



BRIEFING PAPER

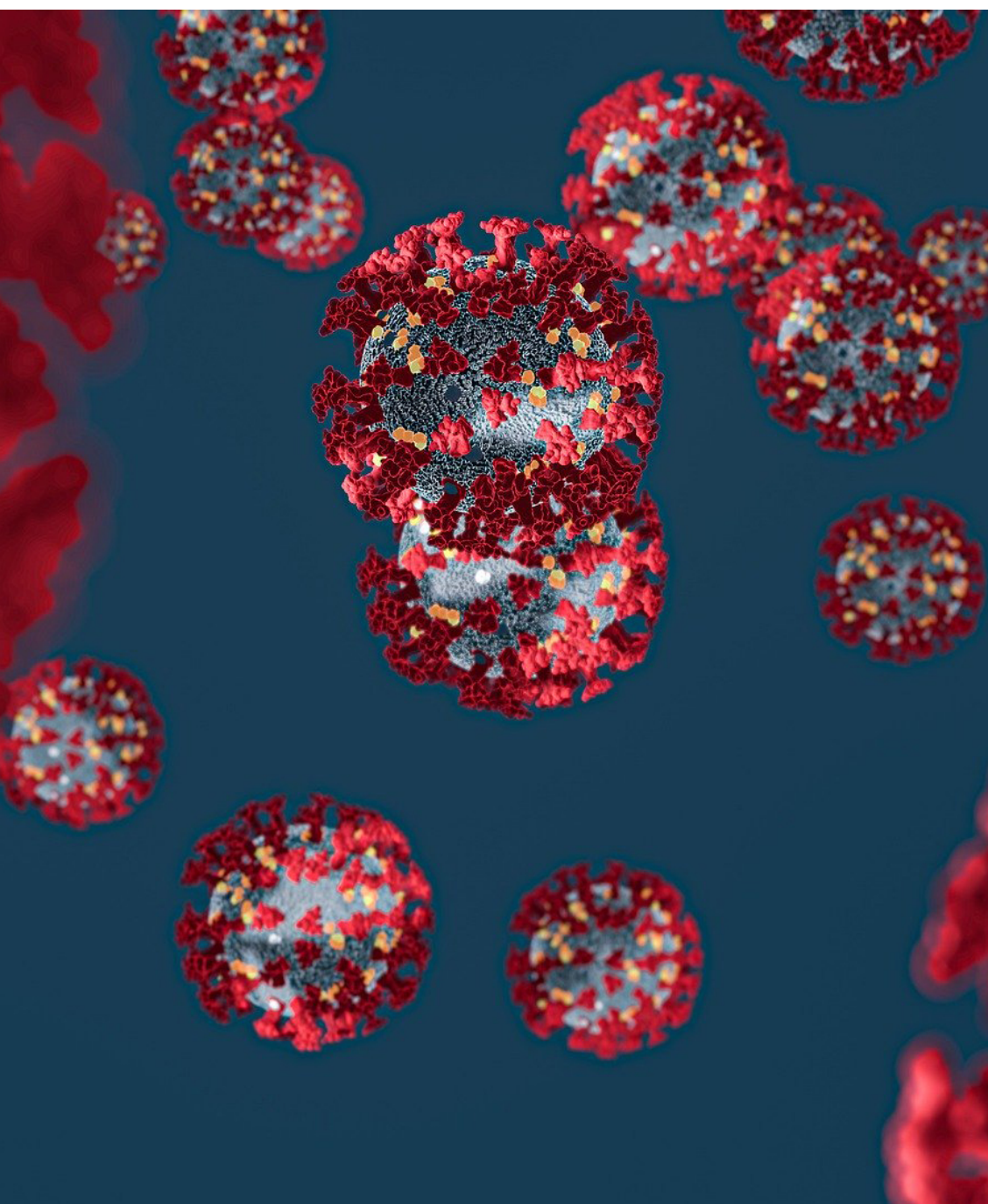
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Coronavirus: A ban on evictions and help for rough sleepers

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Summary

The coronavirus (Covid-19) outbreak brought significant implications for households' ability to retain their homes and, for those that are street homeless, to be able to secure a safe place in which to follow Public Health England's advice on self-isolation, social distancing and hygiene.

In response, the UK Government introduced a series of housing support measures:

- Provisions were included in the *Coronavirus Act 2020* to extend the notice periods that certain tenants in England and Wales are entitled to receive when a landlord is seeking to recover possession of their homes. The minimum notice period for tenancies within scope is now three months – this applies to notices served in England and Wales from commencement (26 March) up to 30 September 2020. Notices served before commencement remain valid.
- Private landlords in England and Wales will be required to adhere to [The Pre-Action Protocol for Possession Claims by Social Landlords](#).
- The Master of the Rolls issued a [Practice Direction](#) to suspend all ongoing housing possession action in England and Wales from 27 March 2020 for a period of 90 days.
- The Chancellor announced an increase in Housing Benefit and Universal Credit "so that the local housing allowance will cover at least 30% of market rents" within a Broad Rental Market Area.
- The Financial Conduct Authority (FCA) issued guidance to lenders advising them to operate payment holidays for owner occupiers and buy-to-let landlords of up to 3 months. On the 22 May, the FCA announced that firms should, as appropriate, extend mortgages holidays for a further three months. Lenders have been advised to exercise forbearance during the crisis.
- The Government announced £3.2 million in emergency funding for local authorities in England to support rough sleepers and other vulnerable homeless people into appropriate accommodation. By mid-April over 90% of rough sleepers in England had been offered emergency accommodation as a result of the 'Everyone In' initiative. The Government has set up a specialist taskforce, headed by Dame Louise Casey, to develop plans to ensure as few people as possible return to life on the streets. £160 million has been allocated to fast-track the delivery of 3,300 new housing units for rough sleepers in the next 12 months.

Having welcomed the Government's commitment to introduce a "complete ban on evictions", following publication of amendments to the *Coronavirus Bill* several commentators said the changes fell short of the initial commitment. However, the suspension of ongoing housing possession action from 27 March was acknowledged as a significant step in providing security of tenure for most tenants in England and Wales during the Covid-19 outbreak. The Ministry of Housing, Communities and Local Government issued [guidance for landlords and tenants](#) (March 2020) and the Welsh Government published a series of guidance notes under the heading [Renting a home: coronavirus](#).

The **Scottish Government** legislated to strengthen tenants' security of tenure and a Bill introduced in the **NI Assembly** to apply a 12 week notice to quit period to all tenancies obtained Royal Assent on 4 May 2020.

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As the date on which the moratorium on possession claims draws closer (25 June 2020), the calls for more action to protect renters from an eviction 'cliff edge' have grown louder.

The Housing, Communities and Local Government Select Committee published the interim report of its [*inquiry to assess the impact of the coronavirus crisis on homelessness, rough sleeping and the private rented sector*](#) on 22 May 2020. The report urges the Government to implement six key measures to protect rough sleepers and renters:

- Provide local authorities with an annual £100 million dedicated funding stream to end rough sleeping in England once and for all.
- Compensate local authorities for provision offered to rough sleepers with no recourse to public funds as a result of the current crisis.
- Boost the immediate availability of appropriate supported housing, by providing targeted grant funding for local authorities and housing associations to acquire properties and removing restrictions on Right to Buy receipts.
- Amend existing housing legislation to give judges more discretion in eviction cases concerning rent arrears accrued as a result of the pandemic.
- Accelerate plans to introduce a Renters' Reform Bill to abolish section 21 'no fault' evictions.
- Maintain the Local Housing Allowance Rate (LHA) rate at the 30th percentile long-term and consider what the impact on renters and the wider rental market would be of raising LHA rates further.

The Committee asked the Government to respond to its recommendations by 12 June 2020.

This paper will be updated to take account of additional announcements and developments.

1. A ban on tenant evictions

1.1 Extended notice periods

On 18 March 2020, the Government announced that emergency legislation would “suspend new evictions from social or private rented accommodation while this national emergency is taking place”.¹

The *Coronavirus Bill 2019-21*, as introduced on 19 March 2020, did not contain emergency housing measures. The Government tabled a raft of amendments to the Bill on 23 March, including housing provisions, which were considered and agreed by a Committee of the whole House. **The provisions affecting residential tenancies extend to England and Wales.**

Section 81 of the Act, entitled **Residential tenancies: protection from eviction**, together with Schedule 29, extended the notice periods that certain tenants are entitled to receive when a landlord is seeking to recover possession of their homes.

Broadly, a landlord seeking to evict a tenant must first serve a notice in a prescribed form which gives tenants a certain period within which to vacate the premises. The normal statutory notice periods vary depending on the ground for possession under which the landlord is seeking possession. If a tenant does not vacate on the expiry of the notice period, the landlord must obtain a court order for possession.

The extended notice periods provided for in the Act **apply to notices served the day after the Act came into force, i.e. 26 March 2020 until 30 September 2020**; the Act allows for this period to be extended by regulations for up to six months.

Which tenancies are covered?

- Protected/regulated tenancies governed by the *Rent Act 1977*.²
- Assured shorthold tenancies governed by the *Housing Act 1988*.
- Assured tenancies governed by the *Housing Act 1988*.
- Secure tenancies governed by the *Housing Act 1985*.

The extended notice periods also apply to flexible, demoted and introductory tenancies, and notices served in relation to anti-social behaviour. Section 21 notices, which trigger the ‘no fault’ ground for eviction against assured shorthold tenants, have also been extended.

Guidance on amended notices was published by the Ministry of Housing, Communities and Local Government (MHCLG) on 26 March 2020.³

¹ [Ministry of Housing, Communities and Local Government \(MHCLG\) Press Release](#), 18 March 2020

² With some very limited exceptions it has not been possible to create new protected tenancies since 15 January 1989.

³ For [secure tenancies](#) and for [assured tenancies](#).

For those occupying under a licence agreement which is not covered by notice extension, the Government guidance states:

We are urging the landlords of those on licences to occupy to follow the same guidance and to work with renters who may be facing hardship as a result of the response to COVID-19.⁴

How long is the notice extension?

Notices served on or after 26 March 2020 must last for **a minimum of three months**. As noted above, this period may be extended by regulations.

In normal circumstances notice periods vary depending on the status of the tenancy and the ground for possession the landlord is using. For example, a section 21 notice served on an assured shorthold tenant would normally give the tenant a minimum of 2 months' notice to vacate. In some cases of anti-social behaviour, a council/housing association landlord could proceed to court immediately. In rent arrears cases a secure council tenant would usually get 4 weeks' notice, while an assured housing association tenant may get 2 weeks' notice.

What about notices served before commencement?

These notices are still valid – **but see sections 1.2 and 1.3 below**.

1.2 Widening the pre-action protocol for possession claims

On 18 March 2020 the Government said: "No new possession proceedings through applications to the court to start during the crisis" and went on:

To support this announcement the government has worked with the Master of the Rolls to widen the 'pre-action protocol' on possession proceedings, to include private renters and to strengthen its remit. This will support the necessary engagement between landlords and tenants to resolve disputes and landlords will have to reach out to tenants to understand the financial position they are in.⁵

[The Pre-Action Protocol for Possession Claims by Social Landlords](#) sets out a series of steps that a social landlord is expected to take regarding possession claims against tenants. The courts take account of whether the protocol has been adhered to when considering what orders to make. The Residential Landlord Association (RLA) has commented:

Where the landlord has unreasonably failed to meet the pre-action protocol the courts may take this into account and either make an order for costs, adjourn the claim, or strike it out entirely where possession is not sought on mandatory grounds.⁶

The protocol has the following aims:

⁴ MHCLG, [Coronavirus \(COVID-19\) Guidance for Landlords and Tenants](#), March 2020, para 1.8

⁵ [Ministry of Housing, Communities and Local Government \(MHCLG\) Press Release](#), 18 March 2020

⁶ RLA, [Coronavirus – changes to repossession](#), 24 March 2020

- (a) to encourage more pre-action contact and exchange of information between landlords and tenants;
- (b) to enable the parties to avoid litigation by settling the matter, if possible; and
- (c) to enable court time to be used more effectively if proceedings are necessary.

[Government guidance](#) describes the expected impact of the extension of the protocol:

- This will ensure that private sector landlords reach out to tenants to understand the financial position they are in before taking possession action through the courts once the 3-month delay on issuing eviction proceedings has ended.
- It will encourage landlords and tenants to work together to agree an affordable rent repayment plan if their tenants fall into rent arrears.⁷

1.3 Suspension of housing possession claims

On 26 March 2020, MHCLG announced that the Master of the Rolls would issue a Practice Direction⁸ to suspend all ongoing housing possession action in England and Wales:

From tomorrow (27 March 2020) following a decision by the Master of the Rolls with the Lord Chancellor's agreement the court service will suspend all ongoing housing possession action – **this means that neither cases currently in the system or any about to go in to it can progress to the stage where someone could be evicted.**

This suspension of housing possessions action will initially last for 90 days, but this can be extended if needed. This measure will protect all private and social renters, as well as those with mortgages and those with licenses covered by the Protection from Eviction Act 1977. This will apply to both England and Wales.⁹

Although the extension to tenants' notice periods does not affect those served before 26 March 2020, the suspension of housing possession action means that landlords cannot obtain court orders for possession against tenants at least for 90 days from 27 March 2020 (i.e. up to 25 June 2020). Eviction of a tenant without a court order can amount to illegal eviction, which is a criminal offence.

The Government guidance explains:

- If you have already been issued with notice of your landlord's intention to seek possession of the property, or if you are issued notice in the next 90 days, your landlord will not be able to take action through the courts to make you move. This suspension will initially apply for 90 days from the 27th March.

⁷ MHCLG, [Coronavirus \(COVID-19\) Guidance for Landlords and Tenants](#), March 2020, section 2

⁸ [Practice Direction 51Z at 26 March 2020](#)

⁹ MHCLG, [Press Release](#), 26 March 2020

- For landlords, this will mean not expecting tenants to move even where you have already issued notice of your intention to regain possession of the property, or if you go on to issue notice for any reason during the next three months.¹⁰

The Secretary of State, Robert Jenrick, told the Housing, Communities and Local Government Select Committee that a decision on an extension would be made in June:

The decision point is in June, which is when the three-month moratorium, as set out in the Coronavirus Act, expires, so there is still some time to come before then. We will review it carefully, and it will very much depend on the medical advice we are receiving on the passage of the virus and the lockdown measures that may or may not be in place at that time.¹¹

Which occupation agreements are covered by the suspension of possession cases?

This measure has wider application than the extension of notice periods for certain tenants (see section 1). Government guidance states that the suspension covers:

All tenants and licensees who benefit from protection from eviction under the Protection from Eviction Act 1977.¹²

This covers most social housing tenancies and private rented sector tenancies and *some* licensees. Lodgings, holiday lets, hostel accommodation and asylum seeker accommodation are not covered by the 1977 Act.

[Practice Direction 51Z](#) was amended with effect from 20 April 2020. A new paragraph 2A was added to provide that the suspension does **not** apply to:

- a claim against trespassers to which rule 55.6 of the [Civil Procedure Rules Part 55 – Possession Claims](#) applies;
- an application for an interim possession order under Section III of Part 55, including the making of such an order, the hearing required by rule 55.25(4), and any application made under rule 55.28(1); or
- an application for case management directions which are agreed by all the parties.

The amended version clarifies that applications for injunctive relief are not stayed and that possession claims can be issued even though they may be stayed while the Practice Direction is in force.

¹⁰ MHCLG, [Coronavirus \(COVID-19\) Guidance for Landlords and Tenants](#), March 2020, para 2.1 [note that the suspension of possession activity in the courts is not provided for in the *Coronavirus Act 2020*]

¹¹ Oral evidence taken on 4 May 2020, HC (2019–21) 302, [Q102](#)

¹² *Ibid.*, para 2.2

What if a possession order was granted before 27 March 2020?

Where a landlord obtained a possession order which was not enforced before 27 March 2020, court bailiffs are 'stayed' from executing a warrant for possession for a period of 90 days.

A challenge to Practice Direction 51Z

On 22 April 2020, Giles Peaker, partner with Anthony Gold Solicitors, reported on a challenge to Practice Direction 51Z concerning two claims for possession on residential mortgages. The challenge arose from a [Circuit Court decision](#) in the case of *Arkin v Marshall* and was heard by the Court of Appeal on 30 April 2020. The challenge by the receiver in the case (Arkin) concerned:

- whether the 3-month stay of possession proceedings in PD 51Z was unlawful;
- whether the stay applied to the requirement to comply with case management directions in all cases; and
- whether the stay should be lifted in individual cases.¹³

The Court of Appeal's [judgment](#) was handed down on 11 May 2020.¹⁴ The appellant (Arkin) lost on all counts. PD 51Z (as amended) remains in effect.

1.4 Social landlords

The notice extensions and restrictions on possession cases also apply to social landlords. The Kate Henderson, the CEO of the National Housing Federation, the representative body of housing associations in England, said:

No one should be evicted because of the coronavirus. We are confident that no housing association will do this, and want anyone affected by the outbreak to be reassured they will not be evicted.

As charitable organisations housing associations recognize that a number of people living in social housing work for low or irregular wages in insecure employment and may be placed in serious difficulties as a result of the COVID-19 pandemic.

We urge anyone living in a housing association home who is worried about financial difficulties to get in touch with their housing association. Housing associations offer extensive financial help and support for people, including help claiming benefits. They are putting in extra support measures during this challenging time and will be doing everything they can to support residents.

We welcome the steps taken so far by government and its commitment to do whatever it takes to support jobs and incomes. However, we urge that the government goes even further to strengthen the welfare system to ensure that

¹³ See [Nearly Legal: Housing Law News and Comment: A challenge to PD 51Z](#), 22 April 2020

¹⁴ [Arkin v Marshall & Anr \[2020\] EWCA Civ 620](#)

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everyone who needs it can quickly get help if their income drops.¹⁵

The Local Government Association also referred to councils' commitment to work with tenants in difficulty:

Councils are leading local efforts to support communities as they try and cope with the coronavirus outbreak. They will be working with tenants who are experiencing financial challenges as a result to support them to stay in their homes. Many are already suspending debt recovery and will try and use discretionary funding to support struggling household as quickly and effectively as possible.

Councils need the flexibility to ensure hardship funding announced by the Government is best-used to support economically vulnerable people and households and are also seeking clarity on how it can be integrated with other financial hardship support that is being provided locally and through the benefits system.

We are pleased the Government has committed to bringing forward measures to protect tenants from eviction and look forward to seeing the details. This needs to include urgently addressing the growing shortfall before housing benefit and private sector rents that has opened up.¹⁶

It is reported that the financial impacts of rent arrears in the longer term is emerging as a key concern for social landlords' business plans. Data shared with *Inside Housing* by HouseMark reportedly estimates the level of social housing rent arrears as £100 million higher than the same time in previous years – this is attributed to the impact of Covid-19.¹⁷

A group of housing associations in Scotland wrote to the Scottish Communities Secretary asking for an “in principle commitment” from the Scottish Government to “explore a mechanism for compensating social landlords for income lost as a result of protecting tenants during the crisis and which cannot realistically be recovered.”¹⁸

The Secretary of State, Robert Jenrick, told the HCLG Committee that the Government would not compensate social landlords for rent arrears:

Robert Jenrick: It would be a matter for the councils or housing associations themselves to come to a conclusion on whether they can recover unpaid rent. We have encouraged them to work with tenants to come to sensible solutions and put in place reasonable repayment plans that meet the financial circumstances of the tenants. There is no plan for central Government to compensate housing associations for those costs. That is the normal course of business for a housing association.

Ben Everitt: If the unrecoverable rent was due to Government policies, would that still be the case?

¹⁵ NHF, [No one should lose their home because of coronavirus](#), 19 March 2020

¹⁶ [Coronavirus: LAG responds to renters' support pledge](#), 18 March 2020

¹⁷ *Inside Housing*, “Social housing rent arrears up £100m since coronavirus outbreak”, 28 May 2020 [subscription required]

¹⁸ [Glasgow and West of Scotland Forum of Housing Associations: Letter to Aileen Campbell MSP](#), 24 March 2020

Robert Jenrick: I am not sure exactly what you mean by that. If you mean as a result of the lockdown, then there is no plan for the Government to compensate housing associations or local councils if they choose to relieve tenants of their rent during that time, but we are in conversation with the National Housing Federation. Responsible housing associations are doing what they should be doing and ensuring that they protect tenants who are in financial distress and work out sensible payment plans when their circumstances allow.¹⁹

1.5 Scotland and Northern Ireland

On 18 March 2020, **the Scottish Communities Secretary, Aileen Campbell**, set out a [support package for renters](#) during the pandemic which included:

- A call for landlords to be flexible and adaptable to tenants' needs.
- Tenants experiencing problems with rent payments should discuss the situation with their landlords – “We cannot have people being made, or at risk of being made, homeless at this difficult time”.²⁰
- Social landlords had been written to and urged to be flexible and provide support and advice to tenants experiencing financial hardship. They are expected to meet that challenge.
- Amendments to the *Private Housing (Tenancies) (Scotland) Act 2016* to provide increased security for tenants who accrue rent arrears over a longer period:

We do not want private sector landlords to be disadvantaged by a lack of rent. However, the reality of what we face means that, if landlords do not support their tenants, it is not just the tenants who will be negatively impacted; all of society will pay the price.²¹
- She commended mortgage lenders for agreeing to a three-month 'holiday' but said she would be writing to UK Finance and the UK Government to urge them to increase the holiday to six months.

The [Coronavirus \(Scotland\) Act](#) received Royal Assent on 6 April 2020. Section 2 and Schedule 1 of the Act provide enhanced security of tenure for tenants on a temporary basis with effect from 7 April 2020. The following description of the measures in the Act was taken from [the briefing prepared by the Scottish Parliament Information Centre](#):

Private Rented Tenancies

[The Private Housing \(Tenancies\) \(Scotland\) Act 2016](#) will be amended. Section 51(2) (the First-tier Tribunal's power to issue an eviction order) changes mandatory grounds of eviction to enable the Tribunal to consider the reasonableness of making an eviction order in each case during the relevant period.

Grounds for eviction under [schedule 3 of the 2016 Act](#) are each to be made discretionary during the relevant period.

The length of time that a landlord must give a tenant when issuing a notice to leave under paragraph 62 of the 2016 Act is extended. The exact length of notice will depend on the grounds

¹⁹ Oral evidence taken on 4 May 2020, HC (2019–21) 302, [Q106 and 107](#)

²⁰ [SP OR 18 March 2020](#)

²¹ Ibid.

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for repossession used by the landlord but may be up to six months.

Short Assured Tenancies

[The Housing \(Scotland\) Act 1988](#) will be amended, again depending on the grounds for eviction; This means that, depending on the grounds used, eviction may be two, three or six months.

The Bill will also amend the 1988 Act in that, during the relevant period, the First Tier Tribunal (Housing and Property Chamber) will consider the reasonableness of making an eviction order in relation to all grounds for repossession.

Rent arrears grounds require six months before a notice for possession can be provided.

Tenancies under the Rent (Scotland) Act 1984: eviction grounds to be discretionary.

The Bill will amend the [Rent \(Scotland\) Act 1984](#) to say that during the relevant period the Tribunal will consider the reasonableness of making an eviction order in relation to all grounds for repossession.

An application for repossession in relation to a short tenancy under the 1984 Act can be made not less than six, nor more than nine, months after the landlord has served a notice of intention to apply for repossession.

Scottish Secure Tenancies

[The Housing \(Scotland\) Act 2001](#) will be amended in that the earliest date on which proceedings for recovery of possession can be raised from the current 4 weeks after the date a notice of proceedings is served to 3 months where the ground for recovery of possession is specified is paragraph 2, 6, 7 or 8 of schedule 2 of the 2001 Act.

Where paragraph 5 of schedule 2 is also specified in the notice the earliest date proceedings can be raised is 3 months. It also amends the earliest date on which proceedings for recovery of possession can be raised, from 4 weeks after the date a notice of proceedings is served to 6 months in cases where the ground for recovery of possession is set out in paragraph 1, 3, 4 or 9-12 of schedule 2 of the 2001 Act. The 6 month date applies whether or not any other grounds are also specified in the notice.

This means that eviction for rent arrears cannot be applied for before 6 months.

Short Scottish Secure Tenancies

The date on which proceedings for recovery of possession can be raised has changed from the current 2 weeks after the date a notice of proceedings is served, to 6 months where the tenancy was given under one of the grounds at paragraphs 3-7A of schedule 6 of the 2001 Act.

The date on which proceedings for recovery of possession can be raised for short Scottish secure tenancies given under section 35, or paragraphs 1, 2 or 2A of schedule 6 of the 2001 Act remains at 2 months.²²

²² [The Coronavirus \(Scotland\) Bill – SPICe Briefing](#), 31 March 2020

The [Housing and Property Chamber First-Tier Tribunal for Scotland](#) announced that all hearings and case management discussions would be postponed from 19 March to 28 May 2020 at the earliest. This means that no new eviction orders can be granted until that date.

On 1 April 2020, the Minister for Local Government, Housing and Planning, Kevin Stewart, told the Scottish Parliament that a fund would be established to help eligible private landlords:

The Scottish Government will establish a fund that eligible private landlords will be able to apply to if they experience difficulty securing rent as a result of the Covid-19 crisis. They will be offered an interest-free loan with deferred payments. The intention is to take the pressure off landlords, in the short-term, if their tenants are having difficulty making rent payments. We expect to have that fund in place by the end of April, at the latest.²³

CIH Scotland, Homes for Good and the Scottish Association of Landlords (SAL) have jointly published [guidance for the private rented sector](#) on how to support tenants and protect rental income during the coronavirus outbreak.²⁴

On 6 April 2020, the **Department for Communities in Northern Ireland** announced an intention to introduce measures to prevent evictions.²⁵ *The Coronavirus (Private Tenancies Modification) Bill 2020* was introduced on 21 April 2020 – the housing measures are described below:

The Private Tenancies (Northern Ireland) Order 2006 is the legislation governing the private rented sector. To begin the eviction process in Northern Ireland the landlord must issue the tenant with a notice to quit. The length of notice to quit varies depending on the length of tenancy. It is 4 weeks, if the tenancy has not been in existence for more than 5 years, 8 weeks, if the tenancy has been in existence for more than 5 years but not for more than 10 years and 12 weeks, if the tenancy has been in existence for more than 10 years. If the tenant refuses to leave the landlord will have to obtain a court order which is subsequently enforceable by the Enforcement of Judgments Office.

The right of a private landlord to bring a tenancy to an end through service of a written notice to quit of a specified period is prescribed by Article 14 of the Order. The Bill seeks to temporarily modify the provisions of Article 14 during the emergency period to apply a 12 week notice to quit period to all tenancies, irrespective of the duration of the tenancy. The Bill provides that the emergency period commences on the day after Royal Assent and ends on 30 September 2020. However, this period may be extended up to 2 years from date of Royal Assent or shortened to a period specified by the Department. The Bill allows for the 12 week notice period to be altered to maximum period of six

²³ [SP OR, 1 April 2020](#)

²⁴ CIH Scotland, Homes for Good, SAL: [Maintaining tenancies – a guide for the private rented sector](#), 20 April 2020

²⁵ DfC, [Amend notice to quit through the Coronavirus \(Private Tenancies Modification\) Bill 2020](#)

months. The Bill is not intended to have retrospective effect, so will not apply to notice served before Royal Assent.²⁶

The Bill completed its stages on 28 April and received Royal Assent on 4 May 2020.²⁷

On 31 March, the Northern Ireland Communities Minister, Deirdre Hargey, announced that the Northern Ireland Housing Executive (NIHE) and the region's housing associations had reached agreement with the Department for Communities (DfC) not to evict tenants struggling to pay their rent during the crisis. The Enforcement of Judgements Office (EJO) in Northern Ireland confirmed that "only urgent matters will be addressed by way of a court hearing until further notice."²⁸

2. Help with rent payments

[Government guidance](#) makes it clear that tenants should continue to pay their rent where possible:

- Tenants should continue to pay rent and abide by all other terms of their tenancy agreement to the best of their ability. The government has a strong package of financial support available to tenants, and where they can pay the rent as normal, they should do. Tenants who are unable to do so should speak to their landlord at the earliest opportunity.
- In many if not most cases, the COVID-19 outbreak will not affect tenants' ability to pay rent. If your ability to pay will be affected, it's important to have an early conversation with your landlord. Rent levels agreed in your tenancy agreement remain legally due and you should discuss with your landlord if you are in difficulty.²⁹

The Guidance urges tenants who experience difficulties to have early conversations with their landlords.

2.1 A mortgage payment holiday for landlords

To support landlords who may suffer an interruption to their rental stream where tenants lose their jobs or are unable to work, the Government announced that a **3 month mortgage payment holiday (see section 3) will apply to buy-to-let landlords:**

Recognising the additional pressures the virus may put on landlords, we have confirmed that the 3 month mortgage payment holiday announced yesterday will be extended to landlords whose tenants are experiencing financial difficulties due to coronavirus. This will alleviate the pressure on landlords, who will be concerned about meeting mortgage payments themselves,

²⁶ [NIA Bill 04/17-22 Explanatory and Financial Memorandum](#), paras 8-9

²⁷ DfC, "[Bill to protect private renters passed by Assembly](#)", 28 April 2020

²⁸ EJO, [Covid-19 – Guidance for Courts](#), 24 March 2020

²⁹ MHCLG, [Coronavirus \(COVID-19\) Guidance for Landlords and Tenants](#), March 2020, para 1.1

and will mean no unnecessary pressure is put on their tenants as a result.

At the end of this period, landlords and tenants will be expected to work together to establish an affordable repayment plan, taking into account tenants' individual circumstances.³⁰

On 22 May 2020 the Financial Conduct Authority announced that the mortgage holiday period may be extended for a further three months (see section 4.1).

2.2 Financial support for tenants

The Government has announced a package of support for workers and changes to the welfare benefits system which may assist tenants in meeting their rent commitments. The measures are explained in several Library briefings – the situation is fast moving and the briefings are updated regularly:

[Coronavirus: Employment rights and sick pay \(update\)](#)

[FAQs: Coronavirus Job Retention Scheme](#)

[Coronavirus: Self-Employment Income Support Scheme](#)

[Coronavirus: Support for household finances \(includes benefits information\)](#)

Local Housing Allowance

On 20 March 2020, the Chancellor announced a further package of assistance which included **an increase in support through Local Housing Allowance (LHA)**:

As well as keeping people in work, and supporting those who lose their jobs or work for themselves, our plan for jobs and incomes will help keep a roof over your head.

I'm announcing today nearly £1bn pounds of support for renters by increasing the generosity of housing benefit and Universal Credit, so that the local housing allowance will cover at least 30% of market rents in your area.³¹

LHA is a flat-rate allowance for different sizes of properties within a Broad Rental Market Area (BRMA) – it represents the maximum assistance a claimant might receive towards their rent. It provides help, subject to a means test, for low-income households living in private rented housing. Since April 2011 LHA rates within BRMAs have been based on the 30th percentile of local market rents.³² In addition, LHA rates for different sizes of properties are subject to national caps. LHA rates were frozen in April 2016 for four years – the Government had announced that the freeze would end in April 2020 with an uprating of 1.7% in line with the Consumer Price Index.

³⁰ [Ministry of Housing, Communities and Local Government \(MHCLG\) Press Release](#), 18 March 2020

³¹ [HM Treasury Press Release](#), 20 March 2020

³² Prior to this they were set at median rent levels.

Housing organisations, particularly those working with the homeless, have long linked the freeze in LHA rates with an increase in homelessness. The end of the freeze was welcomed but the point was made that LHA rates remained well below the 30th percentile of market rents in areas of high housing demand.³³

The 20 March announcement that LHA rates “will cover at least 30% of market rents” was described as reversing the four years of the freeze. [Revised LHA rates for 2020/21](#) were published by the Department for Work and Pensions.

When questioned on assistance available for renters in meeting their rent commitments through the crisis, the Government has pointed towards benefit assistance and [Discretionary Housing Payments](#):

Support for rented housing costs are available through Universal Credit and Housing Benefit. Discretionary Housing Payments are also available, these payments are very flexible and can be considered where, in the local authority's opinion, further financial assistance towards housing costs is required.³⁴

Government guidance also refers to potential support for tenants from **a new funding stream**:

Local authorities can provide support for tenants to stay in their homes. If you are experiencing financial hardship, you may be able to access new funding; we have already made £500m available to fund households experiencing financial hardship and are determined to take action to support people in need.³⁵

The Government confirmed that this funding can be used to reduce the 2020/21 council tax bills of working age people receiving Local Council Tax Support.³⁶

3. Comment on help for the rental sector

The sector welcomed the Government's commitment to introduce a “complete ban on evictions”.³⁷ Following publication of amendments to the *Coronavirus Bill*, **several commentators said that the changes fell short of the initial commitment**. For example, Rt Hon John Healey, Labour's Shadow Housing Secretary at the time responded to the amendments:

With this legislation, Boris Johnson has broken his promise to the country's 20 million renters.

³³ See for example, Chartered Institute of Housing (CIH), [Ok for 2020 – but what about four years of freeze?](#) 21 January 2020

³⁴ [Rents: Coronavirus: Written question – 30723](#), 25 March 2020

³⁵ MHCLG, [Coronavirus \(COVID-19\) Guidance for Landlords and Tenants](#), March 2020, para 1.2

³⁶ MHCLG, [Government confirms £500 million hardship fund will provide council tax relief for vulnerable households](#), 24 March 2020

³⁷ [Ministry of Housing, Communities and Local Government \(MHCLG\) Press Release](#), 18 March 2020

This is not an evictions ban, as Labour argued for, and renters were eventually promised by Boris Johnson. This legislation does not stop people losing their homes as a result of coronavirus, it just gives them some extra time to pack their bags.

It beggars belief that the Government is not willing to make this simple change. We even wrote to Ministers to give them the legislation that would provide the protections renters need: to ban evictions and suspend rental payments beyond the crisis. This is the help already promised for struggling home-owners from Government and mortgage lenders.

Coronavirus is a public health emergency, it need not become a crisis of housing and homelessness too. But this will happen if the Government continues to refuse to take the most basic steps to keep people in their homes.³⁸

MHCLG turned to [twitter](#) to defend the action taken.

However, the subsequent announcement of a suspension of housing possession cases for a period of 90 days from 27 March 2020 was acknowledged as a significant step in protecting most tenants from eviction during the Covid-19 outbreak. As the date on which the suspension is due to end moves closer (25 June 2020), questions are being asked about the implications for landlords and tenants when the protections are removed.

Preventing a potential spike in eviction activity

Commentators have noted that when the suspension of housing possession cases is lifted, there could be a wave of eviction cases proceeding to court with implications for levels of homelessness. When asked about this, the Government has referred to work to extend the [The Pre-Action Protocol for Possession Claims by Social Landlords](#) to apply to the private rented sector (see section 1.2) as providing additional protection to tenants. Robert Jenrick, the Secretary of State, told the Housing, Communities and Local Government (HCLG) Select Committee that extending the protocol would put “a duty on the landlord to work in good faith with their tenant to see if there is a sensible way in which you can manage the situation before embarking upon eviction proceedings.”³⁹

Doubts have been cast on the effectiveness of this approach where possession of a property is sought under a mandatory ground for eviction following the service of a section 21 or section 8 notice under the *Housing Act 1988*. Evidence provided to the HCLG Select Committee’s inquiry into the impact of Covid-19 on homelessness and the private rented sector by Giles Peaker, a partner with Anthony Gold Solicitors, explained that in those circumstances:

³⁸ Labour: [Healey responds to government amendment to the Coronavirus Bill](#), 23 March 2020

³⁹ Oral evidence taken on 4 May 2020, HC (2019–21) 302, [Q103](#)

...failure to comply with a PAP simply cannot prevent a possession order being made, or indeed result in a delay to a possession order being made to any significant degree.⁴⁰

Similarly, Citizens Advice told the Committee:

In theory, Courts should take into account whether this protocol has been followed when considering what orders to make in social housing. However, this only applies to discretionary grounds in practice. Private landlords rarely use only discretionary grounds—they may use either ground 8, section 8 of the Housing Act 1988 (a mandatory ground), or section 21, or both.⁴¹

The evidence received led HCLG Committee to recommend urgent legislation to prevent eviction due to rent arrears where those arrears have arisen due to the coronavirus pandemic:

We recommend the Government bring forward legislation to amend the 1985 and 1988 Housing Acts to allow judges to use discretion where a tenant is in rent arrears due to the coronavirus crisis for the next 12 months at a minimum. Discretion could include consideration of whether a pre-action protocol has been complied with. These amendments should be delivered through a short Bill—such as we have proposed—which must be introduced to Parliament as soon as possible.⁴²

Landlords of assured shorthold tenants whose fixed-term has expired can seek an eviction order without having to prove fault on the part of the tenant – the requirement on the courts to issue a possession order is mandatory if the correct procedure has been followed. The Government committed to introduce a *Renter's Reform Bill* to abolish “no fault” evictions in England in the December 2019 Queen's Speech.⁴³

Commentators have called for the *Renters' Reform Bill* to be fast-tracked – these calls are supported by the HCLG Select Committee:

The Government must accelerate its plans to introduce the Renters' Reform Bill to Parliament and abolish ‘no fault evictions’ under section 21 of the Housing Act 1988 within the next 12 months.⁴⁴

On 9 May 2020 the Labour Party set out a [five-point emergency action plan](#) to protect renters which included a call to extend the temporary ban on evictions to allow time for legislation to abolish “no fault” evictions and “outlaw evictions on the grounds of rent arrears if the arrears were accrued because of hardship caused by the coronavirus crisis.”⁴⁵

The HCLG Committee has called for urgent legislation to prevent eviction for rent arrears due to the coronavirus pandemic.

The HCLG Select Committee has called for the abolition of no fault evictions to be fast-tracked.

⁴⁰ [HC 309, Protecting rough sleepers and renters: Interim Report, Housing, Communities and Local Government Select Committee First Report of Session 2019-21](#), 22 May 2020, para 21

⁴¹ Ibid.

⁴² Ibid., para 24

⁴³ [Queen's Speech December 2019 - background briefing notes](#), p10

⁴⁴ [HC 309, Protecting rough sleepers and renters: Interim Report, Housing, Communities and Local Government Select Committee First Report of Session 2019-21](#), 22 May 2020, para 28

⁴⁵ Labour Party Press Release, [Emergency action needed to protect renters](#), 9 May 2020

Tackling rent arrears

The lack of specific measures to address the potential accrual of rent arrears due to income loss/disruption has been criticised. Giles Peaker has said:

The huge issue, of coronavirus-caused rent arrears, remains to be resolved. Unless that is somehow dealt with, there will be a flood of evictions awaiting the lifting of suspensions. Landlords – quite rightly – get a 3 month (and maybe more) mortgage suspension, and can't then face possession or receivers from the lender at the end of that three months if they don't pay up immediately. Why is there no equivalent provision on coronavirus-related rent arrears?⁴⁶

If rent arrears accrue during the extended notice period it is possible that affected tenants may face possession claims once it ends. Some scepticism was expressed over whether private landlords would heed the Government's plea to behave compassionately towards affected tenants. However, a survey of over 4,500 private landlords by the National Residential Landlords Association (NRLA) found that 90% of landlords who had received a request for support from a tenant had responded positively.⁴⁷

There are calls for more financial support for tenants' rent payments. Research commissioned by Shelter found that an estimated 1.7 million adults in private rented housing (almost one in five) expect to become unemployed as a result of the pandemic.⁴⁸

When asked about the rental debt that is likely to accumulate over the three months between 26 March and 25 June, and the possibility of a 'rent holiday' along the lines of that applied to mortgages, the Housing Minister, Christopher Pincher provided the following response:

No such estimate has been made at this time.

Those tenants who can afford to pay should continue to do so. By legislating to prevent landlords starting proceedings to evict tenants for at least a three-month period, we are removing the risk of people losing their homes because they are unable to pay rent – without creating a system where landlords must shoulder the financial responsibility and risk.

At the end of this period, landlords and tenants who had struggled financially will be expected to work together to establish an affordable repayment plan, taking into account the tenants' individual circumstances.⁴⁹

Based on the measures announced to date, the Government has said that they do not believe a rent holiday "is necessary at this stage".⁵⁰

⁴⁶ [Nearly Legal: Housing Law News and Comment: All housing possession claims suspended from 27 March – Coronavirus update](#), 27 March 2020. For example, the Financial Conduct Authority has advised that mortgage holidays granted in the current circumstances should **not** be recorded as arrears, nor should they have any negative impact on the customer's credit score.

⁴⁷ NRLA Research Observatory, [Coronavirus and Landlords: a follow up survey](#), May 2020

⁴⁸ *Inside Housing*, "One in five private renters expect to lose their job in the next three months, says Shelter", 16 April 2020

⁴⁹ [Private Rented Housing: Coronavirus – 32719](#), 25 March 2020

⁵⁰ [Rents: Coronavirus: Written question – HL2766](#), 30 March 2020

The increase in LHA rates was widely welcomed, with some caveats. For example, **Shelter and others** pointed out that covering only the 30th percentile of market rents leaves a majority of those potentially facing a drop in income with a shortfall in assistance:

It will make a huge difference to private renters claiming housing benefit, or those who will need support from the system in the coming months. As we [recently set out](#), after a decade of cuts and freezes, previous LHA rates in most areas are nowhere near the cost of renting a typical home. In fact, 97% of England is unaffordable to families on LHA. This broken system has led to spiralling homelessness and hardship for those who are reliant on it. And it would not meet the essential role needed in the fight against Covid19.

However, these are extraordinary times. Though many who are employed but cannot work are having most of their salaries paid by the government, many have already lost their jobs. Others, like the five million self-employed people, are likely to have substantially less or no income during this period. As a result, over [half a million people have applied for Universal Credit](#) in the last nine days alone.

And even with these changes, the majority of renters will not have their full rent covered by LHA, with 70% of private rented homes above the LHA rate. This will limit the power of housing benefit to prevent hardship and homelessness. It will place huge pressure on renters, most of whom will have no option to increase their income during this time. And remember, services are shutting down and everyone is being told to stay put, so people are very unlikely to be able to move to somewhere cheaper during this period.⁵¹

There have been several calls for at least a temporary increase in LHA rates to cover median rents and for the national cap on LHA rates to be lifted so that high cost areas are not penalised.⁵² These calls were reflected in evidence submitted to the HCLG Select Committee inquiry into measures to protect rough sleepers and renters from bodies representing [both](#) landlords and tenants. When giving evidence to the Committee, the Minister for Rough Sleeping and Housing, Luke Hall, rejected a lift in LHA rates to the 50th percentile and referred to shortfalls being met by the Government's hardship fund and Discretionary Housing Payments.⁵³ The Committee recommended:

The Government must ensure that the Local Housing Allowance (LHA) rate is set at a level that reflects real market rents and ensures those in need are able to afford properties in their areas. We call on the Government to guarantee that the LHA rate will be maintained at the 30th percentile long-term. We also ask the Government to conduct work on what the impact on renters and the wider rental market would be of raising LHA rates further.⁵⁴

⁵¹ Shelter, [New LHA rates: what do they mean?](#) 26 March 2020

⁵² See for example: JRF, [Coronavirus – it's unthinkable that anyone should be made homeless now](#), 27 March 2020

⁵³ [HC 309, Protecting rough sleepers and renters: Interim Report, Housing, Communities and Local Government Select Committee First Report of Session 2019-21](#), 22 May 2020, para 30

⁵⁴ *Ibid.*, para 31

Generation Rent has called for a freeze on rent increases in addition to benefit changes to provide more support for renters during the Covid-19 outbreak:

- **A benefits system that protects renters from debt and homelessness.** The five-week wait for Housing Benefit must be scrapped, and Housing Benefit must actually pay the rent, so the government should raise it from the levels frozen since 2016 to the median local rent. This would prevent increasing numbers of renters claiming Housing Benefit from falling into arrears, or choosing between rent and other essential bills or food, protecting their health in a crucial period.
- **A freeze on rent hikes.** Renters already hand over almost half of their income to their landlords. Unaffordable rent hikes force tenants to move, often losing their community and support networks in the process. Freezing rent increases would protect renters whilst ensuring landlords can't exploit a new, higher housing benefit rate.⁵⁵

The Government has rejected calls for a ban on rent increases:

The Government have no plans to ban rent increases during the COVID-19 outbreak as we have already announced extensive measures to protect renters affected by coronavirus.⁵⁶

On the five-week waiting period before Universal Credit is paid, the Government has emphasised that advance payments are available – these payments are recoverable. **Evidence submitted by Shelter** to the Treasury Committee's inquiry into the Government's coronavirus financial package called for the removal of the five-week wait and for advance payments to be paid as a grant rather than a loan.⁵⁷

The Labour Party's [five-point emergency action plan](#) to protect renters includes the following proposals in respect of rent arrears:

- Give residential tenants the same protections as commercial tenants, by protecting them from being made bankrupt by their landlords for non-payment of rent.
- Once evictions are prevented, grant renters at least two years to pay back any arrears accrued during this period.
- Speed up and improve the provision of Universal Credit, as Labour recently called for, and consider a temporary increase to the Local Housing Allowance to help prevent risk of homelessness.⁵⁸

The point has been made that even if landlords face restrictions on their ability to evict for rent arrears due to Covid-19, this will not prevent them from pursuing debts through the courts.

On publication of the plan the Labour Party faced criticism for not proposing a cancellation of rent arrears. The HCLG Committee considered the implications of such a move:

For social landlords, cancelling arrears would undermine the Housing Revenue Accounts of local authorities, which could cause repairs and new builds to stop. Housing associations also make

⁵⁵ [Generation Rent: How to protect renters affected by coronavirus](#), 17 March 2020

⁵⁶ [Rents: Coronavirus: Written question -33423](#), 21 April 2020

⁵⁷ [Submission: Treasury Committee inquiry into government's coronavirus financial package](#), Shelter, 20 March 2020

⁵⁸ Labour Party Press Release, [Emergency action needed to protect renters](#), 9 May 2020

business decisions predicated on rental income, and would face similar difficulties. For the private rented sector, the Government would almost certainly face a legal challenge based on the right to property under Protocol No. 1, Article 1 of the European Convention of Human Rights. The other more practical point is that the current structure of the private rented sector—whether or not one believes reform is necessary—means a majority of landlords own just one property, and would struggle to deal without rental income over a significant period of time.⁵⁹

The Committee urged the Government to consider other approaches, including the potential for long-term no-interest loans to cover rent arrears, replicating a policy adopted in Spain.⁶⁰

The National Residential Landlords Association (NRLA) has drawn together survey evidence from landlords conducted during the Covid-19 outbreak and the MHCLG's Private Landlord Survey for England (January 2019), to outline the impact on the private rented sector with a particular focus on landlords.⁶¹ The briefing makes the point that many landlords rely on their rental income for their livelihood and that assistance via mortgage deferral will not help those without a mortgage, of which there are a significant number. The NRLA estimates that 48% of landlords expect to face some sort of hardship with a number having to sell some or all their properties.⁶² Landlords are concerned about tenants vacating and leaving an empty property behind with the result that they face Council Tax and utility costs with no rental income.⁶³ Other challenges include carrying out routine maintenance and fulfilling statutory obligations, such as the annual gas safety check.

Some of the initiatives the NRLA is calling for are in line with those supported by tenant bodies, e.g. a temporary suspension of the five-week wait for the first payment of UC; the conversion of advance payments into grants; and an increase in LHA rates to the 50th percentile. In addition, the NRLA would like to see:

- At least a temporary period where the housing element of UC is automatically paid direct to the landlord.⁶⁴
- A commitment that landlords will not be liable for Council Tax on empty properties.
- Postponement until April next year of the full restriction of mortgage interest relief to the basic rate of income tax
- A six month extension to the validity of all gas and electrical safety certificates expiring over the six months from 1 April 2020.

⁵⁹ [HC 309, Protecting rough sleepers and renters: Interim Report, Housing, Communities and Local Government Select Committee First Report of Session 2019-21](#), 22 May 2020, para 33

⁶⁰ Ibid., para 34

⁶¹ NRLA, Supporting tenants and landlords through the Covid crisis, April 2020

⁶² Ibid.

⁶³ Ibid.

⁶⁴ The default position is that it is paid to the tenant.

- Delay to the introduction of mandatory routine Electrical Installation Condition Reports (due to come into force from 1 July 2020) until 2021 to take account of social distancing/isolation requirements.
- Consideration of an interest free loan scheme for landlords who are struggling along the lines of the Scottish scheme.⁶⁵

4. Owner occupiers

4.1 Mortgage payment holidays

On 17 March 2020, the Chancellor announced a series of measures to help businesses and individuals, including the following commitment by mortgage lenders:

Mortgage lenders have agreed they will support customers that are experiencing issues with their finances as a result of Covid-19, including through payment holidays of up to 3 months. This will give people the necessary time to recover and ensure they do not have to pay a penny towards their mortgage in the interim.⁶⁶

Subsequently, on 22 May 2020 the Financial Conduct Authority (FCA), which regulates homeowner mortgages, said that firms should continue to offer support which could include “extending a payment holiday by a further three months.”⁶⁷

The FCA issued [guidance](#) in March (updated on 4 May 2020) which is intended:

...to describe the standards of skill and care we consider may reasonably be expected of lenders in the mortgages market in the current exceptional circumstances of coronavirus. **If, therefore, a lender does not follow this guidance, that could call into question whether it is meeting the requirements of the 2008 Regulations, even if the lender is not regulated under FSMA.**⁶⁸

The guidance states that once a lender is notified that an individual may experience payment difficulties as a result of Covid-19, and that they wish to receive a payment holiday, **“a firm should grant a customer a payment holiday for the 3 monthly payments that follow that interaction.”**⁶⁹ Alternative payment holiday periods may be considered in the best interests of the customer. This could include a payment holiday of fewer than 3 months if requested by a customer. Lenders are not prevented from offering customers more favourable forms of assistance. Lenders should ensure that **no additional fees or charges (other than accrued interest)** should be levied as a result of the payment holiday.⁷⁰ Following the announcement on 22 May, the FCA

⁶⁵ NRLA, Supporting tenants and landlords through the Covid crisis, April 2020

⁶⁶ [HM Treasury Press Release](#), 17 March 2020

⁶⁷ [FCA Announces support for customers who are struggling to pay their mortgage due to coronavirus](#), 22 May 2020

⁶⁸ FCA, [Mortgages and Coronavirus: our guidance for firms](#), 20 March 2020 (updated 4 May 2020)

⁶⁹ Ibid.

⁷⁰ Ibid.

has advised that support should still be offered where needed and this could involve an extension of the mortgage holiday period for an additional three months. Homeowners have up to 31 October 2020 to request a payment holiday.⁷¹

Affected customers are advised to contact their lender to request a payment holiday. There is no specific process for contacting lenders. Lenders should also proactively ask customers if they are interested in a mortgage holiday if, during an interaction, the customer states that they may potentially experience payment difficulties. The guidance states that there is “no expectation that the firm investigates the circumstances surrounding a request for a payment holiday”.⁷² The requirement for the lender to assess affordability does not apply.

Regarding repayment, lenders are advised that they should:

...ensure that the manner in which it will seek to recover any sums covered by a payment holiday and any increase in the total amount payable under the mortgage contract once the payment holiday has ended is compatible with Principle 6.⁷³

Mortgage holidays granted in the current circumstances should not be recorded as arrears, nor should they have any negative impact on the customer’s credit score.⁷⁴

The guidance applies regardless of whether a customer has outstanding mortgage arrears and makes clear “Customers in payment shortfall should not receive less favourable treatment than other customers.”⁷⁵

Outside of the FCA guidance, the specific terms of a mortgage holiday will be a matter for the lender to determine.

It is possible that a firm that contravenes the above-stated principles may be subject to regulatory action.

On 14 April 2020, UK Finance reported that by 8 April lenders had granted 1.2 million payment holidays to mortgage holders.⁷⁶

4.2 Repossessions

The aforementioned FCA guidance advises lenders to exercise forbearance during the period of this crisis:

Firms should not commence or continue repossession proceedings against customers at this time, given the unprecedented uncertainty and upheaval they face, and Government advice on social distancing and self-isolation. This applies irrespective of the stage that repossession proceedings have reached and to any step

⁷¹ [FCA Announces support for customers who are struggling to pay their mortgage due to coronavirus](#), 22 May 2020

⁷² FCA, [Mortgages and Coronavirus: our guidance for firms](#), 20 March 2020 (updated 4 May 2020)

⁷³ i.e. A [firm](#) must pay due regard to the interests of its [customers](#) and treat them fairly.

⁷⁴ FCA, [Mortgages and Coronavirus: our guidance for firms](#), 20 March 2020 (updated 4 May 2020)

⁷⁵ Ibid.

⁷⁶ [UK Finance Press Release](#), 14 April 2020

taken in pursuit of repossession. Where a possession order has already been obtained, firms should refrain from enforcing it.

We consider that commencing or continuing repossession proceedings at this time is very likely to contravene Principle 6 and MCOB 2.5A.1R - absent exceptional circumstances (such as a customer requesting that proceedings continue). We will not hesitate to take appropriate action where necessary.

Firms should also ensure that their customers are kept fully informed, and discuss with them the potential consequential impacts of their suspending any moves towards repossession. For example, the effect of remaining in the property on the customer's remaining equity should be explained. See our information for consumers regarding mortgages during the coronavirus situation.⁷⁷

The announcement on 22 May said that the ban on repossessions would continue to 31 October 2020 to "ensure people are able to comply with the government's policy to self-isolate if they need to."⁷⁸

The JRF called for a reduction in the waiting period for eligible homeowners to be able to access [Support for Mortgage Interest](#) (SMI) to immediately after the three-month holiday period (now extended for a further three months as noted above).⁷⁹

4.3 Help to Buy

On 18 March 2020, the Government announced that people who have benefited from a Government-backed Help to Buy Equity Loan "will be offered interest payment holidays if they are struggling to pay due to coronavirus".⁸⁰

5. Homelessness

£1.6 billion of the £5 billion Covid-19 fund announced in the [Budget 2020](#) was allocated to local authorities to help them respond to Covid-19 pressures across all their services.⁸¹ On 18 April 2020 the Government announced an additional £1.6 billion for local authorities, bringing the total funding to £3.2 billion.⁸²

The Government has announced a raft of welfare and employment support measures, which together with legislation to protect tenants from being evicted (see section 1), are intended to help prevent a rise in homelessness during the coronavirus (Covid-19) outbreak.

On 28 March 2020, the Home Office also announced the suspension of all evictions from asylum accommodation (sometimes known as NASS

⁷⁷ FCA, [Mortgages and Coronavirus: our guidance for firms](#), 20 March 2020

⁷⁸ [FCA Announces support for customers who are struggling to pay their mortgage due to coronavirus](#), 22 May 2020

⁷⁹ JRF, [Coronavirus – it's unthinkable that anyone should be made homeless now](#), 27 March 2020

⁸⁰ [Ministry of Housing, Communities and Local Government \(MHCLG\) Press Release](#), 18 March 2020

⁸¹ [Written Question 29818, 23 March 2020](#)

⁸² MHCLG, [Communities Secretary Robert Jenrick on COVID-19 response](#), 18 April 2020

accommodation) for three months. This measure is expected to help relieve pressure on local authorities.⁸³

However, concerns remain about the impact of the Covid-19 pandemic on rough sleepers and homeless people in temporary accommodation.

5.1 Rough sleepers (England)

Those sleeping rough are especially vulnerable during the Covid-19 outbreak; rough sleepers are more likely to have underlying health conditions than the wider population and face difficulties in following Public Health England's advice on self-isolation, social distancing and hygiene. They can also face barriers in accessing healthcare and public health information.

'Everyone In' Initiative

On 17 March 2020 the Government [announced £3.2 million in emergency funding for local authorities to help rough sleepers](#) during the coronavirus outbreak.

Local authorities in England will be reimbursed for the cost of providing accommodation and services to rough sleepers, and those at risk of rough sleeping, who are at risk of, or who have been diagnosed with, Covid-19. Authorities will be notified of the provisional maximum amount they will be entitled to claim back, which will be based on the number of rough sleepers reported in the [Autumn 2019 snapshot](#).

Announcing the emergency funding, the Communities Secretary, Robert Jenrick, said:

Public safety and protecting the most vulnerable people in society from coronavirus is this government's top priority. We are working closely with councils and charities to ensure they have the support they need throughout this period.

The initial funding that I've announced today will ensure councils are able to put emergency measures in place to help some of the most vulnerable people in our society to successfully self-isolate.

I would urge anyone who is concerned about someone sleeping rough to use the government's StreetLink app⁸⁴ to alert local support services who can reach out to those in need at this difficult time.⁸⁵

On 26 March 2020 local authorities and homeless charities received an email from Dame Louise Casey, who is spearheading the Government's response to rough sleeping, calling on them to ensure rough sleepers were "inside and safe" by the weekend. "These are unusual times so I'm asking for an unusual effort," she wrote. "Many areas of the country have already been able to 'safe harbour' their people, which is

⁸³ *Inside Housing*, [Home Office announces it will not evict asylum seekers during coronavirus crisis](#), 31 March 2020 [subscription required]

⁸⁴ StreetLink can be accessed via the app or online: www.streetlink.org.uk/.

⁸⁵ MHCLG, [£3.2 million emergency support for rough sleepers during coronavirus outbreak](#), 17 March 2020

incredible. What we need to do now is work out how we can get 'everyone in'." ⁸⁶

On the same day the Minister for Local Government and Homelessness, Luke Hall, [wrote to local authority leaders](#) to update them on plans to protect rough sleepers during the Covid-19 pandemic. The letter asked local authorities to **"bring in those on the streets to protect their health and stop wider transmission"** and to **support rough sleepers and other vulnerable homeless into appropriate accommodation by the end of the week.**

The letter set out the following principles and actions for local authorities:

The basic principles are to:

- focus on people who are, or are at risk of, sleeping rough, and those who are in accommodation where it is difficult to self-isolate, such as shelters and assessment centres
- make sure that these people have access to the facilities that enable them to adhere to public health guidance on hygiene or isolation, ideally single room facilities
- utilise alternative powers and funding to assist those with no recourse to public funds who require shelter and other forms of support due to the COVID-19 pandemic
- mitigate their own risk of infection, and transmission to others, by ensuring they are able to self-isolate as appropriate in line with public health guidance

This should be done by taking the following programme of actions:

1. Convening a local coordination cell to plan and manage your response to COVID and rough sleeping involving the local authority (housing, social care and public health) and local NHS partners together. This would then report in to wider local COVID structures.
2. Seeking to stop homeless people from congregating in facilities such as day centres and street encampments where there is a higher risk of transmission.
3. Urgently procuring accommodation for people on the streets if you have not already done so – MHCLG will support you to do so if you are struggling to procure sufficient units.
4. Triaging people where possible into three cohorts driven by medical advice:
 - those with symptoms of COVID19;
 - those with pre-existing conditions but without symptoms; and
 - those without any of the above.

Attached to this letter is additional guidance on the approach that agencies should be taking to triaging agreed with NHS England and Public Health England.

⁸⁶ ['Homeless swap the streets for hotel suites during coronavirus lockdown'](#), The Times, 26 April 2020

5. Getting the social care basics such as food, and clinician care to people who need it in the self-contained accommodation. It is likely that you will need to utilise your commissioned homeless services to provide support to people in this accommodation and we urge you to work with the commissioned and non-commissioned sector to make sure there are adequate levels of support provided.

6. If possible, separating people who have significant drug and alcohol needs from those who do not.⁸⁷

Public Health England (PHE) and the Ministry of Housing, Communities and Local Government (MHCLG) published [guidance](#) to assist hostel or day centre providers of services for people experiencing rough sleeping on 16 March 2020. The guidance was withdrawn on the 25 March 2020 and the website states that “Public Health England will be issuing updated guidance for those working with people who are experiencing rough sleeping and living in hostel environments as soon as possible”.

PHE and the Department of Health and Social Care (DHSC) have also published [COVID-19: guidance for commissioners and providers of services for people who use drugs or alcohol](#) (last updated 18 May 2020).

Sector response

In response to the Minister’s [letter to local authority leaders](#) of 26 March 2020, the Chair of the Local Government Association, Cllr James Jamieson, said that this would be “a huge task”.⁸⁸ The chief executive of Crisis, Jon Sparkes, described the Government’s request as a “landmark moment – and the right thing to do”. However, he said that questions remained about how local authorities would be supported and funded.⁸⁹

Local authorities across the country have sought to secure accommodation for those who are rough sleeping or in accommodation where it is difficult to self-isolate, in some cases block-booking hotel rooms or other en-suite accommodation (e.g. B&Bs, student accommodation, holiday rentals etc).⁹⁰ The Mayor of London, Sadiq Khan, with financial support from the Government, launched a trial scheme in which City Hall block-booked 300 hotel rooms in two London hotels for twelve weeks.⁹¹ Under the Government’s coronavirus measures, this type of accommodation is allowed to remain open where it is providing rooms to support homeless and other vulnerable people.⁹²

⁸⁷ MHCLG, [Letter from Minister Hall to local authorities on plans to protect rough sleepers](#), 27 March 2020

⁸⁸ *Inside Housing*, [‘Government ‘tells councils to house all rough sleepers by the weekend’](#), 27 March 2020 [subscription only]

⁸⁹ [‘Councils told to house all rough sleepers in England by weekend’](#), The Guardian, 27 March 2020

⁹⁰ See for example: *Inside Housing*, [Greater Manchester to put 1,000 rough sleepers in hotels amid coronavirus outbreak](#), 26 March 2020 [subscription required]

⁹¹ Mayor of London, [London’s rough sleepers to be offered hotel beds to self-isolate](#), 21 March 2020

⁹² CO & MHCLG, [Coronavirus guidance – closing certain businesses and venues](#), updated 27 March 2020

Local authorities have also worked with existing services for rough sleepers, health services and the voluntary sector to ensure that rough sleepers who use this emergency accommodation have the support, medical care and food they need.

On 18 April 2020 the Government reported that **over 90% of rough sleepers in England had been offered accommodation as a result of the initiative to protect rough sleepers during the Covid-19 pandemic.**⁹³

Dame Louise Casey subsequently wrote to local authority homelessness managers and rough sleeping coordinators to provide an update and thank them for their help:

[...]

I asked for an unusual effort in response to these unusual times. I asked that, together as central and local government working in partnership with charities and the NHS, we give everybody the offer of safe harbour in the midst of the Covid-19 storm. It has been humbling to witness your response to this call to action – on behalf of the Prime Minister, Secretary of State, colleagues and indeed rough sleepers themselves, thank you.

As of our last stock take, the number of people needing emergency support that had been in the thousands is now in the hundreds. More than 5,400 rough sleepers – over 90% of those on the streets at the beginning of the crisis and known to local authorities – have been offered safe accommodation in just under a month, ensuring some of the most vulnerable people can stay safe during the pandemic. Thank you.

[...] ⁹⁴

Longer-term accommodation for rough sleepers

On 2 May 2020 the Government [announced](#) a **specialist taskforce, headed by Dame Louise Casey**, would lead the next phase of the Government's support for rough sleepers during the Covid-19 pandemic.

The taskforce will work with local authorities, charities, faith groups and other partners on plans to ensure the rough sleepers accommodated during the coronavirus emergency can receive the physical and mental health support they need and are able move into long-term accommodation once the immediate crisis is over - ensuring as few people as possible return to life on the streets.⁹⁵

The March 2020 budget had allocated £381 million over four years for rough sleeping services (comprised of £237 million for accommodation

⁹³ MHCLG, [Communities Secretary Robert Jenrick on COVID-19 response](#), 18 April 2020

⁹⁴ MHCLG, [Dame Louise Casey writes to Local Authority homelessness managers and rough sleeping coordinators](#), 23 April 2020

⁹⁵ MHCLG, [Dame Louise Casey to spearhead government taskforce on rough sleeping during pandemic](#), 2 May 2020

for up to 6,000 rough sleepers and £144 million for associated support services).⁹⁶

On 24 May 2020 the Government [announced](#) that this funding would be increased to £433m (with £160 million brought forward to 2020/21) to enable 3,300 new housing units to be delivered in the next 12 months. Homes England will work with the housing sector and local authorities to fast-track delivery of these units.⁹⁷

5.2 Support for the voluntary sector

The voluntary sector plays a key role in providing emergency accommodation and other support services, including food assistance, to those experiencing homelessness.

The Government has included 'charities and workers delivering key frontline services' in the [list of key workers](#) who are critical to the Covid-19 response. Schools and childcare providers were asked to continue to provide care for children of these key workers, if required.

On 8 April 2020 the Chancellor, Rishi Sunak, announced a £750 million package of support for frontline charities across the UK.⁹⁸ £6 million of this funding has been allocated to support **frontline** homelessness charities. The [Covid-19 Homelessness Response Fund](#) is being distributed by Homeless Link, the largest national membership charity for homelessness organisations.⁹⁹ The charity is also providing [Covid-19 information and guidance](#) to support members with putting plans and practice in place to protect the people they support.

There are a number of initiatives emerging to help charities access pools of volunteers and emergency funds. The charity Crisis, for example, has established an [emergency grants fund](#) to support local groups who provide services to those experiencing homelessness. Homeless Link has collated current information on potential funding sources: [Homelessness and Covid-19 funding opportunities](#).

5.3 Comment

The additional £3.2 billion funding to help local authorities respond to Covid-19 pressures has been welcomed. However, the Local Government Association has warned that without additional funding the financial pressures resulting from Covid-19 could impact on local authorities' capacity to prevent or reduce homelessness:

Councils have welcomed the £3.2 million worth of additional funding to support rough sleepers, as well as the £3.2 billion to help councils through this period. However, they need a commitment that the extraordinary costs incurred by all services to

⁹⁶ [HC 121, March 2020](#), para 2.63, p75

⁹⁷ MHCLG, [6,000 new supported homes as part of landmark commitment to end rough sleeping](#), 24 May 2020

⁹⁸ HM Treasury, [Chancellor sets out extra £750 million coronavirus funding for frontline charities](#), 8 April 2020

⁹⁹ Homeless Link, [COVID-19 Homelessness Response Fund to provide £6 million to charities](#), 14 May 2020

date – as well as the costs from delivering “business as usual” services with reduced income flows – will be met. Without this, the sustainability of council services, including homeless services, will be jeopardised in the short and medium-term.¹⁰⁰

On 2 April 2020, a group of homelessness charities, including Crisis, [wrote to the Prime Minister](#) commending the Government’s response and outlining further action required to protect people experiencing homelessness in the coronavirus outbreak, including:

- The **removal of legal barriers to homelessness assistance**. The charities ask the Government to send a “public message to all local authorities making clear that everyone who is homeless is eligible for assistance, regardless of priority need, intentionality, local connection, or immigration status”.
- **Increased Discretionary Housing Payment (DHP) allocations** to local authorities for the duration of the Covid-19 emergency, especially in areas of high rental costs.
- The **removal of housing benefit restrictions that apply to those with no recourse to public funds**¹⁰¹ and **suspension of Right to Rent checks** for the duration of the Covid-19 emergency.
- **Covid-care and personal protective equipment (PPE) for staff working in frontline homelessness services**.¹⁰²

Commentators have stressed the need for longer-term funding and support so that, when the Covid-19 outbreak subsides, homeless people in emergency accommodation do not return to the streets. There is also a concern that homelessness levels may increase once emergency measures preventing tenant evictions are lifted (see section 3).

The [interim report](#) of the Housing Communities and Local Government Select Committee’s inquiry into the Impact of Covid-19 (Coronavirus) on homelessness and the private rented sector (published on 22 May 2020), urges the Government to implement three key measures to protect rough sleepers against the impact of coronavirus:

- **Use this crisis to end rough sleeping in England once and for all.**

The Government’s taskforce must take advantage of this golden opportunity to ensure every single person taken from the streets does not return to rough sleeping. The Government must estimate the cost of a housing-led solution with appropriate wrap-around support, likely to be at least £100m a year, and provide this as a dedicated funding stream to councils.

- **We appeal on humanitarian grounds for the Government to improve its support to councils for people with no recourse to public funds during this**

¹⁰⁰ Local Government Association, [Briefing for House of Lords debate on Plans to support people who were previously homeless into permanent housing after the COVID-19 pandemic](#), 14 May 2020, p1

¹⁰¹ The House of Commons Library briefing paper CBP08888: [Coronavirus: Calls to ease No Recourse to Public Funds conditions](#) identifies what state support and concessions might be available for migrants with NRPF during the coronavirus crisis.

¹⁰² Crisis, [Open letter to the Prime Minister on the next steps needed to protect people experiencing homelessness in the coronavirus outbreak](#), 2 April 2020

crisis, or hundreds will return to the streets with potentially disastrous consequences.

We recommend that the Government should guarantee it will compensate councils for provision offered to rough sleepers with no recourse to public funds as a result of the current crisis. The Government needs to urgently publish guidance on councils' use of discretion in these circumstances and clarify what people can or cannot claim when they have no recourse to public funds.

- **The Government must ensure that rough sleepers do not end up back on the streets due to a lack of suitable housing.**

The Government needs to act to boost the immediate availability of appropriate supported housing, by providing targeted grant funding for councils and housing associations to acquire properties, using the National Clearing House Scheme from 2008 as a starting point. We also ask the Government to remove restrictions on Right to Buy receipts to provide councils with more flexibility.¹⁰³

The Committee has asked the Government to respond to its recommendations by 12 June 2020.

5.4 Scotland, Wales and Northern Ireland

The Scottish Government, Welsh Government and Northern Ireland Executive are working with the UK Government to respond to the Covid-19 pandemic.

Housing policy is a devolved area and further information on the Covid-19 response in Scotland, Wales and Northern Ireland is available online:

Scotland - the Scottish Government [provided £350 million](#) for local authorities, charities, businesses and community groups to support “welfare and wellbeing” in local communities. £300,000 of this fund has been [allocated](#) to the homelessness charity, Simon Community Scotland, to provide hotel accommodation for all rough sleepers in Edinburgh and Glasgow during the pandemic, with “move on plans” for everyone. The Scottish Government has also published: [Coronavirus \(COVID-19\): information for homelessness services](#) (31 March 2020).

Wales - the Welsh Government [announced](#) additional funding for local authorities of up to £10 million to help secure accommodation for rough sleepers and those in temporary accommodation, and published guidance on: [COVID-19 Response – Homelessness and Rough Sleepers](#) (20 March); [COVID-19: guidance for substance misuse and homelessness services](#) (19 March 2020); and [Coronavirus \(COVID-19\): local authority support for rough sleepers](#) (24 March 2020). The Government has subsequently [allocated up to £20 million additional funding](#) and [asked local authorities to develop plans](#) to ensure that no-one in emergency shelter during the coronavirus crisis has to return to the streets or unsuitable accommodation.

¹⁰³ House of Commons Housing Communities and Local Government Committee, [Protecting rough sleepers and renters: Interim Report](#), First Report of Session 2019–21, HC 309, 22 May 2020, Summary, p3

Northern Ireland - the Northern Ireland Executive has published [COVID-19: Guidance for Homeless Providers in Northern Ireland](#) (16 April 2020) and [Housing support crucial in this crisis](#) (27 March 2020).

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