

## Written evidence submitted by Crisis [IOC 187]

### About Crisis

1. Crisis is the national charity for people facing homelessness. We know that homelessness is not inevitable, and we know that together, we can end it. Crisis is dedicated to ending homelessness by delivering life-changing services and campaigning for change.
2. Every year we work directly with thousands of people experiencing homelessness in 11 areas across England, Scotland and Wales. We provide vital help so that people can rebuild their lives and are supported out of homelessness for good. We offer one to one support, advice and courses according to individual needs. We use research to find out how best to improve our services, but also to find wider solutions to end homelessness for good. In these exceptional times, we are adapting our services to support people experiencing homelessness affected by the impact of COVID-19, as well as working closely with local homelessness organisations to ensure all people at highest risk are protected.

### Summary

3. Crisis is pleased to respond to this inquiry on the MHCLG's response to coronavirus. People experiencing homelessness are among those who are most exposed to the risks of COVID-19, not only because they do not have a safe home to self-isolate in or follow sanitation guidance, but because they are three times more likely to experience a chronic health problem including respiratory conditions.
4. What is more, many people living in the private rented sector are now at significantly greater risk of homelessness as a result of the COVID-19 outbreak. A survey by Opinium found that 43% of renters whose work had been impacted by the COVID-19 outbreak have struggled to pay rent or to pay for other essential items such as food.<sup>1</sup> According to the same survey, a quarter of renters whose work has been impacted have either voluntarily left their home or requested an early end to the tenancy because of inability to pay rent. But most tenants have no alternative but to stay put; tenants cannot move into cheaper accommodation at this time because of lockdown measures, and many do not have the option of moving in with family or friends. There is a significant risk that many tenants build up unsustainable levels of debt and are put at risk of eviction and homelessness when emergency measures are lifted. Rent arrears are the leading cause of landlord eviction in England and Wales, and as we work together to respond to this crisis, the government must ensure that people's homes are not put at risk because of this emergency.<sup>2</sup>
5. Since the start of the crisis, the Government has announced a number of measures to protect people who are homeless or threatened with homelessness. In particular, we have strongly welcomed the launch of the Everyone In initiative which led to the MHCLG instructing local authorities to offer self-contained emergency accommodation to people sleeping rough, in night shelters, and hostels; the suspension of all possession action for 90 days, with the possibility of extending the suspension period; legislation to lengthen the period of notice that landlords must serve where they wish to regain possession of the tenant's home; the suspension of evictions

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<sup>1</sup> Opinium & The Guardian (2020) *Impact of COVID-19 on Renters*

<sup>2</sup> English Private Landlord Survey 2018, MHCLG

from asylum accommodation for three months; and the restoration of Local Housing Allowance rates to cover the cheapest third of rents. There remain further gaps in protection to ensure no one is forced into homelessness as a result of the COVID-19 emergency, and to offer rapid support to everyone who does become homeless. Crisis are therefore urging the Government to put in place additional measures to strengthen the response to COVID-19:

- **Remove legal barriers to accessing self-contained accommodation for people facing homelessness:** The Government has been right to prioritise the safety of people sleeping rough and those staying in shelters and hostels by instructing local authorities to provide self-contained accommodation for all, but there is evidence that in some areas people are being told they are not eligible for help because they do not meet the legal tests in the homelessness legislation, including the requirements to have a local connection and meet the vulnerability threshold to be considered in priority need. We have also heard reports that MHCLG advisors have instructed local authorities to deny emergency assistance to people with No Recourse to Public Funds (NRPF), despite the initial instruction from the MHCLG that this group should be eligible. It is essential that Government provides a clear message to local authorities that its original advice remains in force, and that everyone sleeping rough and those staying in shelters and hostels should be offered accommodation that enables them to self-isolate without being subject to the usual legal tests.
- **Provide a dedicated funding stream to support local authorities to procure self-contained accommodation and the support services needed:** We welcome the Government's funding for local authorities and City Mayors to procure emergency accommodation including hotel style accommodation with en-suite bathroom to allow people to self-isolate. However, funding remains a concern for local authorities and this directly impacts their ability and willingness to pay for rooms in hotels and other emergency accommodation, and to commission support arrangements for people who have been placed in emergency accommodation.
- **Ensure that everyone leaving prison, hospital or any other state institution has safe and suitable accommodation with appropriate support if needed:** A triage system should be put in place to ensure that everyone leaving prison, hospital or immigration detention has their housing and health needs assessed, and appropriate accommodation provided based on this assessment. It is particularly important that suitable accommodation is made available for people who are particularly exposed to COVID-19 and for those who are experiencing symptoms or have tested positive but who do not need in-patient hospital care.
- **Strengthen protection from eviction for renters who have lost income during the COVID-19 pandemic:** While we welcome the steps the Government has taken to protect renters during the lock down period, the Government needs to go further to protect people from eviction once the suspension of possession action ends. When the pre-action protocol is extended to the PRS it should include guidance on affordable repayment arrangements, and a requirement that private landlords notify the relevant local authority if they begin possession proceedings. Government should also take the necessary steps to ensure judges can use discretion on whether to award possession in all cases where tenants have complied with affordable repayment arrangements or are awaiting decisions about benefit entitlement, including where possession is sought

using section 21 or the mandatory rent arrears ground of the Housing Act 1988. There is also a need for dedicated funding to ensure rent arrears and debt management support is available to all affected by COVID-19, as well as increased funding for legal aid to enable tenants to defend housing possession claims. Pending the introduction of the above provisions, and subject to the timing of the relaxing of lockdown provisions, it may also be necessary to extend the current 90-day suspension of court action in housing possession cases. Finally, Government should also make available additional Discretionary Housing Payment funding to support those with an unaffordable gap between rent payments and income caused by income loss during the pandemic.

- **Lift NRPF restrictions so that people can access Universal Credit and statutory sick pay when needed to prevent homelessness:** Many non-UK nationals who are living and working here are not eligible for many statutory support services, including statutory homelessness support from their local authority and Universal Credit, due to a condition of NRPF. This includes EEA nationals who have not yet applied to the EU Settlement Scheme or who have been granted pre-settled status but do not meet the requirements necessary to qualify for Universal Credit. This group will also include people from outside the EEA who have leave to remain with an NRPF condition. For people in this group we are recommending suspending restrictions on accessing public funds for 12 months to allow everyone being supported to move on from emergency accommodation provided as part of the COVID-19 response to access housing benefit, and other elements of Universal Credit as needed, for this period. This will prevent people being left to face homelessness and destitution as a result of the COVID-19 emergency.
- **Ensure that the benefit of the uplift in Local Housing Allowance (LHA) rates is not unintentionally hindered by the benefit cap** by urgently responding through either an uplift in the benefit cap or via increased funding through Discretionary Housing Payments.
- **Bring forward the planned exemptions to the Shared Accommodation Rate of the Local Housing Allowance**, to ensure that people under the age of 35, who are experiencing rough sleeping, abuse or exploitation can access appropriate accommodation.
- **Ensure that everyone supported through the emergency Everyone In initiative is made an offer of long-term, secure housing with access to appropriate support:** It is vital that after the Covid-19 pandemic, the progress that has been made to find accommodation for people sleeping rough is not lost. Everyone supported through this emergency initiative will remain at risk of returning to the streets and of other forms of homelessness such a sofa surfing without a proactive plan from the Government to ensure they are housed in long-term, secure housing with access to appropriate support. Many of those supported through Everyone In are likely to be suitable for Housing First. The Government should take this opportunity to ensure that Housing First provision is scaled up to support those who would benefit from it, building in the learning from the three city region pilots.

### **Inquiry questions**

How effective has the support provided by MHCLG and other Government departments in addressing the impact of COVID-19 on those in the private rented sector, rough sleepers, and the homeless

6. The “Everyone In’ hotel and emergency accommodation operation led by Dame Louise Casey and the MHCLG to support people sleeping rough and in night shelters into emergency self-contained accommodation will undoubtedly save lives. This demonstrates what is possible when there is political will behind tackling homelessness. However, there continue to be far too many people still on our streets, newly becoming homeless, and in dangerous congregate accommodation during this public health emergency.
7. It is essential that the Government implements further measures to ensure the success of this initiative, including:
  - **Removing legal barriers to accessing self-contained accommodation for people facing homelessness:** We strongly welcome the Government’s action to prioritise the safety of people sleeping rough and those staying in shelters and hostels by asking local authorities to provide self-contained accommodation for all. The Everyone In initiative is intended to support people regardless of the current tests in the homelessness legislation that require people to demonstrate that they are eligible for assistance, are in a priority need category, are not intentionally homeless and that they have a local connection. But there is evidence from charities providing front line homelessness services that these legal tests are still enforced in some areas, particularly for people with no recourse to public funds, and they continue to act as a barrier to ensuring that everyone who is homeless is provided with temporary or settled accommodation. This means some people experiencing homelessness are still unable to self-isolate and are at increased risk of contracting the virus.
  - We are calling on the Government to take the necessary measures to remove these legal barriers immediately for the duration of the COVID-19 emergency, ensuring that all people experiencing, or at risk of experiencing homelessness qualify for statutory housing and homelessness assistance in the local authority district that they are staying in, and therefore an offer of self-contained accommodation.
  - Beyond this, MHCLG should also assess the impact of the legal tests on access to housing, and the risk of homelessness, for people affected by the ongoing economic impacts of COVID-19. We are calling for the vulnerability test for people fleeing domestic abuse to be lifted during the outbreak and beyond that. During the current COVID-19 crisis, ensuring all domestic abuse survivors are considered in priority need is particularly important, as the prevalence of domestic abuse and the number of survivors facing homelessness rises. Given lockdown measures currently in place it would be near impossible for survivors fleeing domestic abuse to gather the necessary evidence to qualify in priority need to access secure housing. With the Domestic Abuse Bill now making its way through Parliament , we are calling on the Government to remove this specific legal barrier and to extend automatic priority status to this vulnerable group, to ensure their access to safe and secure housing.
  - **Provide a dedicated funding stream to support local authorities to procure self-contained accommodation and support services needed:** We welcome the funding the Government has already provided to enable local authorities and City Mayors to procure emergency accommodation including hotel style accommodation with en-suite bathroom to allow people to self-isolate. However, in some areas, allocations to homelessness teams have been made from the wider pot of £3.2 billion, but this is not the case in every area. Funding

remains a concern for local authorities and this directly impacts their ability and willingness to pay for rooms in hotels and other emergency accommodation, and to commission support arrangements for people who have been placed in emergency accommodation. By contrast, the Welsh Government have provided local authorities with funding of £10 million to support their response to COVID-19.

8. In addition to the immediate support provided under the 'Everyone In' initiative, the Government must build on the steps taken to protect people from eviction and increasing financial support from the welfare system to strengthen this support and ensure no one becomes homeless:

- **The Government must go further to protect all renters and licensees from eviction during the COVID-19 pandemic.** We strongly welcome the steps the Government has taken so far to protect people from eviction during the COVID-19 crisis. For those in the Private Rented Sector, the key measures have been the suspension of court possession action for 90 days, and the restoration of Local Housing Allowance to the 30<sup>th</sup> percentile of market rents, helping to protect people from eviction and from being pushed into significant debt. However, there are limitations to the legal protections and financial support offered so far. Crisis and other agencies are receiving many enquiries from people who have been threatened with eviction, and who may be unaware of the new protections provided by the suspension of court possession action for the next 90 days. It is therefore critical that Government ensures local authorities have the resources they need to prevent unlawful eviction, and that Government does more to ensure renters are aware that they cannot be lawfully evicted during the 90 day suspension period.
- Government must also go further to prevent homelessness arising at the end of the evictions ban. There is a substantial concern that once the period for the suspension of eviction proceedings ends, or at the end of the extension of this period, we will see a significant spike in homelessness. Where tenants have lost their job because of the outbreak and lose income as a result, many will be left with unmanageable levels of debt when the emergency restrictions are lifted. There is also a risk that tenants who have entered into new tenancies since April 2020 will face homelessness in future if the LHA rate is not kept at the 30<sup>th</sup> percentile.
- To support engagement between landlords and tenants to manage repayment of arrears and prevent evictions, the Government has committed to strengthen the pre-action protocol for possession claims by social landlords and extend it to private landlords.<sup>3</sup> We have set out our proposals on the measures needed to strengthen the protocol and prevent future evictions in response to the Committee's final question on post-lockdown actions.
- **The Government must ensure that the benefit of the uplift in Local Housing Allowance (LHA) rates is not unintentionally hindered by the benefit cap.** Crisis strongly welcomed the announcement to restore Local Housing Allowance to cover the cheapest third of rents. This support from LHA rates is essential to assist councils to help people experiencing homelessness into homes as quickly as possible, and to prevent new homelessness cases. Staff in our frontline services are already reporting cases of our clients being able to access housing in the private rented sector, including in Edinburgh, where there are now 425

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<sup>3</sup> The pre-action protocol currently applies only to social landlords, and sets out the steps that a landlord must take before proceeding with possession proceedings on the ground of rent arrears: <https://www.justice.gov.uk/courts/procedure-rules/civil/protocol/pre-action-protocol-for-possession-claims-by-social-landlords>

properties available at the 1-bedroom rate in the Private Rented Sector, compared to only 36 properties at the old LHA rate. In one case, Crisis was able to support a client who is at significant risk of COVID-19 out of a B&B and into his own flat, thanks to the restored LHA rates. This covers the cost of his rent, meaning he is able to use his other income for essentials such as food, as intended. The client has reported this has significantly helped with his mental health and wellbeing, as well as meaning he can follow public health guidance on COVID-19 and stay safe.

- However, we have also already heard from our frontline staff that some people are not benefiting from the LHA uplift because of its unintended interaction with the benefit cap. Many of those in receipt of Universal Credit will not benefit from the increased UC standard allowance or the restored LHA rates due to the benefit cap. Our services report that this is particularly common in London, but families across the country are affected by the benefit cap and it is impacting the ability of people to remain in their homes. Analysis from the Resolution Foundation has shown that a couple living with two children in a three-bedroom home will run up against the benefit cap in 107 out of 152 local areas in England and Wales.<sup>4</sup>
- Further, many claimants will have previously been able to afford higher living costs that cannot immediately be reduced, and they will be impacted by the benefit cap should they need more support from the welfare system if they have lost their jobs. As a result of COVID-19, the population affected by the benefit cap will be significantly higher, hitting families and those with high rental costs. For families and individuals that have been low-income to begin with, and have no savings to cushion them, this is a significant additional pressure that puts them at risk of falling into rent arrears.
- The Government must ensure that the benefit of the uplift in Local Housing Allowance (LHA) rates is not unintentionally hindered by the benefit cap. Urgent measures must be put in place through either a corresponding uplift in the benefit cap or via increased funding through Discretionary Housing Payments.

What problems remain a current and immediate concern for these groups?

9. The Government's measures in response to COVID-19, including increased investment in the welfare system and measures to prevent evictions over three months will have protected many people from becoming homeless during this health emergency. However, there is increasing evidence of people newly rough sleeping and becoming homelessness.
10. Preventative measures are also required to support those newly at risk of the worst forms of homelessness such as rough sleeping. The population of people that are currently experiencing homelessness is not a static or fixed group, and there will be a flow of people who have been surviving on low incomes who are now experiencing additional pressures relating to their jobs, health, relationships or living arrangements. Examples include those fleeing abuse; sofa-surfing arrangements breaking down; people losing their tied accommodation as they are laid off; people leaving prison, immigration detention or hospital without appropriate accommodation; and households at risk of eviction due to the build-up of rent arrears.
11. The Government must also prevent people from becoming newly homeless by:

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<sup>4</sup> Housing Outlook Quarter 2 2020, Resolution Foundation

- **Ensuring that everyone leaving prison, hospital or any other state institution has safe and suitable accommodation with appropriate support if needed:** It is critical that effective measures are put in place to ensure that everyone who is released from prison or immigration detention or discharged from hospital during the COVID-19 pandemic has safe and suitable accommodation to go to with appropriate support provided where it is needed. In addition to the people who would have left prison or hospital during this period anyway, it is likely that there will be increased numbers of people who are released from prison or immigration detention early due to the crisis, and increased numbers of people being discharged from hospital, some of whom may have or have had COVID-19. Action should always be taken to prevent people in this situation from becoming homeless but this is even more critical during the current crisis situation when the services people would ordinarily access for support, including local authority homelessness services and charities, are primarily operating remotely and will be more difficult to access.
- A triage system should be put in place to ensure that everyone leaving prison, hospital or immigration detention has their housing and health needs assessed, and appropriate accommodation provided based on this assessment. It is particularly important that suitable accommodation is made available for people who are especially vulnerable to COVID-19 and for those who are experiencing symptoms or have tested positive but who do not need in-patient hospital care.
- **Lifting NRPF restrictions so that people can access Universal Credit and statutory sick pay when needed to prevent homelessness:** Many non-UK nationals who are living and working here are not eligible for many statutory support services, including statutory homelessness support from their local authority and Universal Credit, due to a condition of NRPF. This includes EEA nationals who have not yet applied to the EU Settlement Scheme or who have been granted pre-settled status but do not meet the requirements necessary to qualify for Universal Credit. This group will also include people from outside the EEA who have leave to remain with an NRPF condition. For people in this group we are recommending suspending restrictions on accessing public funds for 12 months to allow everyone being supported to move on from emergency accommodation provided as part of the COVID-19 response to access housing benefit, and other elements of Universal Credit as needed, for this period. This will prevent people being left to face homelessness and destitution as a result of the COVID-19 emergency.
- We are also concerned that some aspects of the Government's immigration policy are making it harder to ensure everyone in the UK is protected during the pandemic and has a safe place to stay. The Right to Rent policy already makes it more difficult for people experiencing homelessness to find a home in the private rented sector, with evidence showing the scheme makes landlords less likely to rent to people without a UK passport, making it harder for people from outside the UK and UK nationals who do not have a passport to access accommodation. Many people who are homeless are unable to prove they have a Right to Rent because their documents have been lost or stolen while they were homeless. The temporary adaptations that have been introduced to allow evidence checks to be carried out digitally will in effect make it even more difficult for people experiencing homelessness to find a home in the private rented sector because they are very unlikely to have access to the technology required to scan documents and make video calls.

- Requiring landlords to continue making Right to Rent checks during this period will also make it more difficult for local authorities to provide accommodation to everyone who needs it and it will make it harder for people to find private rented accommodation at a time when it is more critical than ever that everyone has a safe place to live. It could also push people who are already living in the private rented sector into homelessness if the landlord is unable to satisfy themselves that the tenant still has a Right to Rent when they are looking to renew their tenancy.
- This undermines the measures introduced to protect renters from eviction, leaving people homeless at a time when the Government has committed to make sure everyone has somewhere safe to stay during the COVID-19 pandemic. **We are urging the Government to suspend the Right to Rent policy during this period**, as keeping it in place undermines the vital measures being taken to protect public health and save lives during the COVID-19 crisis.
- **Bringing forward the introduction of new exemptions to the Shared Accommodation Rate, so that the most vulnerable can afford appropriate accommodation:** under the Local Housing Allowance system, claimants under the age of 35 can only receive limited support with their housing costs according to the Shared Accommodation Rate, unless they are eligible for very specific exemptions. In recognition of the fact that shared accommodation can be inappropriate and unsafe for some people, the government has already committed to bring in additional exemptions to the Shared Accommodation Rate for those who have been sleeping rough (aged 18-25) and for survivors of domestic abuse and human trafficking. We support this change, but these exemptions must be introduced immediately rather than for the planned date of 2023.
- **Lift the vulnerability test for people fleeing domestic abuse immediately during the COVID-19 outbreak**, and beyond that: During the current COVID-19 crisis, ensuring all domestic abuse survivors are considered in priority need is particularly important, as the prevalence of domestic abuse and the number of survivors facing homelessness rises. More than 25 organisations helping domestic abuse survivors have reported an increase in their caseload since the start of the UK's COVID-19 epidemic.<sup>5</sup> Refuge reported that the National Domestic Abuse Helpline had seen a 25% increase in calls in the first week of the COVID-19 lockdown and online traffic to its National Domestic Abuse Helpline website rose by 700% in one day.<sup>67</sup> Similarly, Women's Aid reported a 41% increase in use of the charity's live chat service between 26 March and 1 April, compared to the previous week, as well as a marked increase in visitors across all its digital support services. All of those leaving unsafe living arrangements should be supported to afford rent in an appropriate home, regardless of their age.
- Given lockdown measures currently in place it would be near impossible for survivors fleeing domestic abuse to gather the necessary evidence to qualify in priority need to access secure housing. Along with lifting the legal barriers preventing people with no local connection or no recourse to public funds from accessing support from their local authority, the vulnerability test for domestic abuse survivors must be lifted immediately to ensure

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<sup>5</sup> <https://www.theguardian.com/world/2020/apr/04/domestic-abuse-cases-soar-as-lockdown-takes-its-toll>

<sup>6</sup> BBC (2020) 'Coronavirus: Domestic abuse calls up 25% since lockdown, charity says': <https://www.bbc.co.uk/news/uk-52157620>

<sup>7</sup> Refuge (2020) 'Refuge sees online traffic to its National Domestic Abuse Helpline website rise by 700%': <https://www.refuge.org.uk/refuge-sees-700-increase-in-website-visits/>

survivors have automatic priority need. This has also been recommended by the Home Affairs Select Committee in their inquiry into the Government's response to COVID-19. With the Domestic Abuse Bill now making its way through Parliament we are calling on the Government to remove this specific legal barrier and to extend automatic priority status to this vulnerable group, to ensure their access to safe and secure housing.

What might be the immediate post-lockdown impacts for these groups, and what action is needed to help with these?

12. The Government's Everyone In initiative has seen direct support given to move 5,400 people in England who were previously sleeping rough or in night shelters into self-contained emergency accommodation. This will undoubtedly save lives.
13. It is critical that this unprecedented progress made is not lost. While strongly welcomed during the outbreak as a public health response, hotels, B&Bs and hostels do not provide a long-term solution to homelessness, and there is a time limit to which the accommodation currently used for this initiative can continue to become available. This means that without a proactive offer of housing and support from the Government, those who have been helped will be at risk of returning to rough sleeping and other forms of homelessness. It is therefore crucial that **everyone supported through this emergency initiative must be made an offer of long-term, secure housing with access to appropriate support so that everyone has somewhere to live, not somewhere to manage their homelessness**. This presents an opportunity for the Government to fulfil its manifesto commitment to end rough sleeping. Evidence shows that housing-led solutions are the most sustainable and successful way of supporting people out of rough sleeping and homelessness.<sup>8</sup>
14. The priority is to ensure that everyone has somewhere to live, not somewhere to manage their homelessness. This is also a unique opportunity to make sure that everyone, including people with no recourse to public funds, can access the support they need to end their homelessness and move into a safe and stable home. The unprecedented support that has been provided by the Government based on need alone has removed the barriers that make it harder for people living in the UK who do not have recourse to public funds to move out of homelessness. Going forward we have an opportunity to draw a line under previous policies and apply this same principle to the support provided to help people move out of homelessness and into long-term housing.
15. Initial analysis by Crisis (attached as an Appendix) suggests that a significant proportion of people supported through the Everyone Initiative will need a Housing First offer to meet their housing and support needs. For others, support into private rent homes or social rent homes with floating support, tailored to their needs, will be the most appropriate housing offer. Some people will also require Critical Time Interventions, which is a housing-led approach that provides rapid access to housing and intensive support around a person's particular needs that can be adapted over time to lessen the support as required.<sup>9</sup>

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<sup>8</sup> Downie, M., Gousy, H., Basran, J., Jacob, R., Rowe, S., Hancock, C., Albanese, F., Pritchard, R., Nightingale, K. and Davies, T. (2018) Everybody In: How to end homelessness in Great Britain. London: Crisis.

<sup>9</sup> Benjaminsen, L. (2013) Sustainable ways of preventing homelessness: Results from the Housing First based Danish Homelessness Strategy and the challenges of youth homelessness. (Prepared for Peer Review in Social Protection and Social Inclusion programme) <http://ec.europa.eu/social/main.jsp?langId=en&andcatId=89&andnewsId=1884&andfurtherNews=yes>

16. The Government should work with hotels currently housing people to ensure everyone is not moved out at the same time, and while the right measures for securing the appropriate housing and support needed are put in place. These measures will include procuring existing sources of permanent housing through:
- **Prioritising nominations to housing association lettings and council lettings for the Everyone In client group.** Government should establish an expectation that 100% of housing association nominations and council lettings will be prioritised for the Everyone In client group and for others moving on from unsuitable or overcrowded temporary accommodation. In addition, allocations restrictions that may prevent lettings to people moving on from homelessness should be flexed so they do not prevent access to social housing;
  - **Ensuring sufficient funding to provide rent deposit guarantees and help to rent support.** In the autumn 2017 budget, the Government committed £20 million to fund access schemes. It must now follow up with additional resources to ensure existing schemes can meet the needs of the Everyone In cohort, and that there is help to rent coverage in every area that needs it;
  - **That the Everyone In cohort is exempt from the shared accommodation rate and either exempt from the benefit cap or in receipt of increased DHP funding.**
  - There are already cases of landlords and letting agents being reluctant to let based on the new LHA rates, because they are concerned about dealing with evictions if LHA rates no longer cover the 30<sup>th</sup> percentile after 12 months.
  - **The Government must provide assurance that LHA rates will remain at the 30<sup>th</sup> percentile,** so that the housing system can function effectively to offer secure tenancies. Last year, the analysis that Crisis commissioned from Alma Economics, modelled that the impact of this change could prevent thousands of families and individuals from becoming homeless. The research also showed that this measure would lift 35,000 children out of poverty.
17. Further, **the MHCLG should work with the Home Office to ensure that EEA national can access support to apply to the EU Settlement Scheme while they are staying in emergency accommodation.** This can be a critical step towards ending someone's homelessness because people who are granted settled status will be able to access benefits and homelessness services that they previously may not have been eligible for.
18. Finally, as noted above, we are concerned once the period for the suspension of eviction proceedings ends, or at the end of the extension of this period, tenants who have lost income because of the outbreak will be left with unmanageable levels of debt and will find themselves at increased risk of homelessness. In order to help prevent evictions in such cases, the Government has said it intends to strengthen the pre-action protocol for possession claims by social landlords and extend it to private landlords. This would place obligations on landlords to work with tenants to agree affordable arrears repayment arrangements.
19. We look forward to seeing the Government's proposals for strengthening the pre-action protocol and extending it to private landlords. But based on the protocol that currently applies to the social rented sector, there is a risk that the protocol will have limited impact where landlords are still

entitled to possession under Section 21 or the mandatory arrears ground of the Housing Act 1988. To ensure that the pre-action protocol has a protective effect for all tenants who have been unable to pay their rent as a consequence of COVID-19, and not just those who are the subject of discretionary possession grounds, judges need discretion over whether possession will be granted in all cases. **We are therefore calling on Government to put in place emergency legal provisions to enable judges to use their discretion in all cases where tenants have complied with affordable repayment arrangements or are awaiting decisions about benefit entitlement.**

20. We are also calling for the protocol to be strengthened by including:
  - guidance on the level of repayment considered affordable proportionate to income, and on acceptable repayment periods, ensuring that people aren't left with insufficient resources to cover essential living costs;
  - a requirement that private landlords notify the relevant local authority when notice is served. In Scotland under Section 11 of the (Homelessness etc (Scotland) Act 2003 landlords have since 2009 been subject to a duty to notify the relevant local authority when they begin possession proceedings and other European countries operate similar measures.<sup>10</sup>
21. In addition, to support the implementation of the pre-action protocol, we would like to see Government providing dedicated funding to ensure rent arrears and debt management support is available to all affected by COVID-19. Government should also increase funding for legal aid and ensuring specialist legal provision is available in every area to ensure tenants are enabled to defend housing possession claims.
22. Pending the introduction of the above provisions, and subject to the timing of the relaxing of lockdown provisions, it may also be necessary to extend the current 90-day suspension of court action in housing possession cases. And finally, even if this protocol these proposed measures are fully implemented, some tenants will face gaps between rents and benefit levels that make it impossible to put in place genuinely affordable arrears repayment arrangements. To help protect tenants and landlords in this situation, Government should also make available additional Discretionary Housing Payment funding to local authorities to prevent homelessness caused by income loss during the pandemic.

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<sup>10</sup> Gerull, S. *Evictions Due to Rent Arrears: A comparative analysis of evictions in fourteen countries*. Alice Salomon Hochschule Berlin, Germany. Published in *European Journal of Homelessness* Volume 8, No 2, December 2014

## Appendix – methodology for rough estimate of costings for a housing-led exit strategy

### Immediate need exit strategy costs

The latest MHCLG press release states 5,400 people have been moved from the streets and communal shelters and placed into hotels and temporary accommodation. Based on unit cost assumptions using the best available data two cost scenarios are set out below. The costs are based on 12 months stock (point in time) housing led support and housing costs (including housing benefit) for 5,400 people in England. The figures do not account for flow of people coming into the system during this 12 month period and if more work is done to develop the model this would need to be factored in to understand newly arising need in the 12 month period. The unit costs do not cost in wider system costs which enable people to be moved into housing, such as the running costs of a social lettings agency, property acquisition or outreach services and housing options services.

The following assumptions have been made in the model:

- Everyone would claim some form of full housing benefit for a one bed property in either the social rented or private rented sector. On the basis of CHAIN we can assume around 32% are aged 35 and under and would need to be exempt from the Shared Accommodation Rate to claim the one bedroom rate
- Everyone would require some form of support for 12 months. This has been split by intensive high needs support through Housing First, intensive but transitional support through Critical Time Intervention, low to medium support through a floating support model. Without data on a full needs assessment for the model we have estimated size of each support cohort through data available (CHAIN and *Nations Apart*). We have assumed 20% floating support, 30% CTI and 50% HF
- Move in and rent in advance or deposit for people being moved into the PRS
- Tenure mix – we have assume the majority (70%) of people would be moving into the PRS with the remaining 30% accessing social hous

### Unit cost breakdown and sources

1. Housing First support – unit costs per person per year based on Liverpool City Region Feasibility study<sup>11</sup> and PWC cost benefit study of Crisis' Plan to end homelessness<sup>12</sup> which have had inflation applied. This equated £12,250 in 2017 and in 2019 = £12,983.93
2. Critical Time Intervention – unit costs per person per year based PWC cost benefit study of Crisis' Plan to end homelessness which have had inflation applied. There is a lack of evidence on cost modelling of CTI and nothing in the UK context, the unit costs may be on the higher side as there is a higher caseload of 15 to 20 per support worker but in the absence of a full cost analysis the same unit cost has been applied as for Housing First
3. Floating support – unit costs per person per year based on Crisis' At what cost?<sup>13</sup> Study and PWC cost benefit study of Crisis' Plan to end homelessness which have had inflation applied. This equated to £5,411 for two years in 2015 so the equivalent to £6,043.87 in 2019 so a 12 month cost is £3,022

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<sup>11</sup> Blood, I., Copeman, I., Goldup, M., Pleave, N., Bretherton, J. & Dulson, S. (2017) *Housing First Feasibility Study for the Liverpool City Region*, London: Crisis.

<sup>12</sup> PricewaterhouseCoopers LLP (2018) *Assessing the costs and benefits of Crisis' plan to end homelessness*. London: PWC.

4. Housing benefit – this is an average weekly amount for November 2019 for full housing benefit for the social rented and the new LHA rates uplifted to the 30<sup>th</sup> percentile for private rented sector. The PRS weekly amounts are for 1 bedroom rate (including for under 35s) but this data is not available on DWP stat explore for the social rented sector so the average has been used. More accurate in-house DWP data can be swapped in as it becomes available. The England average at the 30<sup>th</sup> percentile for the 1 bed rate is £129.58 and the social rented sector is £97.04. As we receive more accurate data on where people are located by BRMA and LA this can be adjusted to reflect the eligible housing benefit amount

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<sup>13</sup> Pleace, N. (2015) *At what cost? An estimation of the financial costs of single homelessness in the UK*. London: Crisis.