in some of these different categories are subject to no recourse to public funds?

Eddie Hughes: If they do keep that data, and they may well do, it would probably be a Home Office responsibility rather than an MHCLG one. I am not trying to be evasive. I have been in my job in MHCLG for a very short time. I certainly have not had an opportunity to familiarise myself with data from other Departments.

Q301 **Rachel Hopkins:** What I am trying to get at is that, given the comments earlier about the funding that has been put into different programmes, if you do not have the data and the understanding of those who are subject to no recourse to public funds, even as a broad estimate, you cannot really estimate what the costs should be of making specific funds accessible to these people who may need help.

Eddie Hughes: I am very grateful that she is here, and perhaps Penny could step in to offer me some assistance.

Penny Hobman: I certainly can. Perhaps you could repeat the question.

Rachel Hopkins: If the data, or even an estimate, about who is in the no recourse to public funds category is not available, how can you have made an estimate about allocating funds to support those people as part of tackling the accommodation issues that have come up?

Penny Hobman: For the allocations of funding that we have made to local authorities throughout the pandemic, and the un-ringfenced grants to local authorities outside the broader ones, we have done an overall assessment of likely need based on bottom-up assessments from local authorities of what they think they will need to be able to manage Everybody In during the pandemic. That has been based on local authorities co-producing, with my team, their plans for the provision that they need to put in place. As the Minister said, local authorities have made the decisions and have had the responsibility to understand what provision they can lawfully make to people throughout the pandemic, both those with and those without recourse to public funds.

Q302 **Rachel Hopkins:** I will go back to the point I am trying to make. Without any genuine understanding of the quantum of people who have no recourse to public funds and, as has been alluded to, given the changing nature of this pandemic over nearly the last year now, is there no assessment of what is really needed in that respect, or the potential? We heard from a number of witnesses in very different situations who had



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been thrown into a difficult situation by the pandemic.

Penny Hobman: As the Minister said, we do not collect data on the number of individuals with no recourse to public funds.

Q303 **Rachel Hopkins:** If we narrow it down to the info that you are responsible for, an estimated 10,000 are still in emergency accommodation. How many of those are subject to no recourse to public funds?

Penny Hobman: We do not have that data.

Q304 **Rachel Hopkins:** You do not collect data on those people either.

Eddie Hughes: We do not collect that data but, similarly, we do not collect the data on the number of people who have no recourse to public funds but who are getting help through the furlough scheme. That does not stop us being able to help them in that respect. Sometimes, the data is not absolutely necessary.

Q305 **Rachel Hopkins:** I want to get to the bottom of the policy decisions around helping rough sleepers and homelessness during the pandemic at the moment, because we are the HCLG Select Committee. That is why I want to be really clear about how these policy decisions are come to, and to have a little more information about the bottom-up nature of it. I am drilling down into the specifics. Of the 23,000 people who have been moved into more settled accommodation, how many have been subject to no recourse to public funds, if any? I am trying to get a real understanding of the Department's understanding of this issue.

Eddie Hughes: I have not seen the data so far, so I do not think we have it.

Rachel Hopkins: We may pick up again on some of this later.

Q306 **Chair:** We will, because it is quite important to know how many people who were moved very quickly under the Everybody In programme, with real commendation for what the Government and local authorities did, are going to be stuck in that accommodation or back on the streets because they cannot be moved anywhere else, since they cannot be funded. This is a really important question.

Eddie Hughes: Sorry, Chair, I am going to ask a very cheeky question. I am embarrassed to say that I have not asked Walsall Council about this. Does your own council hold that data?

Chair: I would not necessarily know that, but we had assumed that Government might be collecting it. If you have people who have been helped under the Everybody In programme, and who have, quite rightly, been taken to hotels and other forms of accommodation, but eventually that funding goes, what then happens to those people? Do they end up back on the streets? There is no other way that local authorities can help them.



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I will come on to that issue about local authorities because we had a lot of evidence from local authorities and lawyers. They were all saying to us—virtually every witness we had, and there were some professional, expert lawyers and local authority representatives—that they are completely unclear what the current situation is with local authorities' ability to help people with no recourse to public funds. It seems that the Department is the only organisation that thinks there is clarity. Is that an acceptable position to be in?

Eddie Hughes: I said earlier that no recourse to public funds is not a new categorisation. It has been there for many years and councils seem to have coped previously with understanding—

Q307 **Chair:** You just said yourself that this is a new situation because of the pandemic. The pandemic is new, and it is councils' ability to help in the pandemic that we are now talking about, which is very specific and new.

Eddie Hughes: The law has not changed with regard to what councils can legally spend their money on in supporting them, so it feels to me that the situation is the same as they would have experienced previously.

Q308 **Chair:** It is not, because, when the Government brought in the Everybody In programme, they specifically allowed councils to use that funding to help everyone, including those with no recourse to public funds. What councils do not know now is whether that same rule now applies to all the different funding streams that they have had to help people who would otherwise be at risk of going back on the streets.

Eddie Hughes: I feel like I am being evasive when I say that, providing councils are acting within the law, they will be able—

Q309 **Chair:** They do not know what the law is. That is what they are saying to us. Lawyers and councils are saying that they do not know what the law is.

Eddie Hughes: I would have to take your word for it. That feels like a surprising position, given the amount of experience that they will have had in this area.

Q310 **Chair:** They have not had experience of a pandemic. That is what they are saying now. How does the new Government funding and the general powers that they have apply to the pandemic situation now? You probably need to take this back, because it is a real problem. Some councils are providing assistance to people with no recourse to public funds, and others are not, so a postcode lottery has developed.

Eddie Hughes: My understanding is that they can provide basic safety net support, if it is established that there is a genuine care need that does not arise solely from destitution, for example where there are community care needs.

Q311 **Chair:** We certainly had legal expert evidence that said there were a lot of grey areas around this. If you think councils are entitled to spend this



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money, it would be really helpful if you could write to us setting out what you think their powers are. That would be really helpful, not for us as the Committee but for the councils out there and for the people they are trying to serve.

Coming back to the initial question that I asked about the £10 million and whether it could be spent on individuals with no recourse to public funds—you cannot answer the question now, I appreciate—could you set out for us again all the funding streams that have been put in place by the Government to help homeless people and rough sleepers? There are many of them and they have been very welcome since March last year. Could you explain precisely which can be spent on individuals with no recourse to public funds and which cannot? Could you set that out for us?

Eddie Hughes: I believe I can but, unfortunately, that might be a very legalistic approach that just says, “Providing they are spending it legally, they can spend it.”

Q312 **Chair:** We need a bit more than that. If you go back and try to help us with that, it would be very helpful.

Eddie Hughes: That is completely understood.

Chair: We want to move on now to the Government’s very laudable objective of ending rough sleeping.

Q313 **Ben Everitt:** First, Minister, I welcome you to your new role and note that you were a Whip the last time we had a conversation. How the tables have turned.

Eddie Hughes: Thank you for pointing that out.

Ben Everitt: Let us talk generally about Everybody In. What lessons have the Government learned about how to tackle rough sleeping, and how will we get on with the commitment to ending rough sleeping in this Parliament?

Eddie Hughes: Fundamentally, the lesson we have learned is that, under extreme pressure, councils, charities, the Government and other organisations working together can achieve incredible things. In a very short space of time, bringing so many people in off the streets and subsequently moving them on into another accommodation has been an incredible feat, to say the least. That ability for the sector to work well together has been incredible. We need to remember, and I keep coming back to this, that this is a health pandemic that we are talking about. The intention of getting people off the streets was to save lives.

It is incredibly sad when we lose anybody to this dreadful virus, but we have been able to limit those numbers to fewer than 20 homeless people. While every one of them is sad, at least we have achieved protecting a considerable number of people. The management information that we have received from councils has been incredibly valuable. It is reactive data, but that has also been useful. Hopefully, that will help us streamline



and improve services in the future. A number of good things have come out of this.

Q314 **Ben Everitt:** Picking up on that data point, it really feels like it is a bit of a moving target. We knew that the most recent count prior to the pandemic was 4,266 rough sleepers—that was in the autumn of 2019—and the initial estimate for Everybody In was about 12,000 that we were looking at last spring. We now know that it has helped over 33,000 people, so there is a real challenge in assessing the scale of the problem and allocating resources to deal with it. What lessons have we learned there?

Eddie Hughes: Those are different datasets. That sounds like an odd way of putting it, but the annual snapshot provides a way of estimating the number of people sleeping rough on a single night in autumn, so that is one figure. During the pandemic, people might have had, for the sake of argument, people sofa surfing and staying with them. When the pandemic happened, they felt it was more appropriate that those people did not live with them anymore, from an isolation point of view, depending on the crowded circumstances they were living in. That would have caused extra pressures.

You are right, the datasets are collecting different bits of information, but it has helped us. The information that we have received from councils will be invaluable over time in helping us break those people down into different categories and, therefore, identify what their needs will be in the future.

Q315 **Ben Everitt:** I appreciate it is early days in your role, but that is where the real value of that dataset is going to be. Talking about that big 33,000 dataset, how in depth are we in terms of assessing that, looking at the different categories in it, and how we can plan and fund interventions in a post-pandemic world?

Eddie Hughes: It is not just what we know about them but what we know about rough sleepers from other sources. The rough sleeping questionnaire collected info back in 2019 and 2020. About 500 people were interviewed through that. Through various datasets, we know more detail about the various people we are talking about. We know, for example, that 82% of people in the rough sleeping questionnaire had mental health vulnerability, over 80% had physical health problems, and 60% had substance misuse. We know more about them and where they are, and those things, collectively, will help us tackle the problems.

Q316 **Ian Byrne:** Minister, the Government decided to change the definition of substantial rent arrears to make evictions possible for people who have accrued rent arrears as a direct result of coronavirus. Are you going back on your promise that nobody would lose their home as a result of the pandemic?

Eddie Hughes: I do not think so. When you look at the amount of things that we have done to support people, that is not the case at all. For



example, when you think about it, providing the job retention scheme and the furlough scheme has helped millions of people. The Government have pumped tens of billions of pounds into that. That is an example of one way that we have helped to make sure that people continue to be paid and, therefore, continue to be able to pay their rent. Into the bargain, we have done other things such as ensuring that evictions are stopped for a period of time. We have stopped bailiff action. Collectively, the different tools that the Government have applied to this situation mean that we are helping people to keep their home.

Q317 Ian Byrne: I appreciate what you have just said, but there is a change in wording and a different technicality now. I am really interested in what was wrong with the original clause, which defined substantial rent arrears as equivalent to at least nine months' arrears originating before March 2020. That is absolutely key, because now, certainly speaking to the housing lawyers in Liverpool, we are having people evicted who accrued rent arrears during the pandemic. The original promise by the Government was that nobody would be made homeless because of the pandemic. This has now changed. Why was the wording changed?

Eddie Hughes: The data I have seen suggests that the median of people who are in rent arrears will have one to two months' rent arrears. Nine months' rent arrears would be unusual and at the exceptional end of the spectrum, and would probably be something to do with arrears that they had before the pandemic. The stats I have seen suggest that it would be unusual for people to be in nine months' rent arrears and to have accrued it solely during the pandemic.

There are two sides to this coin. I felt I needed to declare that I am an accidental landlord. My wife looks after all this, but we have had a tenant for three years. We have not put up the rent during that period because the most important thing to me is maintaining that tenancy. It is far easier to keep a tenant than to lose one and have to replace them with another one, and then take the risk that you might go through a period of having no rental income at all.

From my point of view, you also need to consider the other side of the equation. There are some landlords who have just one property. They might be retired and dependent on that property for their income. It would not be fair, similarly, that they end up losing their home because they have no rental income coming from the property that they have used as their pension. We just needed to set that balance and, as I say, it felt to me that you would be at the extreme end if you were talking about people with nine months' rent arrears. The usual would be one to two months of rent arrears.

Q318 Ian Byrne: You are a landlord with a high standard of morals, but there are many who are not, and there are many who will now be enforcing what they can because of the Government change. You mentioned balance. How did the balance change between the statutory instrument from November and the statutory instrument from January? Where did



the pressure come from to make that change?

Eddie Hughes: I cannot say that I know. I do not know, but I do not imagine there was pressure. I imagine that officials look at the data and at the distribution of the number of people who are in arrears. If they see that the majority of people have two months' arrears or less, they probably think that that categorisation did not need to be as broad as it was. It almost feels like the punitive end of the scale in terms of landlords having to accept nine months of rent arrears, whereas a more reasonable position for both parties feels like six, given that most people have less than two months.

Q319 **Ian Byrne:** We are in the middle of a Covid pandemic, and the original promise from the Government was that nobody would be made homeless. The statutory instrument changed, and people can now be made homeless due to the ramifications of what has happened to them during Covid. I have not seen anything from the Government explaining why they have changed it. I appreciate that you are new to the job, so it would be really helpful, certainly from the Select Committee's perspective, that we get something in writing that tells us why it was changed.

It is having huge ramifications now for people in many of our communities who will be getting turfed out by private landlords. It is happening, so I cannot impress enough on you that that change in the statutory instrument has now enabled evictions to take place. Again, I would love that in writing. As a Committee, we would love it in writing, to see what happened and why that was change was made. If there is data available, again, show us the data.

Eddie Hughes: Several people have produced data to substantiate this position. The other point is that renters who are served notice now can stay in their homes until July. Another point that needs to be made is that, if, for the sake of argument, you are occupying a more expensive property that is now beyond your means, we could all agree that it would be more rational that you move into a cheaper property. That seems like an appropriate accommodation that would be good for both parties. In terms of the amount of protection that we put in place, with staying evictions and allowing that six-month notice period, we have gone an incredibly long way to protect people in their homes.

Q320 **Ian Byrne:** You are moving away from the original promise. You talk about people maybe going to cheaper accommodation. We will leave that one there.

Eddie Hughes: It is not in anybody's best interest to leave somebody in a property continuing to accrue arrears. If the intention is that that money is paid off at some point in the future, surely it is better for everybody that that debt is kept to an absolute minimum. It simply does not make sense to leave somebody in a property in perpetuity continuing to grow their debt.



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Q321 **Ian Byrne:** We are in a pandemic. There are not many opportunities for people to trade jobs or earn more income. We are where we are. We have people on furlough, on 70% or, in some cases, 60%. Incomes have dropped through no fault of their own, and what was said, at the time when the Minister passed this, was that they were going to ensure that no one was thrown out into the street. That has now changed. However you try to dress that up, it has been changed. What I am asking for is the rationale behind why it has been changed and why, potentially, it is now going to force many people out of their homes and on to the streets. That is what I am asking, and I would like it in writing.

Eddie Hughes: We are introducing a mediation process between landlords and tenants, if court proceedings are initiated. The data I have seen suggests that lots of landlords and tenants have already informally agreed a debt repayment process by which the money owed can be paid back over an extended period of time. The Government are doing their bit through the legal process to try to encourage landlords and tenants to work things out between them.

Q322 **Ian Byrne:** You are leaving it again to the landlord/tenant relationship and the power imbalance. That is why it was in legislation, so they knew that they would have a roof over the heads during the pandemic. That has now changed. I cannot emphasise this enough. The perfect world where you may live, where the relationship between landlord and tenant is all hunky dory, does not apply to every person in this country.

Eddie Hughes: I understand.

Q323 **Ian Byrne:** That is what I am trying to emphasise. That safeguard was there to keep people with a roof above their heads. Now that has gone. That is what I am trying to tackle, but we have spent enough time on this and there are other questions.

The National Residential Landlords Association estimates that at least 800,000 people are behind on their rent. What is your current estimate of how many households are in rent arrears? Do the Government have that data?

Eddie Hughes: The honest answer is that I do not know. I will go back to the point I made with regard to the percentage of people who are in rent arrears. The English household resilience study suggests that between 6% and 7% are in rent arrears. Forgive me for trying to accentuate the positive but, if you flip that the other way, it means that 93% or 94% are not in rent arrears, so we should be grateful for things like the furlough scheme, which has done tremendously good work in helping people continue to be able to pay their rent.

Q324 **Ian Byrne:** As an aside, I think you are genuinely trying to answer the questions and I can see that you have some empathy for what we are talking about, but can I make an ask of you? The Minister's job changes more quickly than the Chelsea manager's job, but can you make a commitment that a key task within your remit will be the collection of



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verifiable data, so that we can fully understand the scale of what is unfolding in our communities? A common thread throughout this last hour has been a lack of data. It leaves you in a difficult position, and we are getting frustrated by not having the data to analyse and see why the Government are making the decisions that they are making. If you do one thing within your tenure, if you could focus on that, that will be a job well done and you will certainly be commended by this Select Committee.

In November, the Chancellor warned that unemployment would rise by 1 million by mid-2021. Do we know the proportion of that 1 million who rent privately?

Eddie Hughes: Once again, I am embarrassed to say that I do not know the answer to that question, but I will get that data, assuming we have it.

Ian Byrne: I am not here to embarrass you. You are here to do your job.

Eddie Hughes: I just have not had the opportunity in the space of the few days that I have been in the job to get my hands on it.

Ian Byrne: I appreciate that.

Eddie Hughes: There is probably an official somewhere shaking their head, saying, "You have had that flipping data."

Q325 **Ian Byrne:** Does Penny know?

Eddie Hughes: Penny is responsible for homelessness. This is not her area of expertise, unfortunately.

Q326 **Ian Byrne:** The last question from me is, again, probably unfair—well, it is not unfair—but we are where we are. What is your current estimate of how many households have rent arrears of six months or more? If we do not know that, why did the statutory instrument change?

Eddie Hughes: All I can say is that I have a vague recollection of the graph that shows me that distribution. As I said, the median is that people have less than two months, and it then drops off as you move further down the spectrum. I am trying to call to mind the graph, so I would imagine it is about 2%, but I will be able to get that information. I have definitely seen that graph; I just cannot recall the data.

Chair: Moving on to further figures, Minister, you will be pleased to know that we are going to explore a few more details about the data and estimates of evictions.

Q327 **Ian Levy:** Unfortunately, I am going to be asking you for more data and information. If you can give this data, it would be fantastic, because I will be asking you for quite a bit. If you cannot but you could submit it to the Committee, that would be much appreciated. The pandemic has had a massive effect across the world, as well as the country. How many extra evictions do you expect due to Covid-19 compared with normal levels? The Committee has heard that there could be at least an additional 45,000 evictions compared with normal. Whatever that figure is, in your



experience, would you expect these evictions to hit all at once or over a prolonged period?

Eddie Hughes: I would like to think that things like the mediation process that I mentioned earlier will mitigate against them happening at all. The courts are currently operating at less than full capacity. That is a polite way of saying it. Even if there was the intention of those evictions, there is a challenge for the courts in terms of their capacity and their ability to process them. We use the Ministry of Justice possessions data to monitor volumes of claims and orders, and that data is available on the Ministry of Justice website. No repossessions were recorded between April and September, compared to around 15,000 in the same period the previous year.

The Ministry of Justice reports that applications to the court for possession by private and social landlords were down 86% between July and September compared with the same quarter the previous year. We have seen that the processes that the Government have put in place during the pandemic have had an effect. When we come out of it—and I appreciate, as the other Ian said, not everybody lives in a perfect world—I am sure there will be a reasonable approach taken by many landlords, although clearly not all, and a significant number of people might choose to progress to possession. We also know that lots of things never get to court, because, once the landlord talks about continuing with proceedings, the tenant moves out and finds somewhere else to live anyway.

Those figures that you suggested would be not just absolutely extreme but it would be impossible for the courts to handle them at that level. The data that we see at the moment probably does not make the Government feel that that is likely to be the position. If we were concerned that those figures were going to be realised, we would be considering alternative courses of action.

Q328 **Ian Levy:** Do you know if we have any figures of how many households have approached their local councils for help during the pandemic so far? Do you feel that local authorities are in a position to cope with increased numbers of people presenting as homeless?

Eddie Hughes: We talked earlier in the session about the amount of money that the Government are putting in to tackle homelessness and rough sleeping. We are talking about £700 million this year and £750 million next year. Think about what the Government are doing at the moment. One of the great things that Louise Casey did was to put pressure on the Government to bring forward a proposal they already had to create another 6,000 units of accommodation. We are going to see 3,300 of those coming online before the end of March. In terms of the Government's preparedness to have accommodation for people who were previously homeless or rough sleeping, we are already putting extra effort into that.



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If we think about it—and I am very grateful to Bob for it—the Homelessness Reduction Act has made us upstream that support, so that we can identify people whom we have a duty to support if they are at risk of becoming homeless. Councils are in a better position to offer that support when they are approached.

We also have things like discretionary housing payments. If you are on universal credit and in difficulty, this year it is £180 million and, next year, it will be £140 million. Local councils have that discretion to be able to support people and try to prevent them becoming homeless. That is our ultimate goal. It is not a question of wanting to help people when they are homeless. Let us try to head it off. That is what the Homelessness Reduction Act does.

Q329 Bob Blackman: Minister, thank you for the compliments about the Homelessness Reduction Act. I now want to move on to Government legislation that we are all looking forward to, namely the Renters' Reform Bill. The current position is that housing lawyers of various types are very confused about what the law on evictions is. One of the problems here is that we seem to be waiting until the Friday before the ban on evictions ends before announcing what is going to happen going forward. Is it reasonable that we wait until the very last minute and then extend the ban on evictions?

Eddie Hughes: In an ideal world, no, of course that would not be reasonable and that is not the way the Government would act, but we are living through what feel to me very unreasonable times. The idea that I cannot have my children round to see me for Sunday lunch is clearly not a reasonable circumstance, but the idea that the Government might decide at the last minute to allow me to have my children round for lunch is something I would be completely open to.

Q330 Bob Blackman: With due respect, Minister, there is a massive difference between someone who potentially could be facing eviction from their home and the interference in our civil liberties over who we can have into our homes. The problem is what happened during the summer and has now happened twice. I was asking questions of Ministers in the summer, before the recess, as to what the position was going to be. I was given assurances on the Floor of the House: "No, do not worry. It is all going to be fine. We do not need to do anything."

We waited and waited, and, literally before the bank holiday weekend, announcements were made. We then went on and it has been a continual process of a failure to alert people in advance. I completely accept that we are in a pandemic; we all accept that. The problem is that we know what the position is but we are not alerting people early enough for them to make the appropriate plans. Do you agree?

Eddie Hughes: I am sorry to say I do not. On this point about civil liberties and the change of the law, these are the most draconian measures that a Government have ever brought in during peacetime. All



of the law that has been enacted during this time is because of the incredibly difficult circumstances that we are in. Sometimes, it is necessary to make decisions and enact them quickly. Some people might see that as doing things at the last minute, and other people might see it as the Government being agile and responding to the circumstances they find themselves in.

Of course, wherever possible, we will seek to provide people with as much certainty as we can give in advance, but it is sometimes necessary to respond to the changing circumstances that we are living in. The Government should not need to apologise for that. It is not ideal and it is not helpful to lots of people but, unfortunately, it is frequently necessary.

Q331 **Bob Blackman:** There is an old maxim, "Hope for the best but plan for the worst," and it seems to me that we are not announcing those details that we need to. Let us move on to the Renters' Reform Bill. The Housing Minister gave evidence to us that the Bill would be introduced when there is "a sensible and stable economic and social terrain on which to do it". Can we be clear what we mean by a sensible and stable economic and social terrain? How will you and your colleagues decide whether the conditions are right to move forward with the Bill?

Eddie Hughes: The only way I can think of to answer that question is to flip it the other way. We know that we are not living through stable times at the moment, and it might be hard to determine what is going to be stable in the future, so that might feel like it is a long way off, but the Prime Minister has said that, when we return from recess in the third week in February, he is, hopefully, going to be setting out our roadmap out of this lockdown. Given the fact that the graph showing how many people are being vaccinated seems to be moving vertically upwards at the moment, hopefully we will be in a stable or a considerably more stable position in the not-too-distant future.

One of the problems is that you do not want to rush into any sort of reform because it has been a long time since we have had any reform. You do not want to try to do that too quickly to deal with the circumstances. It almost seems that it would be crazy to do it during the type of turbulence that we are experiencing at the moment, because you would be formulating your law based on a set of circumstances that, you hope, will not exist for many years to come.

Q332 **Bob Blackman:** Government Bills are already being carried over into the next parliamentary session and we are hearing rumours of a State Opening possibly in May, with a Queen's Speech coming. Are we going to get the Bill announced in the Queen's Speech, possibly with the introduction before the summer recess, when we all expect, with everything else that is planned, to be in a position whereby a large percentage of the population will have been vaccinated and we will be back to some degree of normality?



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Eddie Hughes: I have to say that a decision like that would be above my pay grade, although it feels decidedly unlikely to me, because that is still a very short timeframe. There are a lot of people with whom we would want to consult in order to ensure that we are making good legislation. If you are not going to change it dramatically for another 10 or 20 years, it would be unfortunate to try to rush it in before some arbitrary date just to get it dealt with. I would prefer considered legislation, engaging with lots of relevant stakeholders and making sure that we get a good Bill. Let us go back to it again, Bob: lots of people were involved in your Homelessness Reduction Act, which is good legislation.

Q333 **Bob Blackman:** The risk is that, because of section 21, so-called no fault evictions, which is still the current law, if we come out of the pandemic, just as we were talking earlier about the position of those people being evicted, there could be—this is all conjecture—a rush from landlords who have tenants with substantial rent arrears to use no-fault evictions as a means of at least recovering their property. Is that not a risk that the Government need to plug?

Eddie Hughes: It may be a risk, but it does not feel like a substantial one, for the reasons I described in my answer to Ian. There are a number of reasons why you would not expect things to proceed at that level. Let us go back to the point that the median level of arrears at the moment is between 6% and 7%. If we compare those figures to the previous year, when there was no pandemic, we would expect arrears to run at about 4% anyway, so we need to make sure that the action we are taking is in proportion to the problem we are experiencing, rather than extreme predictions that people might have provided.

Q334 **Bob Blackman:** I suspect that you will not be able to answer another question about data, but the courts have faced prolonged backlogs and delays. You have answered about the position between April and September, but there is an issue about landlords knowing that they are not going to get their cases heard, so there is no point in submitting them. In fact, they have been directly discouraged from doing so. Do you have any data on how much the backlog of cases has been reduced since the Nightingale courts and the other measures were introduced in the autumn of 2020?

Eddie Hughes: I do not, and I feel slightly less bad about not having that data, simply because I am putting all my effort into getting to grips with the data specifically relevant to this Department.

Q335 **Bob Blackman:** I understand that. It would be very helpful if we could have some information in respect of what has happened about this, because it is going to lead, potentially, to a number of evictions and a number of people facing the risk of homelessness, therefore leading to rough sleeping.

Eddie Hughes: That is understood. My problem with committing to provide data is that I might be committing to provide data that does not



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exist. However, if that information is available, I will ensure that the Committee is furnished with it.

Q336 **Bob Blackman:** I suspect we will be writing to you after this session with a long list of data that we would really appreciate having as part of our review.

Eddie Hughes: That is understood.

Chair: Minister, we are being helpful to you as well, because you will also get the data.

Eddie Hughes: It is of mutual benefit.

Q337 **Chair:** You mentioned to Bob Blackman the issue of needing to thoroughly prepare changes to legislation around private renting because, hopefully, those new measures are going to be in place for the next 20 years. You also mentioned the Homelessness Reduction Act, which was very well done, partly because we had pre-legislative scrutiny in this Committee. Would you envisage any Renters' Reform Bill coming to this Committee for pre-legislative scrutiny?

Eddie Hughes: The simple answer to that question is that I would be very grateful to take advice and guidance from the Committee with regard to the Bill. As to whether I would go so far as formally saying pre-legislative scrutiny, that is not something I could commit to.

Q338 **Chair:** Would you welcome it?

Eddie Hughes: I would certainly welcome advice from the Committee, for sure.

Q339 **Chair:** Our advice would be that we would welcome doing the pre-legislative scrutiny. Let us move on and say that, for all the restraints and restrictions, however adequate or inadequate, about bans on evictions and trying to help people who are in rent arrears, we eventually get to the point when maybe life in general returns to some degree of normality, but those rent arrears still remain in place.

Is there a policy about what to do? There are concerns that there may be a cliff edge for people when the legislation changes back to the legislation before the Covid special measures were brought in, or there could simply be a long burn of new evictions following rent arrears that build up as unemployment rises and the job retention scheme comes to an end. We all expect that things, for whatever reason, will get worse. Is there a policy about what to do with rising arrears in the private rented sector?

Eddie Hughes: The most important thing is that people continue to pay their rent where they can, and that they prioritise paying their rent. The bit of data that I have definitely seen, which I mentioned earlier, is that 6% to 7% of people are in arrears against a backdrop of 4% the previous year, so we are not in exceptional times in that respect at the moment. As I said, those people on universal credit who are in rent arrears have the option of approaching their council for the use of discretionary



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housing payments. I understand that people can extrapolate and decide that there might be terrible circumstances, but the Government have deliberately put forward a number of mitigations to try to prevent that from being the case.

Q340 Chair: You mentioned the job retention scheme, which has been generally welcome, but we know that, when it comes to an end, there will be a lot of people who are then much worse off and struggling even harder to pay their rent. You mentioned discretionary housing payments. The uplift of £40 million was welcome—a 30% increase on the previous year. Would you go to the Treasury and argue for extra money for discretionary housing payments in the next financial year? We are not asking whether the Government will do it but whether that is something that you, as a Minister, would want to do to try to help people.

Eddie Hughes: That is not something I would try to do. The reason I say that is that, when I get the opportunity to ask for more money, there might be other areas where the need is more pressing. The reason I say that is that we had £180 million—and you were right to say it is a 30% uplift—but, by the midpoint of the year, only 40% of that had been spent by councils. Why was that? It was probably because they felt that people were paying their rent and were not approaching them in need of that money. That is one factor inasmuch as it seems like, at the midpoint, people had not spent as much of the money proportionately as they might have done.

Secondly, because of the change that we made to local housing allowance, it has equated to about an extra £600 a year for about 1.5 million people. I feel like the Government have already done other things to put more money in people's pockets or to make more money available for people to pay their rent.

Q341 Chair: So you do not support an increase in discretionary housing payments?

Eddie Hughes: I do not, not least because, if I was going to make a case for more money, there might be other areas that I felt were more pressing.

Q342 Chair: What would they be?

Eddie Hughes: If we go back to the most vulnerable housing areas, the idea of supported housing, for example, might be something that would be considered. There could be a number of areas where I would consider additional funding, and then I would have to speak to officials to get more information to substantiate my case.

Q343 Chair: This is about genuinely trying to understand, and how the Department is itself beginning to understand, the slightly longer-term implications of what we are going through now, in terms of the housing situation and the Covid situation. We could have many tenants who may get into arrears, and their credit ratings are affected. We could have



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tenants who pay off their arrears using their deposit when they leave a tenancy, and do not have a new deposit for another property. We could have landlords who exit the market because they have had a really difficult time. I accept that it is not just tenants, but landlords as well, who can be affected. Those are big issues. Is the Department sitting down and thinking now about a policy approach to trying to tackle some of these issues before they hit us?

Eddie Hughes: I feel like I keep referring to this point. They are big issues but, proportionately, not much bigger than they would have been the previous year in terms of the people who seem to be suffering financial problems such that it is impacting on their ability to pay their rent. I imagine that people are considering worst-case scenarios and preparing plans of action accordingly, but it seems to me that the present position is not as grave as you might have painted.

Q344 **Chair:** It is going to get worse, is it not? We know the economic circumstances. It is not a blame game but just the reality that that is what is going to happen, and the coming months are going to get worse.

Eddie Hughes: Yes, but they still have some of the safety nets that already exist, such as discretionary housing payments. If, for the sake of argument, you have spent your deposit paying off some rent arrears and you need help with a deposit to get into your new property, that is something discretionary housing payments could be used for.

Q345 **Chair:** So you do not think that any of the issues that I have just mentioned—credit ratings for tenants, using their deposits to pay off arrears or landlords starting to exit the market—are major concerns for the private rented sector in the next couple of years?

Eddie Hughes: No, I am sure they are major concerns.

Q346 **Chair:** Is the Department going to come forward with its thoughts on how those issues might be addressed?

Eddie Hughes: I will have to write to let you know.

Chair: That would be helpful, Minister. We look forward to receiving that as well. We will finish up with a nice, easy question from Bob Blackman.

Eddie Hughes: Bob, can you please ask me what my favourite colour is, so that I can tell you it is ultramarine?

Q347 **Bob Blackman:** That is always a good start. I could ask you about your favourite football team, but I suspect we know what that will be.

We have not had satisfactory answers from your colleagues on this particular issue. Do you agree that we need a huge expansion of social rented housing both to tackle the impacts of the pandemic and to ensure that homeless people have a property at a rent they can afford and, if they get a job, that they can pay for it out of their wages or salaries, rather than relying on benefits and having to rely on the private rented sector to carry out the work of providing socially rented accommodation?



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We would wish to see 300,000 new homes built each year, and progress is being made on that, but a substantial proportion—we could argue about what proportion it would be, but I would say between 90,000 and 100,000 units a year—of socially rented accommodation needs to be provided. Do you agree that we should be doing that as a policy?

Eddie Hughes: I am sorry to say that I am not sure that I do. The reason I say that is that, if we are building 300,000 houses a year and meeting that target, it will allow people to move up and out of properties naturally. For my part, prior to joining the Whips' Office, I was the chair of the APPG on Shared Ownership Housing. I see that, when we look at the data that asks, "Do people aspire to own their own property?" still a considerable number of people aspire to own their own property.

If they cannot own all of it but could at least own part of it, and subsequently have something to hand on perhaps to family members in the future, that is the ultimate aspiration of a lot of people, and the shared ownership product that the Government have and the changes that they have made to shared ownership, allowing people to buy smaller tranches and staircases more easily, makes that a very useful product to have. Once you introduce more properties and a range of tenures, you stimulate opportunities as people move between various tenures and, therefore, create openings in other ones.

Q348 **Bob Blackman:** Every shared ownership scheme that I am aware of is always heavily oversubscribed, so I would agree with you completely. Should there be a target on the number of shared ownership units that are provided? By the way, we are not talking just about houses here. In London, I would be delighted to see houses being built. What we get in London are tower blocks of huge proportions, which are very difficult for anyone to live in, but let us hear your thoughts on that.

Eddie Hughes: I thought you were going to say "let us leave it there", because I feel like you are deliberately trying to ask me a trick question.

Bob Blackman: It is not a trick question.

Eddie Hughes: No, sorry, I mean because if Minister Chris Pincher is listening he is probably thinking, "This is my area of responsibility and you should not be straying into it."

Q349 **Bob Blackman:** You are the Minister for Rough Sleeping. The reality is that these are people with, by definition, low or no income at all. People who become homeless through no fault of their own, particularly as we end this pandemic, are going to be faced with the problem of how they pay their rent. We end up with expensive rents being charged and either subsidising through universal credit or through housing benefit, depending on where in the country you live. The reality is that that is a huge cost to the taxpayer. Would it not be better to have socially rented accommodation at rents that people can afford to pay, rather than expensive privately owned accommodation that they cannot afford to rent, so they have to claim benefits?



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Eddie Hughes: Let us go back to your point about a target for shared ownership and let us say that I will commit to discussing that idea with Chris Pincher.

Q350 **Chair:** The one thing about targets is that history would show us that Housing Ministers never seem to stay around for long enough to see whether the targets have been met. That is one of the consoling features of the job.

Eddie Hughes: Sadly, that is very true.

Chair: Thank you very much indeed, Minister. We appreciate that you are very new in the job, but we hope to see you again before too long on some of these issues. We have quite a lot of matters that we would like you to write back to us on, particularly on some of the data but also some of the policy items. Hopefully, we will get that information from you and, if we then have a few further questions, we might have to write to you again. We all understand that this issue is a really important one, particularly about making sure that people are off the streets in this pandemic and that that does not cause a public health issue either for them or for the wider community. Hopefully, with general agreement, we then go on to get some real reform of the private rented sector as well.

Eddie Hughes: Absolutely, it is much needed.

Chair: Thank you very much indeed, Minister.