

## Committee: Sustainable Communities Overview and Scrutiny Panel

Date: 24 June 2021

### Subject: Housing update

Lead officer: Steve Langley, Head of Housing Needs

Lead member: Martin Whelton, Cabinet Member for Housing, Regeneration and Climate Emergency.

Contact officer: Steve Langley, Head of Housing

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#### Recommendations:

A. No decision will be required as the report is for information only

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#### 1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1. The purpose of this report is to provide an update on some of the measures already in place to manage a possible increase in homelessness services following the lifting of the eviction ban on the 1<sup>st</sup> June 2021.

#### 2 DETAILS

2.1. The Council continues to perform well in the management of homelessness. This is despite the additional requirements set out in the Homelessness Act 2017 and the Covid 19 pandemic.

2.2. The Council continues to maintain its position on having the lowest number of homeless households in temporary accommodation of any London borough (197 as at March 2021).

2.3. The Council has successfully prevented a significant increase of households in temporary accommodation by maintaining its focus on the prevention of homelessness and by working with private sector Landlords to increase housing supply.

2.4. Following the adoption of the “everyone in” principle in March 2020 the Council and its partners have reduced the number of known rough sleepers to one.

2.5. Table A sets out performance against homeless prevention.

	2017/18	2018/19	2019/20	2020/21
Preventions	465	504	480	455

2.6. Table B sets out performance against increasing housing supply in the private rented sector.

	2017/18	2018/19	2019/20	2020/21
RDS Lettings	70	45	41	71

2.7. Table C sets out performance against the number of households in temporary accommodation.

	2017/18	2018/19	2019/20	2020/21
<b>Temporary Accommodation</b>	165	174	199	197

2.8. Whilst temporary accommodation performance remains strong and is due to the ongoing focus on homeless prevention changes to housing law and the return to pre pandemic possession arrangements may see an increase in homelessness activity over the coming months.

2.9. Sadly it is not possible to accurately predict the number of homeless episodes that may arise due to evictions increasing as there are a number of unknown factors involved in the equation. This view is supported by the research from LSE London which in summary tells us that the position going forward is unclear, but likely to be undesirable. A summary of the research:

- One of the most obvious concerns arising from the COVID-19 crisis was the fear that there would be mass evictions in the face of rent arrears. The government responded with suspensions of notice and eviction which still continue. There is thus a backlog of people under threat.
- Around 6–7% of tenants appear to be in arrears– around twice the ‘normal’ proportion. Some 10% of private tenants are thought to be unemployed, about double the average rate.
- Given projections of unemployment and the relationship between unemployment and rent arrears, over 400,000 tenant households might be expected to be in significant arrears at the end of the year.
- In many cases landlords and tenants have found ways of coping. But the longer tenants remain in accommodation where they can’t pay the rent, the higher their future debts will be and the greater difficulties facing both tenant and landlord.
- Perhaps most importantly, the courts will face major difficulties in coping with any significant increase in landlord claims. As a result, the time taken to get an order, let alone to gain possession will almost certainly increase significantly - implying that most cases now entering the system will not be completed until well into 2022.
- What impact this will have on the private rented sector into the medium term is unclear – but almost certainly undesirable

2.10. We have no way of knowing how many Landlords (social and private) will evict their tenants. Grounds for possession are extensive and include rent

arrears, anti-social behaviour, domestic abuse, false statements, breach of immigration rules (i.e. Right to Rent) and Death of a tenant.

- 2.11 In addition, pre Covid 19, the biggest cause of homelessness in Merton was the ending of Assured Shorthold Tenancies (often referred to as no fault evictions). It's impossible to predict with any degree of accuracy how many no fault evictions will take place over the coming months and years.
- 2.12 During the period 19/20 and pre the covid 19 pandemic, the Council received 281 homeless applications because of the ending of Assured Shorthold tenancies. We may wish to assume that similar numbers will occur going forward, but this cannot be assured.
- 2.13 As well as demand from private sector tenants and evictions there could be pent up demand from those who have had to remain longer in accommodation and those likely to face eviction later. For example those living in overcrowded situations where family / friends have agreed for family / friends to live with them pending finding long term accommodation.

#### **2.14 What has changed in regarding evictions**

From the 1<sup>st</sup> June 2021 Landlords will have to give four months notice (England only). The eviction ban also came to an end on the 31<sup>st</sup> May 2021 meaning that the bailiffs can restart the enforcement of possession warrants.

The four month notice period is expected to remain in place until 30 September 2021, when this will drop to two months' notice in England only. There will be exceptions to this for the most serious of cases which includes anti-social behaviour, accumulated rent arrears, false statements, Domestic abuse, breach of immigration rules and Death of a tenant

It is important to mention however that bailiffs have been asked not to carry out an eviction if anyone living in the property has Covid 19 symptoms or is self isolating.

#### **2.15 Homeless Prevention Activities**

The Homelessness Reduction Act 2017 ("the 2017 Act") which was implemented on 03 April 2018, placed new duties on the council to intervene earlier to prevent homelessness and to take reasonable steps to relieve homelessness for all eligible applicants and this duty extends to those who are not in priority need of housing under the Act.

The 2017 Act did not replace the earlier legislation, but it created several new duties and gave additional rights of review to housing applicants. In particular, the 2017 Act created a new prevention duty requiring the council to take reasonable steps to prevent homelessness for any eligible applicant at risk of becoming homeless within 56 days.

The 2017 Act also introduced a new "relief" duty which requires the council to take reasonable steps to help housing applicants to secure suitable accommodation. The new duties created by the 2017 Act remain unchanged and as such, the Council will continue to deal with any new homeless cases as before the Covid 19 pandemic and after the lifting of the eviction and as per the requirements of the 2017 Act.

Examples of Prevention Activity include:

- Providing Personalised Housing Plans
- Securing Alternative Accommodation in the Private Rented Sector
- Negotiating to keep people where they are pending an offer of accommodation from the Housing Register
- Providing advice on security of tenure and defending possession action
- Preventing illegal eviction
- Signposting to other agencies
- Advice on the government's Debt Respite Scheme

## **2.16 Temporary Accommodation and the relief of Homelessness**

The Councils duties' and the use of temporary accommodation are set out in the Housing Act 1996 Part 7, as amended by the Homelessness Reduction Act 2017 and the associated Homeless code of guidance. The Act places a duty on local housing authorities to secure permanent accommodation for unintentionally homeless people in priority need. Authorities do not have a duty to secure accommodation for all homeless people. If an applicant has become homeless unintentionally the authority must assess whether they, or a member of their household, falls into a 'priority need' category.

2.17 The Council has a homeless placement policy which takes regard of the judgement *Nzolameso vs Westminster City Council*. There is however a limited supply of suitable affordable accommodation within Merton, but the aim is to provide accommodation in Merton wherever reasonable and practicable. Sadly whilst this is not always achievable the policy seeks to prioritise placements for in borough rehousing.

2.18 The Council takes reasonable steps to ensure that the dwelling is suitable for occupation and this includes ensuring that the property has:

- Gas Safety Certificates
- Electrical Safety Certificates
- Smoke detectors
- CO2 detectors

Currently, visits to the accommodation are carried out either by Zoom or Skype and personal visits are also undertaken but this are currently only in exceptional circumstances and following Covid 19 risk assessments.

2.19 As highlighted elsewhere in the report, the council performs well in the administration of homeless services with 197 households in temporary accommodation at end of March 2021. This compares well with circa 60,000 London households in temporary accommodation at the present time.

## **3 ALTERNATIVE OPTIONS**

None for the purposes of this report

**4 CONSULTATION UNDERTAKEN OR PROPOSED**

4.1. None for the purposes of this report

**5 TIMETABLE**

5.1. None for the purposes of this report

**6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

6.1. None for the purposes of this report as information only

**7 LEGAL AND STATUTORY IMPLICATIONS**

7.1. None for the purposes of this report as information only

**8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

8.1. None for the purposes of this report as information only

**9 CRIME AND DISORDER IMPLICATIONS**

9.1. None for the purpose of this report

**10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

10.1. None for the purposes of this report as information only

**11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT**

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**12 BACKGROUND PAPERS**

12.1. None

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