

Shelter Briefing: Urgent Question on the End of the Eviction Moratorium

Summary

The evictions suspension came to an end on the 20th September. Renters can now be evicted through the courts. While the government has taken some steps to protect renters, they have not introduced the long-term solutions which would protect people from Covid-evictions over the coming months. The inherent insecurity of the private rented sector (PRS) means that any renters in difficulty risk losing their home; the financial impact of Covid could have dire consequences. Private renters were already ill-equipped to weather the storm of a global pandemic, with 75% of private renting families with children already having no savings. It's no surprise that since Covid hit, 322,000 renters have fallen into arrears. The government must urgently act to ensure renters don't lose their homes because of Covid – not just now, but in the months to come.

Government action so far

The government has introduced a series of measures specifically aimed at mitigating the impact of the pandemic on renters. In March the government announced the eviction ban, initially to last for 90 days, this was then extended in June for another two months, then again in August for an additional four weeks. Subsequently to this, the government extended the notice periods which landlords must serve when evicting a tenant to six months for most grounds. These extended notice periods do not apply where the tenant has rent arrears of six months or more, or in anti-social behaviour cases.¹

While additional time for renters is welcome, it is not a long-term solution for those renters with arrears. Moreover, these extended notice periods, without support for renters and landlords to resolve the issues, risk exacerbating an already difficult situation – calls to our advice line about harassment from landlords and illegal evictions have increased since lockdown, Safer Renting reported a 42% increase in illegal evictions compared to this time last year. Additionally, the measures also only came into effect from August 29th, so any renter served notice before then (but after March 26th) will only receive a three-month notice, meaning they will potentially face eviction this winter. The government last week announced that evictions will be suspended again over Christmas, which once again is welcome but does not address the problem – ending unfair evictions should be for life, not just for Christmas.

The government acted to increase Local Housing Allowance (LHA) rates to cover the 30th percentile of the market and increase the Universal Credit (UC) allowance. We have been calling on government to uprate LHA for many years and while a lift to the 30th percentile is progress, in these exceptional times when people could not just move to a cheaper property within the 30th percentile, this has not been sufficient protection to prevent claimants falling into spiralling arrears. With 4 in 10 (39%) private renters now claiming LHA, it is often not possible to find an available property within the LHA rate. Further, people who have no recourse to public funds (NRPF), will not qualify for LHA or UC.

The Solution

The PRS is insecure by design; until Section 21 'no-fault evictions' are abolished and landlords have to prove grounds in order to evict their tenants, renters will be at risk of Covid-evictions. Renters would be protected by small legislative tweaks in the interim until the Renters' Reform Bill is brought forward if the

¹ See Annex 1 for detailed information about notice periods

judges are given discretion when hearing possession claims in Section 21 and Section 8 claims. By making these grounds discretionary, rather than mandatory eviction grounds, it would allow judges to consider how Covid has impacted the tenant's ability to pay their rent, and find workable solutions taking into account the consequences for both the landlord and tenant. This would provide real solutions and a way forward for both parties, removing the necessity for arbitrary delays to be added into the system.

However, if these legal changes are not made to offer all renters legislative protection from Covid-evictions, the government must take steps to prevent Covid-evictions by offering financial assistance to those who have fallen through the cracks in government support. In coalition with the National Residential Landlords Association, ARLA Propertymark, Crisis, Citizens Advice and Generation Rent, we have developed proposals for government for a short-term package of emergency grants and loans worth £270 million to help renters who have lost out on income or been furloughed as a result of the pandemic. This money would clear Covid specific arrears, removing the threat of eviction.

Looking ahead

There is a need to return to policy making for the long term. The nature of the pandemic has meant that emergency measures had to be taken and emergency laws introduced. The problems within the PRS however, remain unchanged, only more acute.

The government committed to abolishing Section 21 'no fault' evictions, along with much wider reforms to the PRS in the Queen's Speech. In announcing a Renters' Reform Bill, the government committed to 'improving the experience of those living in the PRS'. Covid has brought into sharp focus how necessary and overdue those reforms are.

A lack of social housing forces many people to rely upon the PRS. Both the total number and the demographic of people living in the PRS has changed dramatically over the last 20 years. It has now largely become a tenure of necessity rather than choice. Renters spend on average 40% of their income on rent, the highest of any tenure, with the majority unable to save for the future. The government must address trapped renters and build the social housing that is desperately needed.

If you would like further information, please contact: ami_mccarthy@shelter.org.uk

Annex 1: Table showing changes to notice periods

Type of eviction notice	Pre-26 th March	26 th March – 28 th Aug	29 th Aug – 30 th March 2021
Section 21	Two months	Three months	Six months
Section 8, Ground 8 (rent arrears over 8 weeks ground)	Two weeks	Three months	Six months (if under six months' arrears) Four weeks (if over six months' arrears)
Section 8 ASB (Ground 7a)	Four weeks	Three months	Four weeks
Section 8 – domestic violence (Ground 14A – applies to social landlords only)	Two weeks	Three months	Two weeks