

# Housing, Communities and Local Government Committee

## Oral evidence: Impact of COVID-19 (Coronavirus) on Homelessness and the Private Rented Sector, HC 309

Monday 11 May 2020

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Watch the meeting

Members present: Mr Clive Betts (Chair); Bob Blackman; Ian Byrne; Brendan Clarke-Smith; Ben Everitt; Paul Holmes; Rachel Hopkins; Daniel Kawczynski; Abena Oppong-Asare; Mary Robinson; Mohammad Yasin.

Work and Pensions Committee Member present: Stephen Timms, Chair.

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### Witnesses

[I:](#) Jon Sparkes, Chief Executive, Crisis; Jamie Carswell, Co-Chair, London Housing Directors' Network, London Councils.

[II:](#) John Hall, Director of Homelessness, Ministry of Housing, Communities and Local Government; Luke Hall MP, Parliamentary Under Secretary of State (Minister for Rough Sleeping and Housing), Ministry of Housing, Communities and Local Government.

### Examination of Witnesses

Witnesses: Jon Sparkes and Jamie Carswell.

Q1 **Chair:** Good morning and welcome to this session of the Housing, Communities and Local Government Committee. This morning we are going to be looking at the impact of COVID-19 on homelessness and the private rented sector. We have two panels this morning. For the first panel, we welcome Jon Sparkes, the chief executive of Crisis, and Jamie Carswell, co-chair of the London Housing Directors' Network, London Councils. You are both welcome. We will then move on later to have the Housing Minister, Luke Hall MP, joining us, together with one of his officials.

Good morning, Jon and Jamie. I will address the first question to you



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both, if you would like to come in one after the other to answer it. As a simple question, how do you rate so far the actions and the performance of the Ministry for Housing, Communities and Local Government in its response to COVID-19?

**Jon Sparkes:** I have to say that the efforts of the Department, local authorities and charities throughout the country have been nothing short of phenomenal. The fact that 5,500, or possibly even 6,000, people who are most exposed to the virus, because of underlying health conditions, inability to access sanitation facilities and inability to self-isolate—it has been an amazing and unprecedented effort. To have that many people now safely in self-contained accommodation, so quickly, has been quite remarkable.

What has been particularly welcome to us is how quickly and flexibly the Department, in response to an emergency, has flexed what would be the normal legal tests for accommodating people. Things like priority need, local connection, intentionality, having no recourse to public funds, depending on migration status, are all being flexed successfully, and that has made people safe. As we go forward, first, we are still in an emergency situation. There are still people sleeping on the streets; there are still people dangerously exposed to the coronavirus. Secondly, there are people moving on to the streets. People who are new to homelessness or to rough sleeping are coming on to the street. We need to make sure we keep up the pressure and this amazing response as we go forward through the emergency.

Overarching all that is a phenomenal effort by local authorities, the Department and charities to make people safe.

**Jamie Carswell:** I would echo the response in the emergency. It is hugely heartening to see that, across providers, local authorities and MHCLG, there has been a coming together. There are 3,600 people who have been brought into safety in London, about 1,200 in GLA-procured hotels and 2,400 in borough-procured accommodation. That feels like a strong public health success. There was a very strong message to not worry so much about the legalities and not worry immediately about the funding streams, but to make certain that people were safe and, therefore, the public health implications for the wider population were secured as well. The challenge now is not to think that rough sleeping is resolved. Rough sleeping as an issue in London is not sorted. There are a number of prerequisites to that. Wider homelessness, family homelessness, for which authorities have those statutory duties, is still to be faced. That is what we look forward to and focus on now.

**Q2 Chair:** You have both rightly given credit to Government, local authorities and voluntary bodies working together to deal with the immediate challenge of rough sleeping. What do you see as the main issues in the medium and longer term, to try to avoid us getting back to the situation where we had that number of people rough sleeping? What do you think are the challenges, in terms of rough sleepers, homelessness and,



indeed, the wider private rented sector as we go forward?

**Jon Sparkes:** Starting from the here and now, there is still a danger of mixed messages coming out of the Department. There was a period when we were hearing advisers changing advice to local authorities very, very prematurely, which we raised with the Department, and we were reassured that that was going to change. Some other things have been incredibly helpful in the here and now. First, the Government's response in banning evictions for three months was very helpful, as people were under more and more pressure from other factors in the economy, whether they were able to work and so on. That has been hugely helpful.

The restoration of local housing allowance to the 30th percentile of local markets for 12 months has made a phenomenal difference. Outside the Department's jurisdiction, the example I have is in Edinburgh, where we are used to there being at any one time 20 or 30 houses for rent that are affordable on local housing allowance. That is now in the hundreds, 300 or 400 at a time. It has made a huge difference in large parts of the country.

Going forward, there are a few things. The first is maintaining those things, so maintaining local housing allowance at that rate, so both tenants and landlords have the security in what are hugely uncertain and worrying times. That is going to be important. The second is managing the connection between that and the overall benefits cap. We have had certain examples from our front-line workers where people have run into a problem because local housing allowance has been increased, but that has brought them into the benefits cap. There will need to be some intelligent management of the interaction between housing benefit and the benefits cap going forward.

There is a massive issue around the so-called no recourse to public funds. The fact that people, under normal circumstances, are not allowed to access the housing benefit system or universal credit because of their migration status means that, as people move out of safe accommodation and hotels, even with a great willingness to rehouse, there is a great risk that those people who do not have recourse to public funds will now be our rough sleeping population. We are very keen to see what has been achieved under Everyone In continue. There is such an opportunity now, probably a once-in-a-generation opportunity, where local authorities are engaging with people who for many years have struggled to engage with support and services. We are now engaging with them. We can find ways of permanently housing them and not rowing back on what has been amazing progress.

**Jamie Carswell:** One of the prerequisites in taking the next steps for rough sleepers is going to be finding accommodation with wrap-around support for this group of people. Some of them have low needs, and we understand that already. Some of them have very high needs, maybe drug and alcohol dependencies or mental health issues. It is that entrenched group, which has been the hardest to engage with



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historically, as Jon alluded to, where there is an opportunity. If we are thinking about that entrenched group, we need to think about the longer-term solutions to provide supported housing for that cohort.

We have a unique opportunity to be working with them and talking to them. That is going on at the moment, largely from the third sector providers, but we will have to think about what is a sustainable place for them to live, and that is probably going to need funding above LHA levels.

**Chair:** That is a convenient point to bring in my colleague Stephen Timms, who is guesting this morning as Chair of the Work and Pensions Committee.

Q3 **Stephen Timms:** Thank you very much, Clive, for inviting me. I want to pick up on the no recourse to public funds points. First, it has clearly been a very, very impressive achievement to move the great majority of rough sleepers into accommodation. Jamie, you made the point that two-thirds of those who have been rehoused from rough sleeping in London have gone into accommodation procured by the boroughs. Are you expecting central Government to reimburse local authorities for the costs of that accommodation?

**Jamie Carswell:** There has been some support through the general COVID emergency funding, and that has probably supported local authorities to this point. The challenge is going forward into the future. That is why the interaction with the benefits system is hugely important, because for the vast majority it is the private rented sector that will be looking for those opportunities, particularly looking at how the benefit cap interacts with the rebate LHA, stepping well above 2011 levels back up to 2020 levels, but also the planned changes to the shared accommodation rate that the Government signalled they were going to make. It is very important to bring that forward so we can look at single homelessness and find support for them within the private rented sector.

Q4 **Stephen Timms:** In terms of the exercise that has been carried out so far, you have said that over 20% of those who have been rehoused from rough sleeping in London are people with no recourse to public funds. Is it the case that central Government have funded that, including that cohort, in the exercise that has been undertaken so far?

**Jamie Carswell:** So far, yes. We estimate it is about 900 in London.

**Stephen Timms:** There were 900 people with no recourse to public funds rehoused from rough sleeping.

**Jamie Carswell:** That is correct. We are doing more work to engage and talk through people's individual circumstances. As we get more data, that number may move, but that is our best estimate at the moment.

Q5 **Stephen Timms:** What are the prospects for finding move-on accommodation for those 900 people once the current crisis is behind us?



**Jamie Carswell:** For that cohort, it is quite low in the current circumstances. As we move further from a public health emergency, there is still a lack of clarity in the system on what is legal for local authorities to do. Even if it is legal, it means financial pressure at a time of extreme financial stress to local authorities. Just to pick up the strain of that in the system would feel very unrealistic.

Q6 **Stephen Timms:** In practice, what do you think will happen? Is it conceivable that these people might simply be kicked out on the street again? Presumably, something beyond that will be done. If so, what will it be?

**Jamie Carswell:** That will be the worst-case scenario from a public health viewpoint, but local authorities may feel they are backed into a corner. Finding long-term solutions will certainly not be possible; they may find a solution week on week. Some of this cohort may be looking to return to other countries and may have only come to this country very recently. Anecdotally, that is certainly a group of them. There may also be those who can find employment and accommodation related to that. It is not one size fits all, but undoubtedly this is a different type of no recourse to public funds cohort to those the local authority has been used to, because the ones we have worked with most are families or those where we have responsibilities under the Care Act. They will not fit under either of those categories; hardly any will be families and they will not have a particularly high level of care needs.

Q7 **Bob Blackman:** I will echo what the Chairs of both Select Committees have said about the brilliant performance by local authorities and the Department in getting people off the streets. As has been said already, that has placed quite a financial strain on local authorities. What assessment have you made of the extent of that strain on local authority finances and the way that the Ministry has stepped up to fund that?

**Jamie Carswell:** At the moment, it is a very fast-moving situation. At an aggregate, as local authorities are looking at the run rate of pressures, losses of income and support, the share of the total £3.2 billion that has been apportioned by local authority on a taxation basis has supported the two months of running that has been underway. Some local authorities have borne a disproportionate pressure, particularly if they identified rough sleepers and placed them in hotels, and those hotels are booked for maybe another three weeks. At the end of those three weeks, they have no ongoing funding solution.

As an emergency response, the system has worked and it has been a success. It is the ongoing solution and the next steps, which is rapidly becoming next week's problem, that the local authorities are particularly alarmed by. Within London, there is a net contribution from councils of £200 million a year for wider homelessness. London authorities put in £200 million every year, £4 million per week, to support homelessness in its widest sense. That includes particularly family homelessness and people who are in temporary accommodation. Those pressures are going



to continue. The housing crisis was with us before and, if anything, we expect those pressures to increase if unemployment significantly increases or we start to pick up the stresses of lockdown, such as relationship breakdown and the consequences of domestic violence.

**Q8** **Bob Blackman:** During your earlier answers, you mentioned that other people are becoming homeless and therefore presenting themselves as homeless to local authorities. What numbers do those look like across the country—and London in particular, if you wish? One of the problems is that, while you can do a general sweep and get as many people off the streets as you can, which was done early on, unfortunately, as we know, more and more people are becoming homeless and therefore presenting themselves to local authorities, thereby increasing the cost pressure. Do you have a number for that?

**Jamie Carswell:** There are two sides to that. We estimate that there are still 500 on London's streets. There are about 3,600 in some place of safety and 500 on the streets, and it is not the same 500 that it was two weeks ago. As we are picking people up and finding them safer accommodation, at a hotel or elsewhere, there are newly arising rough sleepers, from either the informal arrangements that have broken down or relationship stress during lockdown. That figure has remained constant for the last couple of weeks and we are monitoring this weekly.

On top of that, the wider number of presentations for homelessness that we are now seeing is picking up to the level from before the COVID emergency. Last week, the London boroughs saw 2,634 presentations—people coming to our mainstream homelessness services saying that they were either at risk of homelessness or homeless. We feel that we are just at the beginning of another step-up of that issue.

**Q9** **Bob Blackman:** Jon, the estimate that we always made when we started the Homelessness Reduction Act campaign was that over 300,000 people were sofa surfing and therefore homeless, but actually had a roof over their head. What evidence have you seen during the lockdown of the strain on people from having someone temporarily in their home, forcing a position where they say, "I am very sorry, but you are going to have to leave"? Have you seen evidence of that happening at the front line?

**Jon Sparkes:** We have. To echo some of what Jamie has said, if you imagine the flow at a normal time, without the extra pressure of COVID-19, of course we are going to see people under more pressure. In our services, we are seeing people coming on to the streets, because they can no longer sofa surf, because they have newly lost a job or because of domestic violence. All the things that increase pressure on people are increasing pressure on them now. It is no surprise that the flow of people on to the street is so high.

To come back to the point on cost, of course £3.2 billion to local authorities is very welcome and a lot of money, but we have seen the signs of what happens when that money is not designated for



homelessness. Some local authorities have responded incredibly positively and others less so. We have done some work on the costs going forward. I will keep coming back to this as a unique opportunity to rehouse people and move people out of homelessness. We have looked at the cohort of 5,400 who are being moved into safe accommodation. That number will have to increase daily. Based on the support needs of these people, we have made an estimate of the costs that we can expect if we are to take the opportunity of rehousing people and not just letting people go back to the street.

For those 5,400 people, based on an estimate of their support needs, you are looking at a designated bill of about £97 million, including housing benefit and support costs. Clearly, that is an underestimate because it does not account for the flow of new people on to the street, but it gives us a sense of scale and what it would cost to take this opportunity.

**Q10 Mary Robinson:** One of the things I want to ask about is the success of the Housing First pilots. In normal times, we would be looking at those and asking ourselves how successful they had been in the regions where they were rolled out. Given the unprecedented amount of funding and the way that we have dealt with the COVID crisis in this sector, how would we properly assess the success of the Housing First pilots? What is your view of them going forward?

**Jon Sparkes:** To look at the pilots so far, it is fair to say that, where successful placements have been made and tenancies have been achieved, the sustainment rates are high, as expected. The progress, in terms of overall numbers, has been slower than we would have liked. On the level to which Housing First is embedded in local systems rather than treated as a bolt-on, there is still some improvement to make there. If you look north of the border into Scotland, they have been successful in moving larger numbers of people into a Housing First situation with high levels of sustainment.

Coming back to the particular cohort that has been moved from the street into self-contained accommodation, making an assessment through CHAIN data, we think about 50% of those people would require a Housing First solution as being the most sustainable way out of homelessness. That is included in the numbers I just quoted. Now is a really important time to ask questions of the three large pilots, but also to recognise the compelling evidence that, for people with complex needs who would otherwise be on the streets and in an entrenched situation, Housing First is the most sustainable solution there is, provided it is embedded in local systems for allocating housing and dealing with people who are at risk of homelessness.

**Jamie Carswell:** In the local government world, I suppose, if I sit down with my colleague housing directors in London, our hearts are with Housing First. It is just how to afford it. It is how to balance family homelessness alongside vulnerable single homelessness. That is why I alluded earlier to supported housing models and thinking about which



providers want to provide that supported housing, and the wraparound health and other tenancy support that goes with that. One of the big positive learnings we are getting out of the work we are starting to do on the next steps for rough sleepers in London is about working more closely with the NHS in particular.

**Chair:** Quite a few people are still living in hostel accommodation at this time. Ben Everitt wants to ask about that situation.

Q11 **Ben Everitt:** Actually, it is slightly more general, Clive, but it does refer to the hostel stuff as well. Taking account of what we have learned, you said it was amazing progress, Jon, and we should be keen not to row back. I completely agree, but I am interested in what we have genuinely learned. If we were being cynical about this, we could have said that if we put our minds to it and we had an unlimited pot, or £3.6 billion, to put towards local government, we probably could have got everybody off the streets anyway. Taking that aside, what else have we learned that we can take forward to make sure we do not row back, as you put it?

**Jon Sparkes:** There are two things, both of which are about cross-governmental working, at national and local levels. The first is the hugely important issue of the welfare system, which we have talked about. That change to local housing allowance overnight has made a difference, even under the most testing of circumstances. If we can intelligently link that through to the benefit cap for those people who need that to happen, and in the part of the country where it is important, that is a huge lesson learned. Some of us might say we have been lobbying for that for a while, but the important thing is that this has happened and we have learned that it has a positive impact.

The second one is the link to health that Jamie alluded to. We are not there yet. It is not joined up enough yet, but you have seen very strong cross-working between health and local authorities. It makes a difference, not just in a coronavirus crisis but normally. As we have discussed, people who have been homeless or on the streets for a long time are suffering from underlying health conditions, respiratory disease and so on. It makes sense that we do that.

The third area we have yet to learn from—again, Jamie alluded to this—is the question of supply. Simply increasing welfare and getting better work across Government is not going to do it, if we do not have supply and designated funding to do this within local authorities. But we have learned a lot and there are some very positive lessons and working practices coming out of this crisis.

**Ben Everitt:** I found that incredibly useful. Thank you.

Q12 **Chair:** Can we move on to the issue of evictions in the private rented sector? The Government have put a stop to evictions for a three-month period because of rent arrears that might well arise from people's poorer financial circumstances with the effect of COVID-19. They are then saying, when the period eventually ends, with the ban on evictions being



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lifted, that they will bring in a pre-action protocol to stop landlords simply picking up on the rent arrears and taking action on them immediately. Do you think that is going to work, or do you think, unless it becomes a legal requirement, it is simply going to be a toothless gesture?

**Jamie Carswell:** From a local authority perspective, I would just observe that the lack of security in the private rented sector is the No. 1 strategic driver of wider homelessness, certainly in London. The Government have started to identify a series of proposals to address that insecurity. It would be almost the biggest potential long-term strategic change that we could make to balance the system and allow longer-term addressing of homelessness. I suppose my colleagues and I would be a little cynical about any voluntary arrangement and whether it would really have the teeth to change the behaviours. Absolutely, there are some high-quality, good private landlords, and we work with them, but the homelessness is driven by the landlords that are not high quality and are much more at the fringes of the system.

As for the proposals around ending section 21 no-fault evictions and longer tenancies, bringing this forward quickly would really make a significant change in the system. My colleagues, particularly in London, are filled with dread at the thought of facing a cliff edge when the evictions extension expires under the current emergency legislation. If we are not to face a tsunami of those who are served with a section 21 and then end up presenting themselves to their local authority in late June or early July, we need a way of removing that cliff edge and a series of measures to create a far more sustainable degree of security in the private rented sector.

**Jon Sparkes:** First, it is hugely welcome. A ban on evictions for 90 days has definitely protected people from becoming homeless during this time, with all the problems that that would cause for both them and the public purse going forward. That issue of a cliff edge is really important. For example, we know from survey information that 2.6 million private renters have already missed a rent payment or expect to do so. That is from a Citizens Advice survey. We also know that 43% of renters whose work has been impacted have struggled to pay the rent or pay for essentials like food and so on. We can see that cliff edge coming.

The idea of translating that pre-action protocol from social housing into the private sector is an important one. We have not seen any details yet, but we would like to work with the Government on them. It must include guidance on what level of repayment is affordable proportionate to income, what repayment level is acceptable so that people are left with enough to live off, and requirements on landlords to notify the relevant local authority when they do serve notice, as is the case in other parts of Britain.

All those things will be good. We still think, as Jamie does, that that alone is not going to have all the impact we need. Landlords will still be able to evict tenants on the grounds of section 21 or on mandatory arrears



grounds. As well as the wider issues that Jamie has mentioned of greater security in the private rented sector, there need to be legal protections, so that where people have complied with repayment decisions, or are waiting for decisions on benefit entitlements, it is possible for evictions to be stopped. There really needs to be a belt-and-braces approach to protect people. It is bad enough to be evicted and become homeless under normal circumstances, but right now it is even more difficult for people.

**Q13 Chair:** The essence of what you are both asking for is time for tenants to hopefully reach an agreement with landlords to be able to pay arrears off over a longer term, without the threat of immediate eviction hanging over them. If you want urgent action to abolish section 21—Jon, I think you also mentioned mandatory grounds, probably under section 8—would you have to amend that legislation to give the courts discretion in that area?

**Jon Sparkes:** The important thing in the short term is that we will not necessarily be able to go through the process that is needed to make those things happen. They have been discussed previously and will take time. The important thing is that there is some emergency mechanism to make sure that, when people have done those things that have been asked of them—they have complied with repayment decisions or are waiting for benefit entitlements—judges are able to prevent an eviction. That is a more tactical emergency provision that is needed while we come back to the question of section 21, longer notice periods and so on.

**Jamie Carswell:** I would agree about the emergency provision. Jon is spot on with that. It would just be disappointing if the issue of longer and more secure tenancies ended up in the long grass. As the months unfold, the pressures are going to mount. This is an opportunity to really change the balance of securities between tenants and their landlords.

**Q14 Ian Byrne:** Good morning, Jamie and Jon. I am going to directly respond to Jon to begin with. According to an analysis done in 2018, to meet housing need in England from 2021 to 2031, it is necessary to build 145,000 social homes each year, with 90,000 of these needing to be social rent. In the last 20 years, 100,000 social rent homes have been lost, and shamefully last year only 6,287 social rent homes were built. Given that the amount of social housing will likely increase, the coronavirus is already impacting construction and planning determination times and there are concerns about the future viability of both housing revenue accounts and housing association business models, what action is required from the central Government to ensure that this country has the social housing it needs?

**Jon Sparkes:** We stand by that analysis, done by Crisis and the National Housing Federation. The fact that we need 90,000 social rented homes to be built each year for the next 15 years, alongside the changes in the private rented sector that we have talked about, is more important than ever. We have not redone the analysis, so it is quite possible that that would be higher. There are a few things in the short term that mean we



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are not going to have that number of houses being built immediately and certainly not in these circumstances.

There are two things that I would therefore like to add to the 90,000. First, allocations are important. We can change allocation rules more quickly than we can build houses, and it is really important, particularly for that cohort of Everyone In—those 5,400 or 6,000 people—that we fast-track the allocation of social housing where the private sector is not responding to those people. In the short term, there is also a need to fund acquisitions, for Government funding of acquisitions to be delivered by social lettings agencies and social housing providers.

As a final thing on allocations, we have to get past the idea that people's housing history prevents them from gaining social housing. Otherwise, people who have been rough sleeping will be disproportionately impacted by that. We have to build, but we have to take short-term interventions as well.

**Jamie Carswell:** I would absolutely recognise the numbers. Across all perspectives, local authorities in London are building. When the last opportunity came to secure grant funding for that, local authorities bid for £1 billion to build 11,000 council homes. I have to say that that pot was oversubscribed by 50%. Councils were putting up that they could build up to 17,000 council homes in the three-year period of that round. There is an appetite for building. The only point so far on which I would not quite see eye to eye with Jon is recognising that if allocation policies changed and local authorities had to provide social rented offers to the cohort of 3,600-odd rough sleepers, admirable though that would be, they would still end up in temporary accommodation in the private rented sector, but as temporary accommodation.

There is no silver bullet. There is no secret supply of additional council housing or social rented housing sitting available in London that has been held back somehow. A bit of pragmatism there needs to be recognised. There are two things that I will just reflect on. First, there are some quite strict rules on how quickly local authorities have to spend their right-to-buy receipts, how they do that and how much is returned to the Treasury. A relaxation of those rules would just allow councils to put more money into building social rented housing. This is not a fix for the next three months but it starts to increase the pipeline of social rented housing going into the future.

I do include a mixed economy here. I do reflect that our housing association partners, as well as local authorities, have a role to play. Thinking of previous responses to economic shocks, if we are facing a recession, and how we kick-start the economy, one of the traditional responses that the Government have made is to use the private housebuilders to kick-start the housing market and construction industry. I just reflect that, if that investment was directed more to housing associations and local authorities together, that is an asset that would



then be secured for dealing with homelessness and significant pressures into the future, and an asset that could be directed as required. It is a question of where a council's investment in the economy is directed and what are expected to be the delivery agencies. Local authorities have a desire and an ability to step up to that.

**Q15 Paul Holmes:** As Mr Byrne quite rightly said, social housing is taking years to build, and does take years to build. With the current crisis, the construction industry will take a long time to get on its feet, as you have said yourself, Mr Carswell. In the meantime, what short-term measures could be delivered to increase the availability of accommodation? Is there, for example, a further role for relaxation of planning laws for conversions of current units or anything like that? I know we have a problem with building, but in the immediate term, where could we get some more availability without necessarily building, if you have thought about that?

**Jamie Carswell:** It is the word Jon used in his submission, which is "acquisitions". It is acquisitions in the private sector and the private market, but also, where developers have significant amounts of homes and sites that are near to completion where there is not a private demand for them, flipping those into either intermediate rented or social rented housing. It requires some degree of grant or other funding streams to make that sustainable for the council or for the housing association, but that is the short-term response, the thing that could be brought to bear as quickly as possible.

**Jon Sparkes:** That point on acquisitions is important. The other side of the equation is also important. It reinforces the need for local housing allowance to be sustained at the level it has been moved to, because that has been shown to make a difference to the market in some parts of the country—not everywhere, I accept.

**Q16 Paul Holmes:** Jamie, very quickly, on planning regulations, can you see an opportunity for a relaxation to, for example, the usage of current buildings so that you could fill those, or has that been done by the planning reforms we saw a couple of years ago?

**Jamie Carswell:** One of the challenges that we are still beginning to understand is the change to the regulations that allowed office accommodation to be used for residential use. We are still trying to understand the standards of some of those conversions and whether there are issues around newly arising homelessness from some of those conversions—not all of them, but some of them. That would not be top of my list of immediate quick wins.

**Q17 Paul Holmes:** If I can move on to the transition out of lockdown, as you say, we have seen a limited announcement last night, but obviously things will start to pick up. What new support, not mentioned so far, do you believe still needs to be introduced longer term to ensure that households can rebuild their lives without the risk of eviction,



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homelessness or rough sleeping? That is intentionally a broad question, so that you can bring in what you think would help.

**Chair:** It is a broad question that needs fairly short answers.

**Jon Sparkes:** First, going back to conversions, I would be hugely wary of conversions being a fundamental part of this. There have been a lot of examples, from colleagues across the homelessness sector, of people stuck in very unacceptable properties and places without access to shops and so on; that has been really exacerbated during the current situation. Looking forward, on future needs, we have covered the ground very well, in terms of supply, but also welfare and access to the welfare system, particularly for that crucial group. The no recourse to public funds element has to be solved. COVID-19 has shone a light on it, but it is not only during COVID-19 that that is a huge and difficult issue that needs to be resolved.

**Jamie Carswell:** Very briefly, there are four wins: NRPf solutions, changes to the benefit system, health and support services, and, lastly, increasing security in the private rented sector.

**Chair:** Those are just some small asks that we need to sort out, but that very much follows on the discussions we have had so far. Thank you very much, Jon and Jamie, for coming to give evidence to the Committee today.

### Examination of Witnesses

Witnesses: John Hall and Luke Hall MP.

Q18 **Chair:** We welcome Luke Hall MP, the Minister for Housing and Rough Sleeping, who is joined by John Hall, the director of homelessness at MHCLG. You are both very welcome today to come and discuss these important issues with the Committee. Minister, the actions taken to stop evictions because of rent arrears, particularly in the private sector, which relate to the COVID-19 crisis we are all going through, have generally been welcomed. Starting to look ahead at what would happen next, you might consider extending the period. The Secretary of State has also talked about this pre-action protocol to try to ensure that landlords do not simply evict tenants, but sit down and discuss with them the circumstances and how an arrangement can be made for arrears to be dealt with over time. Do you intend that that pre-action protocol should be legally binding?

**Luke Hall:** Thank you and good morning, Chairman and the Committee. Thank you for having me on this morning. It is my first appearance before your Committee, so I am extremely grateful. The Secretary of State has committed to trying to implement a pre-action protocol and doing it in a timely way so that, by the time we end this moratorium on evictions, it can be in place. The discussions are currently being had. We are still in the scoping phase of trying to understand a deliverable that



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will be effective and do everything possible to encourage that early conversation between the landlord and the tenant.

When you look at some of the evidence as to whether this can be effective, as the Secretary of State outlined to the Committee last week, there is some evidence that this could be effective as a mechanism to prevent evictions. The pre-mortgage application protocol that was introduced in 2009 had a big effect on the way that lenders manage homeowners in arrears, and that is still in place today. There is some evidence that it could work. I will ask your forgiveness for this, but we are still in the scoping phase of trying to understand the exact mechanisms, how it could be delivered and how it could be effective, and making sure it can achieve what we want it to.

Q19 **Chair:** Are you saying to us that you are still considering whether this would be a legal requirement or simply a change to civil procedure rules?

**Luke Hall:** We are still having those conversations right now with the Ministry of Justice and Master of the Rolls.

Q20 **Chair:** Presumably, if it is going to be a legal requirement, you have to change the 1988 Housing Act. In your understanding, is that what you would have to do if it was going to be a legal requirement?

**Luke Hall:** Chair, forgive me; this is exactly the type of issue that we are working through at the moment in the scoping phase. As soon as those conversations progress and we are in a position to tell you, I am more than happy to update you. We are aware of the need to move at pace on this issue, to make sure it is implemented in an effective way when the moratorium ends. That is clear. We are completely aware of the need for speed on this issue, but we are still scoping out exactly the mechanism.

Q21 **Chair:** Trying to explore what you are looking at, if it is going to be a civil procedure rule, there will be the get-out for landlords that do not want to follow it just to issue a section 21 notice. Presumably, if it is going to be a civil procedure rule, you have to at least suspend section 21 for a time as well.

**Luke Hall:** I do not want to sound too much like a broken record, so I apologise, but these are exactly the issues we are working through: the framework of the existing rules that we would have to work through if it was a civil procedure. You are quite right; we would have to work within the existing framework of the legislation we have, trying to make sure that, within that, it can be effective. If you introduced a mechanism to force this early conversation between landlords and tenants, in the right spirit, about trying to agree a repayment mechanism over a sensible period, that could have a positive effect. It would enable people to avoid litigation and come to a settlement on this matter, and free up space in the courts for more of the cases where it is required. There is some evidence that it could work. I cannot present all the detail to the Committee today because we are still working through it at pace.



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Q22 **Chair:** Minister, would you agree with this? Maybe you will have to consider this as well. If you are going to bring in a protocol, which everyone would hope works in the way you have described, those landlords who do not want to work in the spirit in which it is intended cannot be allowed a let-out to simply go to the courts on section 21, or even ground 8, ignore the protocol and carry on regardless.

**Luke Hall:** It is my understanding that, even under a civil procedure, non-compliance still results in a party being penalised at a later stage in the proceedings. This is exactly the sort of conversation we are having with the Chief Justice and the judiciary to make sure it can be effective. The spirit of implementing something that is effective is there. We just have to work through this detail.

**Chair:** I suspect we are not going to get much more out of you this morning than saying you are still looking at these issues.

**Luke Hall:** I apologise for that, Chair.

Q23 **Chair:** Can we at least have an understanding that, when you are a little clearer about what you might be intending, there will be an opportunity, even if a brief one, for a consultation with those who are going to be involved, including local authorities but many of the voluntary bodies? We have taken evidence from Crisis this morning. I am sure Shelter would have a view, as would many other organisations and probably this Committee as well. Would there be that opportunity, so we could at least test what eventually you come up with as a way forward?

**Luke Hall:** We are starting those conversations right now. We want to understand the exact role that the pre-action protocol could play. Of course, we are aware of the concerns about mandatory grounds and section 21, and we are still having those conversations now. We welcome a conversation with the Committee and all stakeholders about that.

Q24 **Bob Blackman:** Welcome, Minister. I will have to refer to you as Luke and to your official by his first name as well. First and foremost, Minister, when the Secretary of State was with us last week, he was questioned about the current moratorium on evictions, which goes to 25 June. He said it could be renewed for a further three months. This Committee is a very keen advocate of longer tenancies, but notwithstanding that the vast majority of private tenancies in this country are six-month assured shorthold tenancies. One of the risks here is that, at the end of tenancies, landlords may just say, "Well, you have rent arrears; you have to leave the property and I will see you in court," which would then lead to another crisis of homelessness.

Alternatively, the tenants may build up rent arrears over their tenancy and have a large chunk of money that they owe at the end of the tenancy, which will either end up with them facing county court judgments, and therefore unable to get another tenancy with a private sector landlord, or end up with them presenting to the local authority. What is the plan now on how both renters and landlords are going to be



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assisted to get out of this potential crisis?

**Luke Hall:** Thank you for the question. You are always very welcome to refer to me as Luke or anything else. The clear guidance we have tried to set out from the start of this fast-moving public health crisis is that we want landlords to engage in that early, sensible conversation, in the right spirit, about trying to agree the right method of repayment, deferment, reduction or whatever is most appropriate on a localised basis. We understand there will be situations as you have described.

That is one reason that a pre-action protocol could be effective if the right mechanism is found for a speedy and timely introduction. You rightly refer to that review point to make sure we have the opportunity to extend the moratorium if it is right. We completely acknowledge the issue that you have raised. We are having conversations with stakeholders about how to make progress and find some sort of solution. Of course, the overriding preference and aim is for as many people as possible to come up with those individual agreements with their landlords.

**Q25 Bob Blackman:** Can I press you a bit further, then? Given that a large number of tenancies will come to an end at the end of June, in July or in August, if the moratorium is extended for a further three months, is the Ministry looking at automatic rollover or renewal of tenancies to prevent a cliff edge occurring?

**Luke Hall:** We are having conversations with stakeholders about exactly how we can address this specific problem. We are very happy to take representations from you and all other groups about the mechanism that could be used to achieve that. We are willing to look at any option to make sure we can support renters and landlords. We remain committed to trying to encourage as many people as possible to come to those arrangements.

By the way, there is evidence that that is happening and that those amicable, sensible discussions are taking place. The RLA is saying that lots of landlords are being generous, coming forward in the right spirit and agreeing these sorts of arrangements. We are looking at all the options and will report back to you as soon as we can.

**Q26 Bob Blackman:** As a final point, in most tenancies, there is a requirement to serve notice over a certain period. Normally, a section 21 notice, as you know, is two months. We are now in the position whereby, today or this week, landlords may be deciding what to do. What is your advice to those landlords and the tenants who may be thinking, "What do I do?"

**Luke Hall:** My advice would be to follow the advice, which is published and available. I say that almost flippantly, but it was not supposed to be; it was a serious point. We are asking lots of people to recognise the unprecedented nature of this current situation. The advice we are trying to provide is clear, which is encouraging that conversation. Coming back to the first question asked by the Chair about the pre-action protocol, I



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hope that that is a statement of intent, almost, of how serious we are in asking people to engage and try to find a localised solution wherever possible. We want them to do that; we want people to follow the advice. That would be the best advice I could give.

**Q27 Rachel Hopkins:** Building on your points there, you have talked about following the advice. Government guidance says that in many, if not most, cases the COVID-19 outbreak will not affect tenants' ability to pay rent. However, Shelter is predicting that 1.7 million renters may be unemployed by the end of July. Citizens Advice believes 2.6 million renters are already behind on rent or expecting to fall behind soon. Already, in April, figures suggest that only 44% of rent was collected on time. We have touched on preventing evictions, which is very important, but does this not only delay the inevitable? If renters slip into unmanageable debts from arrears, for which no level of repayment is affordable, are you not guilty of underestimating the problem?

**Luke Hall:** You are quite right: it is an extremely difficult time. If you look across Government at the package we have brought forward to try to support people, there is the furlough scheme, which is providing 80% of people's income, and being topped up in some cases by employers, the enhanced welfare system with uprated universal credit and the uprating of the local housing allowance, which you talked about in the previous session. That is something that had been called for, for a long time, by people of all political persuasions and many groups across the sector. These mechanisms that we have introduced to try to help people stop falling into these sorts of situations have been welcome and have been effective. You see 1.3 million people in the private rented sector who are on that furlough scheme now and many more receiving support in other ways through those schemes. There has been a strong package there to help and support people.

**Q28 Rachel Hopkins:** You touched on local housing allowance there. Both the National Residential Landlords Association and Generation Rent, two groups that are sometimes considered to be on opposite sides of the argument, told us they wanted local housing allowance rates to be raised to the 50th percentile for the duration of the pandemic, as many stakeholders did. Can you commit to further raising LHA rates to help people pay their rent?

**Luke Hall:** No, I do not think so. I think the fact that we have raised this to the 30th percentile of local rates has been warmly welcomed. I was really encouraged to hear the evidence that Jon Sparkes gave in the earlier part of this evidence session about the impact that is having in different parts of the country and the sheer volume of private rented sector accommodation it will help to free up. We think that has been a positive change. It is not a temporary change. We had a couple of questions about that earlier on too. That is a positive change, helping free up accommodation. Where people are still struggling and have a gap between the rent and the local housing allowance, we have the hardship



fund, the special housing payments, which have increased themselves in this financial year.

**Q29 Rachel Hopkins:** In the Secretary of State's letter to this Committee on 22 April, he said the Government had no plans to prohibit rent increases, noting that, in general, landlords cannot increase rent without the agreement of their tenants. Landlords can issue a section 13 notice in periodic rolling tenancies, and the continued existence of no-fault evictions, coupled with only emergency moves permitted, means tenants have little bargaining power to fight rent increases. Will you consider temporarily restricting in-tenancy increases to ensure all tenants are protected from rent hikes over the next 12 months?

**Luke Hall:** In some respects, this comes back to what we are asking landlords and tenants to do, which is to work together to find a way, in an unprecedentedly difficult situation, to come up with local agreements. It is in the interests of the tenant and the landlord that people continue to pay rent. The evidence that we have back from stakeholders so far is that people are doing that. They are coming forward with sensible localised solutions. We believe the package we have put forward is strong. It is right and I would really encourage people to use that guidance. I refer again to the signal we are sending out with the introduction of a pre-action protocol. That says to people, "We want you to work through these types of situations, rather than proceeding down unnecessary evictions".

**Q30 Rachel Hopkins:** The Spanish Government have announced a scheme to provide no-interest loans to cover rent for those in financial hardship due to coronavirus, with the loan repayable over six years. How do this Government propose to help renters who might have completely unmanageable rent arrears?

**Luke Hall:** The immediate response we have had to this public health crisis was to try to ensure that nobody was at risk of being forced out of their home during this crisis, which we have achieved through the legislation and the stay on possession proceedings. We have that review point coming up, which we have talked about a little bit. Where people are in specifically difficult situations, which there will be people around the country in, we have that £500 million hardship fund that we are making available on a discretionary basis to support individuals. Of course, there are Governments around the world using different schemes. Throughout this pandemic, as it progresses and as we hope to move out of some of the measures, we will continue to work with the Treasury and other Departments to understand what further support is needed. We think, up to now, we have a strong package to support them.

**Q31 Ian Byrne:** To quickly revisit the protocol question, I am deeply troubled by hearing what you are saying with regard to compassion from landlords to tenants. I do not think that in any other area of law, compassion is relied on within a power imbalance. That is what I am deeply troubled by. I would urge you to review the legislation. If you look at an employer-



employee relationship, it is not left to compassion and goodwill, and that is for good reason. There are real similarities here. The Government have to consider the need for legislative change. We have just heard from Crisis and we have just heard that one of the biggest drivers for homelessness is insecurity. This all feeds into that. I would like more of a detailed answer, please. Would you consider going down the legislative process?

**Luke Hall:** I completely take that representation on board, as with the other comments of the Committee this morning. We are still scoping out the extent to which this would be delivered, so this is not a commitment from me that it would be delivered in either form today. As I stated earlier, non-compliance, even with the civil procedure, can result in a party being penalised later on in the legal process. We are still in the scoping phase of this work. We are still having those conversations. Of course, I take your representation on board today and will discuss it with the Secretary of State and Ministers.

**John Hall:** As the Minister has said, our response has been around preventing evictions by making sure that people can pay their rent. That is with the extra money we have provided through the LHA rate change, with over £1 billion more available for renters this year, and through the discretionary housing payment, which is at £180 million this year. Legislative change is much more complicated because, as you will know better than I do, or the Minister does even, this is a very complicated area of law. We have committed to bringing forward the Renters' Reform Bill as soon as we can. We are doing the trade-off between that really immediate stuff we can do quickly, so that people do not lose their homes, and then making sure that, when we do the legislative change, it is the right one.

**Chair:** Minister, you might reflect on the last point from Rachel Hopkins about relying on tenants and landlords to try to reach an agreement. Tenants may be in financial difficulties and landlords might be as well, so some Government help to give loans to enable rent to be paid off over time might help both parties reach that better conclusion. I hope that can be given consideration when you come to your view about the way forward.

Q32 **Mary Robinson:** I want to focus my questions on landlords. According to the Salvation Army, between 2010 and 2018, around two thirds of private rental sector moves that were arranged in order to prevent or relieve homelessness made use of the landlord incentive scheme. Given the need now to protect the rental sector for both landlords and tenants, are the Government receptive to the idea of incentivising landlords to continue renting their properties throughout the crisis and its aftermath, and further incentivising greater security of tenure?

**Luke Hall:** Our view from the start of this has been that the best way for landlords to be supported is for tenants to continue to pay their rent. That is why so much of our response focused on ensuring people continue



to have that income through the furlough scheme that we have talked about—we talked about the 1.3 million private renters who are on the furlough scheme now, having that guaranteed income—and the increased welfare, the £7 billion we put into the universal credit system, or indeed the uprating of the local housing allowance to the 30th percentile. Our view has been that the best way we can support landlords is to continue to make sure that, in as many cases as possible, they have that continued income. That has been our focus.

Of course, landlords may also have access to mortgage payment holidays up to three months where a tenant is struggling to pay rent. That is a significant proportion of landlords with buy-to-let mortgages—55%—so there is some good support for landlords there. We continue to encourage people to use the schemes that can ensure that income.

**Q33 Mary Robinson:** We have heard previously, though, that there is a substantial number of people who have missed at least one of their payments and people who are having difficulty in paying their rent. That has an impact on landlords. What is your assessment of the Scottish Government's interest-free loan scheme for landlords who need support because of lost rental income? Is it the contention that the mortgage payment holiday is sufficient?

**Luke Hall:** The mortgage payment holiday is a significant support for 55% of landlords with buy-to-let mortgages, so that is a significant package of support. That is combined with the other measures that we have introduced that I have talked about and outlined, the furlough scheme, the universal credit changes, the LHA uprating, the hardship funds, the uprating of the discretionary housing payment to £180 million this year from £140 million last year. All these measures are supporting landlords to continue to provide the services they want. We want them to have the income that they have always had so they can continue to provide the service and the safe accommodation that they have. That has been the focus from the start.

**Q34 Mary Robinson:** Following this crisis, we will need a working private rental sector that works for both the tenants and the landlords. We know at the moment that some rental properties are already empty, through no fault of the landlords, including the ones that were available for let before the lockdown but could not be let out, or where tenants have left their contracts early or cannot move into rental properties due to the lockdown. What assessment do you make of the National Residential Landlords Association's call for council tax relief for these properties?

**Luke Hall:** We are having conversations with the NRLA about that issue and many others. We are giving councils a significant package of support to make local discretionary decisions as they see fit. They received two sets of £1.6 billion investment to support them through this COVID-19 crisis and they have discretion to take individual localised decisions as they see fit. If they thought that was a priority, they could take those sorts of decisions on an individual, localised basis. The package of



support has been a significant package directed at people, hopefully for them to use to pay their rent, so landlords have that money to invest back into their properties.

**Q35** **Brendan Clarke-Smith:** The benefit cap was implemented in 2010 and part of the rationale behind it was that it was to incentivise benefit claimants to work more hours. Given that most people in the country at the moment are facing the opposite situation and are getting reduced hours or none, why have the Government opposed the temporary benefit cap relief during the crisis?

**Luke Hall:** The welfare changes that the Department for Work and Pensions has made so far, since the start of this crisis, have been aimed at ensuring the stability and safety of the current system. There has been an unprecedented spike in the level of people claiming universal credit because of the current situation. Prioritising those mechanisms that could be delivered within the existing system, the things we have talked about already—the measures that we have taken to put that £7 billion in, the local housing allowance—was the right and preferred way forward. That appears to have worked. If you look at the success so far of that implementation, with many people registering for universal credit and now receiving that support, the decision to prioritise the stability of the system was the right one.

**Q36** **Brendan Clarke-Smith:** Leading on from that, there has been a substantial increase in the number of people claiming benefits at the moment. It has led to a lot of worries about so-called DSS discrimination or benefit discrimination. A YouGov poll recently found that 29% of private landlords did not let to people who were receiving housing benefit. This was partly because a lot of lenders do not allow it as a condition of the buy-to-let mortgages. What proactive measures have the Government been taking to make sure this discrimination does not happen?

**Luke Hall:** We should always preface this with the fact that the vast majority of landlords are decent, responsible owners who provide a professional service. It is extremely worrying when we see these types of blanket bans against tenants who receive housing support. That has absolutely no place in a modern or fair housing market. As the single largest payer of rents in the country, the Government want to ensure that prospective tenants who receive housing support are not dismissed out of hand. That is completely inappropriate.

We know that one of the main reasons that people have reported for this type of discrimination is that they are worried about a shortfall between the rent and the amount of welfare support that has been paid and received by the tenant. We think that the increase in the local housing allowance—it is a big change, which I was glad to hear was welcomed earlier by the two previous people on your panel—will help with that situation by giving landlords reassurance that people can afford the rent. It is one of the many reasons that LHA uprating is so important.



**Chair:** Minister, one of the successes everyone has recognised is the way that rough sleepers have been got off the streets and into accommodation during this issue. In responding to the crisis, local authorities, the voluntary sector and Government have all done extremely well. We are now looking at how we move on, on this issue.

Q37 **Bob Blackman:** It has been a remarkable effort by local authorities to get rough sleepers off the streets and into secure accommodation. We have heard today that most of those people who have been taken off the streets and put into appropriate accommodation have been put into hotels or hostels. That solves the problem on a temporary basis and deals with getting people into a place of safety. What is the plan from the Ministry now? Potentially, hoteliers will want their hotels back and we do not want people to go back on the streets.

Equally, the other issue that was raised this morning, as I think you may have heard, is that since the dramatic improvement from local authorities in getting people into accommodation, more and more people are presenting themselves as being homeless. This therefore leads to still more people either being on the streets or, alternatively, being an extra burden on local authorities. What is the plan to get people into permanent housing once the current crisis has ended?

**Luke Hall:** I will take this opportunity to join you in putting on the record my thanks to the genuinely incredible work of local authorities, charities and voluntary bodies around the country. That has helped us achieve something—you are right—very temporary, but very remarkable: 90% of rough sleepers and people in unstable accommodation given this offer of somewhere to self-isolate away from the danger of COVID-19. It has been a remarkable achievement and I am hugely grateful to everyone who has been involved in it.

You will have heard the Secretary of State explain, I think last week, that he appointed Dame Louise Casey to chair the taskforce that is going to lead the next steps for accommodation for rough sleepers who have been put in hotels and temporary accommodation. The key overriding goal that taskforce will have is to ensure that as few people as possible return to the streets. I think the Secretary of State rightly made the point last week that this is going to be a very difficult and complex challenge to make sure we return as few people to the streets as possible.

The taskforce's work, first, is to make sure we have a really good understanding of people who are in the hotels right now and their support needs, so we can develop personal housing plans for them as they move out. That is really important, as is ensuring their ongoing safety in that accommodation. As I know the whole Committee will understand, that is a hugely important matter that can be very difficult and challenging for some organisations that are working with the cohort. It is providing that support initially, getting this understanding of exactly what immediate support is needed and mapping out what sorts of accommodation options



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are available in different parts of the country, depending on local markets and stocks.

Dame Louise will have a taskforce of people with a regional network to work with, especially those local authorities with a really high number of rough sleepers, which I know you will certainly be aware of, to make sure we have a really supportive approach, working with them to find accommodation options. We have to be realistic about the type of accommodation that it might be possible to secure in the very short term for people. You are quite right: hotel operators will start to want their accommodation back. It may be that some people's housing plans involve stays in hostels or night shelters, and some will be able to move on to more successful self-contained accommodation.

It is going to be a taskforce with a regional body underneath it, which will support local authorities in coming up with personal housing plans for as many of these individuals as possible, to recognise this very difficult but incredible opportunity that we have in front of us to engage with a cohort of people who we have struggled to engage with before. In some cases, we have found we are engaging with people where local authorities were struggling to do so before. This is a big challenge. It is also a big opportunity.

We are currently engaged in making sure we have a proper understanding of exactly what housing stock is available in different local authorities. It is clearly going to be very different in Camden than it is in Cornwall. As hotels start to reopen and want their rooms back, and as contracts come to an end, those local approaches are going to be really important to move people out in the months—and even, in some cases, the weeks—ahead.

**Q38** **Bob Blackman:** As you well know, local authorities have block booked hotel accommodation for a temporary period, but those block bookings are coming to an end. We also know that the physical and mental health of people sleeping rough deteriorates rapidly and they may also have substance abuse, or alcohol or drug addictions, to deal with. What is the plan for the network of support around people? It is one thing to house them on a temporary basis, which is obviously welcome, but another to build that network of support. What is the plan on that?

**Luke Hall:** You are quite right. This is going to be a key part of the challenge, not just ahead of us but right now. There have been some really good examples of hotels like Travelodge and Premier Inn supporting us with this cohort. They have been very supportive. There have been examples of local authorities coming up with really good support packages around people right now. Of course, that has varied around the country and has relied on localised existing commissioning arrangements.

For instance, in Portsmouth, the local authority has linked people up with GPs, who are coming in, and made sure people have telephone



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appointments with GPs available five days a week. There have been some really good examples of that happening now. It is part of this answer that that work is not going to start in the days and weeks ahead. In a lot of cases, that started from the moment people moved into this accommodation, recognising that this is our opportunity to give people that support.

You are quite right about the future steps when these personal housing plans are being designed. It will be a big part of the work of Dame Louise Casey and the taskforce to make sure those tailored needs are provided for. It is going to be a big challenge. We all understand that. It is going to be difficult in lots of cases but we are committed to ensuring as few people as possible return to the streets. That has to include the type of understanding about the support needed that you talk about.

**Q39 Bob Blackman:** How many of the people who have been rehoused under this excellent initiative have personal housing plans in place now?

**Luke Hall:** Starting now, I do not have the exact figure with me today, unfortunately. We can perhaps have that figure provided to you afterwards.

**Q40 Bob Blackman:** It would be very helpful if you could advise us how many personal housing plans are in operation and what the expected rate of progress will be. Obviously in certain places, like central London, a much higher number of people have had to be accommodated, so that will be a challenge for those local authorities, but right across the country each local authority will have taken some action to get people off the streets. It would be great to know how those people are going to be supported going forward.

**John Hall:** We do not have the data on the numbers of personal housing plans. We are not aware quite yet that people are at imminent risk of their hotel accommodation being lost. We think most local authorities block booked it for at least three months. We understand from the Prime Minister's statement last night that hotels are not going to be one of the first things that reopen. While it is very urgent, it is not an immediate burning platform.

I understand this will be a bit frustrating for the Committee today, but this is the bread and butter of what Dame Louise Casey is going to be looking at as part of her taskforce. She has been tasked by the Minister, by the Secretary of State and by the Prime Minister with taking advantage of, as you say, this incredible opportunity, where we have 5,400 rough sleepers accommodated, many of whom services have struggled to engage with over weeks, months and years. That engagement is now starting, making sure they are kept safely, and support systems around them are beginning to be built. The work that Dame Louise is doing will do as much as we can to get those plans in place.



Q41 **Bob Blackman:** This is the final question from me. We heard evidence earlier that since the Everyone In initiative was launched to get people off the streets, a number of new people have presented themselves as homeless. What estimate does the Ministry have of the number of people now applying for help and ending up rough sleeping as a result of being denied any help?

**Luke Hall:** John, do you want to talk to the figures there?

**John Hall:** The applications to the housing options teams are not something we have that regular live data on. We collect that through the new H-CLIC system, but, as you will understand, there is a lag. In normal times, that is something we just live around. At the moment, given that the world has changed so much, having a three or four-month lag in the data is quite tricky. We are doing our best to ascertain that. We have our homes advisers talking with each local authority to find out where the pressures are.

It was really useful to hear from Jamie earlier about the sort of data that London councils are collecting. They are also working with the Department's London gold team. We are trying to take a bit of an assessment and take stock of the information that is there and the data that is available, so we can get a sense of the size of the issue. At the moment, there is quite a lot of debate and views about what might be happening, but we need to be led by the data here, making sure that any response we have is appropriate and targeted.

**Chair:** I will now bring in Stephen Timms, who is guesting as Chair of the Work and Pensions Select Committee.

Q42 **Stephen Timms:** I really welcome what has been achieved on rough sleeping as well. We heard earlier that a quarter of rough sleepers who have been rehoused in London are people with no recourse to public funds. I think in some parts of the country it is a bigger proportion still. Funding accommodation for people with no recourse to public funds was quite a significant step for the Government to have taken. Was that a difficult decision or a fairly straightforward decision to reach?

**Luke Hall:** The legal position on those with no recourse to public funds has not changed. It has not changed since the start of this crisis. It is not something new to local authorities to regularly make decisions about accommodating individuals who might be otherwise ineligible for support where there is a risk to life, for example due to extreme weather with rough sleepers. They are able to do that—provide that accommodation, provide that basic safety net of support for people if they deem it appropriate and acting within the law.

Local authorities have recognised that these are unprecedented times and that they can use the funding they have been provided through the direct Government grants. Initially, at the very start, we announced £3.2 million, which was an initial allocation to support local authorities with



providing accommodation for rough sleepers. There were two subsequent £1.6 billion grants to provide accommodation. They were given funds and fully entitled to make decisions about accommodating people with no recourse to public funds.

**Q43 Stephen Timms:** We heard from London Councils earlier that, on the whole, the funding that has been provided is enough to cover the cost of everyone, including those with no recourse to public funds. Do you think that is likely to be the case outside London as well? Will the whole costs of this have been provided by the Government?

**Luke Hall:** We certainly would expect the initial allocations we have provided to cover the costs of the early months during this crisis. As I am sure you will completely appreciate, this has been a fast-moving situation. The initial allocation was £3.2 million. We quickly understood that local authorities would need significantly more money following that, which was why we made those two allocations. The first £1.6 billion was more weighted towards social care and the second towards district councils, which provide a lot of these services. We hope, expect and believe that local authorities will have enough to cover these early weeks and months of the crisis.

If you look back at what has happened over the last two months, in one month we provided £1.6 billion. In the second month we did the same. We continue to understand local authorities' needs and requirements, but we have been hearing positive noises back from local authorities about the resources that they have received so far. I think they have broadly been welcomed. The second grant of £1.6 billion, the most recent one, which had that weighting that supported district councils, was particularly welcomed. We will continue to listen and monitor the situation as it evolves. To some extent, it will depend on the lifting of the lockdown measures as we move through this crisis.

**Q44 Stephen Timms:** Picking up on the points that Bob Blackman was asking, about what happens after the immediate crisis is over, people with no recourse to public funds will not be eligible for housing benefit. Is it the Government's hope that those people will not return to rough sleeping after the crisis?

**Luke Hall:** Now that people are in this accommodation and the taskforce is working through their immediate health needs, local authorities, as I think you heard in your first session, are thinking about what happens next for every individual who is in their care, in accommodation, including those with no recourse to public funds.

The reality is that, as the legal position has not changed, the support offer for each person—support is under the approach that local authorities have taken—will need to be made on that individual basis, considering the person's individual circumstances. That may include, in this particular cohort of people, an offer of voluntary repatriation if that is the most appropriate course of action. However, the taskforce is working



through a number of these issues at pace. As much as I would love to be completely definitive about all the issues we are discussing today, Dame Louise is working extremely hard on a number of the details, but the basic legal position is not going to change, as the Secretary of State said.

**Q45 Stephen Timms:** But it is an objective of the taskforce that some way should be found for those who have no recourse to public funds not to have to return to rough sleeping after the crisis.

**Luke Hall:** There will be individual, personal, localised cases, which will vary dramatically across the board on whether someone is ready for work or needs further support. The overall point I am trying to make is that these will be localised decisions for individual authorities to take, working within the law. The taskforce is looking at pace at exactly what that might look like in different parts of the country. It may well include that offer of voluntary repatriation where it is appropriate, but the default legal position has not changed and this will be a decision for local authorities, which they are quite used to making.

**Q46 Abena Oppong-Asare:** The most recent figures from your Department show that 62,000 homeless families, including over 128,000 children, live in temporary accommodation. As you know, the Children's Commissioner has estimated that a further 375,000 children were on the brink of homelessness prior to the outbreak. Do you agree this crisis has revealed issues within our housing system?

**Luke Hall:** It is clearly an extremely important and serious matter that is central to our work in this Department. You will have heard Jon Sparkes in the earlier session say how much they welcome the increase in the local housing allowance. Apologies for throwing that back again, but it is a significant change, which we very much hope will result in a significant closure or removal of the gap between housing costs, rental payments and the amount of welfare provided. We think that is a positive change that will help a large number of people move into the private rented sector. We hear anecdotal evidence, and I think there was an answer from John earlier, that that is already starting to work. We are seeing more people move into longer-term private rented sector accommodation, which is absolutely the intention. We think that has been a positive change and you are quite right that that has been as a result of this crisis. That is not a temporary measure either. We are already starting to see the evidence of that having a positive effect.

**Q47 Abena Oppong-Asare:** Are you able to highlight to me what measures have been put in place to make sure that this positive change continues?

**Luke Hall:** The LHA is clearly a big change in itself. As I say, we have been having a big effect. We will continue to monitor and try to understand as best we can the patterns that will result, with good-quality data to base policy as we move forward. We are trying as much as we can to understand the difficulties and pressures that are facing families living in temporary accommodation at the moment. That is why we are



trying to remind local authorities that vulnerable children, including children in temporary accommodation, should be able to go to school, to make sure they still have that facility. We understand how difficult the current lockdown is for so many families living in these situations, like many of us around the country, but we think the LHA changes that we are bringing in are important and will make a significant difference.

- Q48 **Abena Oppong-Asare:** That is helpful. I wanted to follow up on that. Shelter has highlighted legal uncertainty for councils and you have just mentioned that it is local authorities' responsibility to be supporting those who are vulnerable. Shelter has said it believes this has resulted in a two-tier emergency accommodation system. It has recommended that MHCLG urgently publish guidance confirming who is entitled to emergency accommodation for the duration of this crisis. Is this something you agree with and do you have any information about whether any guidance is being carried out specifically on this?

**Luke Hall:** Thank you for making that point. When we stand back and look at the response of the Department and the Government towards homeless and rough sleeping families during this public health crisis, the thing I hope people think that we prioritised, and I hope they agree this was the right course of action, was to protect those who are most vulnerable in our society from this public health pandemic. For a number of reasons, the rough sleeping population is clearly vulnerable to the current situation. That is why one of our first and foremost actions was to protect that group, and hopefully successfully, with those 5,400 people having those offers of accommodation.

Local authorities' statutory duties remain in place. There are not any plans to change the statutory homelessness duties beyond the recent announcement that I think the Secretary of State discussed with you last week, which was made the previous Saturday, about the change in extending priority need to the victims of domestic abuse, which was absolutely the right thing to do and probably overdue. We are not considering any further changes but we think prioritising the public health response was the right thing to do.

The second part of your question was about clarity. Perhaps I will follow up with a letter to the Committee with some more detail.

- Q49 **Abena Oppong-Asare:** There is one thing I wanted to follow up with you. Particularly with those in temporary accommodation with children, in my area we are seeing people being offered accommodation right now as far as Bradford, which is quite far from the borough itself—two hours away. Is there work being done to ensure that families are kept in their local areas, particularly when kids go to school locally?

**Luke Hall:** We continue to look at this situation. Of course we want people to be placed as close to home as they can. They should at least be notifying local authorities when they are moved. I hate to sound like a broken record, but I think the local housing allowance change has



changed the type of accommodation that will be available to people. I am afraid I do not have the detail of the individual local authority you mentioned in front of me today. I am very happy to perhaps meet and discuss it on an individual basis at a separate time. This LHA change, raising it to that 30th percentile, somewhat changes the landscape, making more accommodation affordable. We heard that piece of evidence earlier in the session, so I think that has been a positive change that will make a difference in the type of situation you describe.

**Abena Oppong-Asare:** Thanks for that. I would welcome that meeting.

Q50 **Bob Blackman:** I have a couple of questions. Of the people who have been taken into hotel or hostel accommodation, or other temporary accommodation, during the crisis, how many have been tested for the virus and what action has been taken as a result?

**Luke Hall:** You are quite right; there are a couple of issues here. One is ensuring that people move into the right type of hotel accommodation. There are three main types of hotel accommodation, one for symptomatic rough sleepers, one for asymptomatic but people still vulnerable to COVID-19 and then one for asymptomatic. It is an important mechanism and perhaps John could talk through in detail in a second.

The second part is ensuring that, as people move out of this accommodation into different types of accommodation, they are tested too. That is going to be a significant challenge as we move forward. We certainly cannot have a situation where we are putting anybody in danger, going into any type of hostel accommodation without having had that appropriate level of testing when they move out. I wonder if I could invite John to talk us through the mechanism by which the outreach workers and medical professionals often help triage people into the appropriate type of hotels and accommodations.

**John Hall:** The first thing to emphasise, drawing on some of the points that were made by your first set of witnesses, is that the crisis has seen an unprecedented amount of collaboration between the Department, homelessness services, local authorities, the NHS and local public health teams. They have been working as one to make sure this is a public health-led response. As the Minister says, we are triaging people based on either whether they are particularly vulnerable—so part of what would be the shielded category—whether they are symptomatic or whether they are in the broader protective regime.

Testing has been done as needed, but we are in very close conversation with DHSC as we move into the Dame Louise Casey taskforce and the next steps to think about what level of testing will be required and how that is done, both for the residents in the hotels and homelessness workers, and, similarly, where PPE is appropriate. For lots of homelessness workers it will not be, but for those who are working in close proximity to those who are symptomatic, it will be. That is being



managed through the local resilience forums and in regular contact with DHSC and Public Health England.

Q51 **Bob Blackman:** That is a very broad-brush view on what is happening, which is great. I understand that. One of the risks here is that people who have the virus go into a hostel or hotel accommodation and are mixing with other people whose vulnerability is extreme because their immune systems may be suppressed as a result of sleeping rough. The key here is what testing is taking place as people have gone into that type of accommodation to prevent them spreading the disease among all these others who may not have had the virus before they arrived. Can we be clear about the quantity of tests that have taken place for this particular element of people in society?

**John Hall:** I do not have the numbers of tests to hand, so we will have to write to you.

Q52 **Bob Blackman:** It would also be extremely helpful to know, when people were taken off the streets—quite rightly—whether there was any segregation or testing of those people before they were put into accommodation. People could be carrying the disease but not showing any signs of it. That can mean that large numbers of people have subsequently been infected with the disease. Is there clarity about what the process was?

**John Hall:** We were not able to test all those 5,400 people in the space of the two weeks that we did it before they went in. We followed absolutely to the letter the public health guidance, which was around whether people are symptomatic, have a high temperature or have a persistent cough, as in line with the rest of the population. If that happened, they were separated into separate sites. We also rigorously followed the self-isolation guidance. That is why it was so important not just to get the people who were on the streets, but the people who were in night shelters where they were mixing and did not have their own space, and the people who were in our assessment groups. That was a very clear process, which drove all our work and is still determining where people are now. That is being closely monitored as time goes on.

Q53 **Bob Blackman:** What PPE was provided to members of staff charged with the responsibility of looking after and helping people who had symptoms?

**John Hall:** Right from the beginning we were working with DHSC and Public Health England to assess where PPE is needed. There are very specific clinical guidelines and it will not be needed for homelessness workers in most circumstances because they can maintain a safe distance. It was for the local resilience forums, working with the NHS, to ensure that homelessness services were part of the allocation of PPE as it arrived. It has been made available where needed. If you want specific information, we can provide that.

Q54 **Bob Blackman:** It would be very helpful to have clarity on what



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happened at the start and what is happening now, for the sake of those who are assisting people in a vulnerable position.

**Luke Hall:** We will put that in writing.

**Bob Blackman:** That would be helpful.

Q55 **Chair:** Can I follow up on the testing issue? We had a conversation with the Secretary of State last week about testing in care homes, and it was not exactly clear where responsibility lay at national and local level. I was pleased, following that, that the Government have now decided that public health directors will be responsible for that. That is the right decision, to take it down to a local level, working with partners in the NHS at a local level. Who is responsible for testing the various rough sleepers now housed in hostels, hotels and other accommodation?

**John Hall:** I do not have that specific information to hand, so we will have to write to you on that one.

Q56 **Chair:** I think it would be helpful. It might be helpful to reflect on the decision with regard to care homes. Given the very particular circumstances of this accommodation, directors of public health might be the best people to give responsibility to. I am not sure they have it at present. Perhaps you could have a look at that, Minister, and come back to us.

**Luke Hall:** We will do.

**John Hall:** Most of the response for this group has been through the local resilience forums, but obviously it is a much smaller group, so that makes it more practical.

**Chair:** It is always good to know who, in the end, is accountable and responsible for such things.

Q57 **Ian Byrne:** Since 2000, there has been a net loss of around 100,000 social rent homes in England due to more sales and demolitions than additions. Last year, shamefully, only 6,287 social rent houses were built. Given that the amount of social council housing will likely now increase and coronavirus will impact construction, planning and housebuilding delivery by the private sector and the financial viability of both housing revenue accounts and housing associations' business models, do you agree that it is time for the Government to invest in grant funding into a much more ambitious programme of social council house building beyond that announced in the pre-COVID-19 Budget?

**Luke Hall:** The Government's record since 2010, delivering 464,000 affordable homes in a range of tenures, is a positive one. It far outstrips the performance of some of the other countries in the UK—Wales, for instance. We are completely committed to the delivery of our flagship affordable homes programme. That is a £9 billion programme that will deliver 250,000 affordable homes of a wide range of tenures to March 2022. That is a positive programme on top of the commitment to build



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300,000 homes a year by the middle of this decade. We have a positive record of delivering housing of a mixed range of tenures. We are going to continue to do that.

It will not always be the answer to some of the immediate challenges we have been talking about, but we need to continue delivering this programme that we are committed to as part of our manifesto, and will continue to deliver that at the same pace as we planned.

**Q58 Ian Byrne:** When we were speaking to Jamie Carswell before, he thought the grant funding was an ideal vehicle to empower councils and local authorities to start tackling this issue and not leave it to the private sector. Moving forward, the Government need to have a look at grant funding. I know Liverpool City Council is chomping at the bit, once we get through this, to start building council houses. I am sure that is replicated across the country. I would implore the Minister and the decision-makers, John et cetera, to look at the need for grant funding. Would you expand more on the reluctance to look at the grant funding issue?

**Luke Hall:** As I say, the delivery of the programme is positive. If you look at the 67 social houses that I think were delivered in Wales last year, this is a positive record that we are building on. The commitment to this programme is completely definitive. At the Budget this year, we invested a further £12 billion to deliver affordable homes between 2021-22 and 2025-26. This is a big commitment to deliver homes to a wide range of tenures. It has been welcomed by a number of stakeholder groups across the industry. We think it is a positive programme that is going to deliver well over 250,000 homes over the next few years. This is a positive programme that we are committed to.

**Q59 Chair:** I think we can all be realistically looking to the future and thinking that the private housing market might at least have a few wobbles when people start to look at their incomes, the possibilities and their security. If that is the case, do you not see the real challenge that Government ought to stand up to now and recognise the really important role that both councils and housing associations can play in building homes, but also maybe purchasing homes in the private sector that do not get sold, to act as a countercyclical measure to help the construction industry through what could be a very difficult period?

**Luke Hall:** We acknowledge the important role that authorities are playing in the delivery of homes around the country. We see that in some of the delivery figures I have just talked about, the record that we have in delivering houses. We are continually expanding our understanding, working with local authorities and stakeholder groups on what further changes could be made. We think that some of the measures that we put in place to support the housing industry, including the affordable housing programme I have just talked about, are the most positive mechanism we have to continue to deliver a wide range of tenures.

**Chair:** We may come back to that issue, because I think the next few



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months could be very difficult for the construction industry. It is something I think we ought to all have a think about together.

**Q60 Paul Holmes:** I would just gently say that even housing associations that the Government are relying on to build future affordable but also, most importantly, social housing are calling for grant increase. I think that is something the Government will have to come back to.

Councils have raised concerns about the requirement to return right-to-buy receipts if they are not spent within three years. Given the closure of many development sites and the delay to the construction industry restarting again because of this crisis, will the Government use this opportunity to bring forward the proposals they made in 2018 to extend the spend period to five years to ensure that right-to-buy sales are replaced?

**Luke Hall:** It is not something that we are looking at right now. I will certainly commit to taking that away, looking into it in more detail and perhaps coming back to you, either personally or to the whole Committee. John, I do not know if there is anything you want to say on this.

**John Hall:** No. That is one we will have to write on.

**Q61 Chair:** I have one or two wrap-up points. One small issue has been raised with me. The ban on evictions applies to all forms of tenure. It applies to councils and housing associations as well. If it was to be extended, is there a recognition that, while no one wants to see anyone who has their finances put into difficulties because of the COVID-19 situation evicted from their home, there are circumstances where a person who is shielding, living at home by themselves, probably an elderly person, might have, in the council property next door, someone who is guilty of really bad antisocial behaviour and making their life hell? At some point, do we have to look at allowing evictions to take place in those circumstances to protect people in that situation?

**Luke Hall:** That is a very valid and fair point. We will all have had constituents raising concerns about these specific issues. People understand how difficult it is for many people to live next to that sort of behaviour. It can be extremely intimidating for people, especially if they are vulnerable or elderly. My understanding is that the Anti-social Behaviour, Crime and Policing Act 2014 allows local authorities and other agencies, including the police, to use a number of different powers to respond to antisocial behaviour. These continue to be applicable and they can continue to be used, but we will be looking at that issue, which many of us have rightly raised, in the days ahead.

**Q62 Chair:** In terms of the timing, when are you are likely to be able to come back to us about some of the issues on the protocol and other measures going forward? Do you have a timescale for that yet?



**Luke Hall:** On the timescales for the pre-action protocol, I cannot definitively tell you today. I completely respect all the questions that have come from you today and understand your keenness to have answers to them. I will personally make sure that is done in a speedy way.

Q63 **Chair:** Finally, we have to finish on the issue of money. You are right; local authorities have been pleased with the extra resources they have been given, as far as it goes, I think it is fair to say. Most authorities have said that they have not got as much as they have spent so far by any means. Since the Secretary of State came to see us last week and talked about only funding those issues that the Government have specifically asked local authorities to do, there has been quite an adverse reaction in local government in general. Reading the *Local Government Chronicle*, the LGA and others have been really concerned about what they may be left to pick up the bill for at the end of the day. In terms of your responsibilities, all the homelessness issues and dealing with rough sleeping, do we know that local authorities will be fully covered for all the costs they have incurred?

**Luke Hall:** I would be quite surprised and disappointed if we did not end on money and resources. As I set out earlier, in terms of rough sleeping, local authorities received that very early on. There was the initial £3.2 million, which was weighted towards the councils that would specifically need larger allocations, and the two subsequent £1.6 billion tranches of funding, on top of a very positive year's rough sleeping initiative settlement, an extra 30% rise, and that 13% rise in the homelessness funding. Apologies, Chair, because you will have heard me say this a number of times, but that is on top of a very positive local government finance settlement this year. It is not a flat question. There was a good settlement, a good increase in the rough sleeping initiative and an increase in the homelessness budget.

Q64 **Chair:** Local authorities are still concerned. They still need certainty. When are we going to get the list from the Secretary of State making it clear exactly what will be covered and what will not be covered?

**Luke Hall:** I am not sure if he committed to you last week to write on that.

**Chair:** Yes, he did.

**Luke Hall:** Far be it from me to override that, but I will follow that up straight after the session to make sure you receive that in a quick way. I think he said last week that we have listened to the sector all the way through this process. It has been quickly evolving. We provided £1.6 billion per month over the last two months. I will follow up on the specifics.

**Chair:** The local authorities have these big challenges. They know their costs are going to continue and they want to be certain. They want to do



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the right thing, but they want to know they are going to have the money to do it. I think that is the point.

Q65 **Daniel Kawczynski:** On the point that the Chair made, Minister, according to my local council, Shropshire Council, it is £4 million adrift from what this crisis has already cost it. We are very grateful for the money you have sent to the councils, but we still feel unequivocally that it is not sufficient to cover all the extra spending commitments they have and all the losses from their revenues. Would you like to respond to that, Minister?

**Chair:** Just agree, Minister.

**Luke Hall:** Thanks for making the point. I know you continue to make these points. I think they have received £18 million since the start of this crisis and £12,000 in the first tranche of rough sleeping support particularly, so we believe we provide a good level of support. We will continue to work with you and other colleagues across the House to make sure we understand the situation in the coming days and weeks.

**Chair:** Minister and John Hall, thank you both very much for coming to the Committee today and answering our questions. There are still quite a few issues that you need to reflect on, have further consideration of and come back to the Committee about. We look forward to hearing from you further and having further discussions in the weeks and months ahead, as we all together try to grapple with this terrible crisis. Thank you both very much for coming.