

Shelter briefing: Lords' debate on mass evictions and COVID-19 related poverty

Shelter is the UK's largest housing and homelessness charity. We have continued to give support and advice to people struggling to pay the rent or threatened with eviction throughout the pandemic.

At the start of the March 2020 lockdown, the government put in place a package of emergency housing measures to keep people safe in their homes during the pandemic. This included restoring Local Housing Allowance rates to the 30th percentile, suspending possession proceedings, and extending notice periods.

However, over the course of the pandemic, people have fallen through the gaps in support. Hundreds of thousands of renters have fallen into rent arrears. Private renters have been illegally evicted from their homes. People with No Recourse to Public Funds have lost their jobs but have been left with no safety net to fall back on.

To prevent further evictions and support renters struggling to stay afloat, Shelter is calling on the government to:

1. **Strengthen the welfare safety net**, by removing the benefit cap, making the uplift to Universal Credit permanent, and unfreezing Local Housing Allowance.
2. **Support private renters**, by putting in place a package of funding to help renters clear arrears built up during the pandemic, and urgently bring forward the Renters Reform Bill in order to finally put an end to Section 21 'no fault' evictions.
3. **Suspend the No Recourse to Public Funds condition**, for at least the duration of the pandemic to ensure everyone can access the welfare safety net in times of need.
4. **Provide councils with enough funding** to properly resource their tenancy relations service in order to help prevent harassment and unlawful evictions in the private rented sector.
5. **Invest in a new generation of social housing**, to lift hundreds of thousands out of homelessness and poverty into affordable, permanent homes.

Government support: Where are the gaps?

Local Housing Allowance

Local Housing Allowance (LHA) is the way that housing benefit is calculated for private renters and is meant to cover the cost of a modest private rental (the cheapest 30%) in every part of England. But before the pandemic, the rates had fallen so far behind the cost of renting that by 2019 the [average shortfall](#) for claimants with no or low-income was over £100 a month. The government's decision to realign LHA rates to the 30th percentile (cheapest 30%) of local market rents was therefore a welcome step in assisting private renters weather the financial impact of the pandemic.

Private renters have been hit particularly hard by the pandemic, and last year there was a 46% increase in the number of private renters who applied for housing support to help pay the rent. In some areas, like Sefton, the Wirral, and Enfield, more than 80% of private renters now rely on either LHA or the housing element of Universal Credit to pay the rent.

The government has now frozen the LHA rates once again, removing the link between local rents and housing benefit. Private rents have risen over the past year, so renters now face a shortfall between housing benefit and local rents in many parts of the country. For example, LHA now fails to cover the cost of renting a modest 2-bedroom home in 67% of local areas in England. Nearly two million private renters rely on LHA to pay the rent but unless the government realigns LHA with rents once again, many will face growing shortfalls between their rent and their benefits. **The government must urgently unfreeze Local Housing Allowance and realign the rates to at least the 30th percentile of local market rents.**

The Shelter logo consists of the word "Shelter" in a white, sans-serif font, centered within a solid red rectangular background.

Benefit cap

The benefit cap limits the amount that people in receipt of benefits can receive, unless they are earning at least £617 a month. The cap does not take into account family size or housing cost, meaning it is having a particularly devastating impact on low-income households in areas where housing costs are high. Families affected by the benefit cap are losing an average of £59 a week, equivalent to [the average amount that families spend a week on food](#).

The number of households that had their benefit capped [more than doubled last year](#). The economic impact of numerous lockdowns has made the criteria to escape the benefit particularly unfair: a lack of job opportunities and high unemployment rates makes it impossible for many to earn enough to escape the benefit cap, pushing many into debt, rent arrears and destitution. The benefit cap is putting families that are struggling to stay afloat at risk of eviction and homelessness, and makes it much harder for renters to find homes they can afford. **The benefit cap is putting hundreds of thousands of people at risk of homelessness and the government must urgently remove the benefit cap for at least the duration of the pandemic.**

Rent arrears

With LHA rates frozen and the benefit cap limiting the amount that low- and no-income households can receive, it is no surprise that growing numbers of private renters have fallen into rent arrears during the pandemic. As of December 2020, almost 445,000 private renting adults in England were in arrears or had received some kind of eviction notice from their landlord or letting agent in the last month. Many more are borrowing money or cutting back on food and heating just so that they can pay the rent. **To prevent families losing their homes because of COVID-19 related rent arrears, the government must bring forward a dedicated package of financial grants to help private renters clear rent arrears that have accrued during the pandemic.**

No Recourse to Public Funds

For many that have lost income during the pandemic, turning to our welfare safety net has not been an option. An estimated 1.4 million people in the UK have no recourse to public funds (NRPF), which means they are prohibited from accessing most welfare benefits, statutory homelessness assistance, and from being allocated social rent housing because of their immigration status. Without entitlement to Universal Credit, people with NRPF who have lost work or income during the pandemic have struggled to stay afloat and pay their rent. **NRPF has directly pushed many into destitution and homelessness, and the government must suspend the NRPF condition for at least the duration of the pandemic to ensure everyone can access our welfare safety net in times of need.**

Illegal evictions and harassment

The government's suspension of possession proceedings kept thousands of people in their homes and ensured that renters could follow government instruction to stay home during the pandemic. However, our services have supported renters who have faced harassment and illegal eviction throughout the course of the pandemic. We have advised hundreds of people who have been kicked out of their home unlawfully or who have suffered threats, abuse or worse – including during the time when no one was meant to be evicted from their home at the worst of the pandemic. The government's homelessness statistics show that the numbers of homeless households who have lost their last settled home due to illegal eviction and harassment remain high. **The government must provide councils with enough funding to properly resource their tenancy relations service in order to help prevent unlawful evictions.**

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