

By ,
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Coronavirus: Support for landlords and tenants



Summary

- 1 Measures to protect tenants
- 2 The social rented sector
- 3 Comment on help for the rental sector

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Summary

The coronavirus (Covid-19) outbreak has had significant implications for households' ability to retain their homes, particularly those who are renting. In response, Governments across the UK introduced a series of housing support measures, some of which were amended and extended after March 2020.

Extended notice periods for tenants

The current position is summarised below:

- [Regulations](#) which came into force in England on 1 June 2021 amended schedule 29 to the Coronavirus Act 2020 to provide that up to 30 September 2021, there was a general requirement for a four month notice period. Exceptions applied, eg for cases involving serious rent arrears and anti-social behaviour.
- On 1 October 2021 in England, notice periods reverted to their pre-pandemic levels.
- In Wales, with some exceptions, a notice period of six months applies up to 24 March 2022.
- In Scotland, with some exceptions, a six month notice period applies up to 31 March 2022.
- In Northern Ireland, 12-week notice periods apply up to 4 May 2022.

Suspension of possession proceedings

The Master of the Rolls issued a [Practice Direction](#) to suspend all ongoing housing possession action in England and Wales from 27 March 2020, initially for a period of 90 days. This period was extended, but repossession actions in the courts recommenced from 21 September 2020. Requirements placed on claimants seeking possession by [Practice Direction 55C](#) remain in force for claims made before 1 December 2021. For other claims, the requirement on a claimant to give the court information about the known effect of coronavirus on the defendant and their household remains in place until 30 June 2022.

Courts across the UK have recommenced consideration of repossession cases. In addition, bans on the enforcement of eviction orders by bailiffs have been lifted.

Financial assistance

In March 2020 the Chancellor announced an increase in Housing Benefit and Universal Credit “so that the local housing allowance (LHA) will cover at least 30% of market rents” within a Broad Rental Market Area. In April 2021, LHA rates were frozen in cash terms. Policy costings for the Autumn Spending Review and Budget 2021 [forecast a further freeze in LHA rates for 2022/23 \(745KB, PDF\)](#). [This freeze was confirmed](#) on 25 November 2021. Claimants may also apply for Discretionary Housing Payments (DHPs).

On 23 October 2021, the Department for Levelling Up, Housing and Communities (DLUHC) announced a £65 million support package “[to support low-income earners in rent arrears](#)”. The funding is being allocated to local authorities. It is in addition to a £500 million [Household Support Fund](#) announced in September 2021 to help “vulnerable households across the country with the cost of food, energy, water and other essentials.”

The Welsh Government established [Tenancy Saver Loans](#) for private tenants whose income fell due to the pandemic, meaning they cannot afford their rent. This scheme has been replaced by a [Tenancy Hardship Grant](#).

Scotland has a [Tenant Hardship Loan Fund](#) and [The Private Rent Sector Landlord \(non-business\) COVID-19 Loan Scheme](#).

Calls for more support in England

Homelessness charities and tenant bodies warned of a potential surge in evictions and homelessness following the end of longer notice periods.

As time has passed, evidence to suggest tenants are accruing substantial arrears has grown. On 8 December 2021, the National Residential Landlords Association (NRLA) [reported on research carried out by Dynata](#). A survey of 2,000 private renters in England and Wales found average rent debt owed as a result of the pandemic had increased by 41% since May 2021. Affected tenants’ average debt increased to £1,270, up from £900 in May.

[Research published by the Joseph Rowntree Foundation in October 2021](#) found “3.8 million low-income households across the UK are in arrears and 4.4 million have had to take on new or increased borrowing through the pandemic.”

[Several bodies representing the interests of landlords, tenants and homeless households joined forces in February 2021](#) to call for a targeted financial package to help renters pay off arrears accrued since March 2020, and “a welfare system that provides renters with the security of knowing that they can afford their homes.”

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 urged the Government to take steps to protect renters, including:

- 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 Government's response](#) was published on 25 June 2020. The Committee [issued a further call for evidence](#) on 16 October 2020 and published the [report of their findings](#) on 31 March 2021. The Committee called on the Government to:

- publish “a proper exit plan for the private rented sector from national and local restrictions;”
- deliver a financial package to support tenants to repay rent arrears caused by covid-19 as a priority;
- review the decision to freeze LHA rates in cash terms and temporarily boost discretionary housing payments; and urgently introduce the Renters' Reform Bill.

[The Government response](#) (25 May 2021) detailed the package of support put in place during the pandemic and committed to “continue to monitor the effectiveness of our extensive financial support in protecting tenants and landlords, including through the English Housing Survey Household Resilience Study.” As noted above, October 2021 saw the announcement of a £65 million support package.

Guidance

The DLUHC, previously the Ministry of Housing, Communities and Local Government (MHCLG), published [COVID-19 and renting: guidance for landlords, tenants and local authorities](#) (updated 10 December 2021) and [Understanding the possession action process: guidance for landlords and tenants](#) (updated 10 December 2021).

The Welsh Government has a series of guidance notes under the heading [Renting a home: coronavirus](#).

The Scottish Government published [Coronavirus \(COVID-19\): guidance for private landlords and letting agents](#) (updated 3 December 2021).

Northern Ireland published [COVID-19 Guidance for Private Rented Sector Landlords and Tenants](#) (updated 17 November 2021).

1 Measures to protect tenants

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. 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 notice¹ served on an assured shorthold tenant in England 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.

If a tenant does not vacate on the expiry of the notice period, the landlord must obtain a court order for possession. Service of an invalid notice can prevent a landlord from obtaining a court order.

Extended notice periods were one way in which governments across the UK acted to give tenants more protection against eviction during the pandemic.

1.1 Extended notice periods (England)

Section 81 of the Coronavirus Act 2020, together with schedule 29, extended the notice period that certain tenants were entitled to receive when a landlord was seeking to recover possession of their homes. These provisions have been amended several times.

The tenancies covered by the amended notice requirements included:

- 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 amended notice periods also applied to flexible, demoted and introductory tenancies.

¹ Often referred to as the 'no fault' ground for eviction.

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

The table below summarises the notice periods in force in England at various times since the onset of the pandemic. On 1 October 2021 notice periods reverted to their pre-pandemic levels.

Regulations	Notice period	Dates
Section 81 and schedule 29 to the Coronavirus Act 2020	Three months.	26 March 2020 to 28 August 2020. Initially, the three month period was to apply to 30 September 2020 but regulations laid on 28 August (see below) changed this.
The Coronavirus Act 2020 (Residential Tenancies: Protection from Eviction) (Amendment) (England) Regulations 2020 (SI 2020/914) The Coronavirus Act 2020 (Residential Tenancies: Protection from Eviction) (Amendment) (England) Regulations 2021 (SI 2021/284)	Broadly, if a landlord was not seeking to evict a tenant for anti-social behaviour, serious rent arrears, or where the tenant had no right to rent , a minimum notice period of six months' applied up to 31 May 2021.	29 August 2020 to 31 May 2021. These notice periods were initially in force until 31 March 2021, but on 10 March 2021 the Government announced an extension to 31 May 2021. SI 2021/284 gave effect to this extension.
The Coronavirus Act 2020 (Residential Tenancies: Protection from Eviction) (Amendment) (England) (No. 2) Regulations 2021 (SI 2021/564)	<p>Four months' notice subject to exceptions. The rent arrears exception changed so that 4 weeks' notice is required where rent arrears are over 4 months (down from 6 months).</p> <p>From 1 August 2021, for rent arrears of less than four months a notice period of two months is required.</p> <p>Some other notice periods were reduced.</p>	1 June to 30 September 2021
The Coronavirus Act 2020 (Residential Tenancies and Notices) (Amendment and Suspension) (England) Regulations 2021 (SI 2021/994)	Notice periods reverted to the pre-coronavirus position.	1 October 2021. On 12 May 2021, The Government said "Subject to the public health advice and progress with the Roadmap, notice periods will return to pre-pandemic levels from 1 October."

For those occupying under a licence agreement not covered by the notice changes, Government guidance said:

This legislation only applies to tenants so will not apply to licences to occupy (other than a secure licence under the Housing Act 1985). Landlords of those on licences to occupy should follow the same guidance and work with renters who may be facing hardship as a result of the response to COVID-19.³

Time limits on section 21 notices (England)

Section 21 notices served on assured shorthold tenants before 29 August 2020 expired 6 months after service if possession proceedings had not commenced.

After 29 August 2020 these notices had to provide the tenant with a minimum of six months' notice. Therefore the Government extended the period over which the notices would remain valid:

Where a landlord gives a tenant a valid Section 21 notice after 29 August 2020, the notice will now remain valid for an extended period:

10 months from the date it is given to the tenant, where Section 21(4D) applies; or

4 months from the date specified in the notice as the date after which possession is required, if Section 21(4E) applies.⁴

Alongside changes to notice periods in England from 1 June 2021, the period in which proceedings can be issued on a section 21 notice was reduced from 10 months from service to 8 months from service, or 4 months if section 21(4E) applies.

1.2

Extended notice periods (Wales)

The table below summarises the notice periods in force in Wales at various times since the onset of the pandemic.

Associated changes were made to the prescribed forms used in respect of assured and secure tenancies in Wales.

The Welsh Government updated its guidance on [Eviction during the coronavirus pandemic](#) on 7 August 2021.

³ DLUHC, [Guidance for Landlords and Tenants](#), Updated 10 December 2021

⁴ Ibid.

Regulations	Notice period	Dates
Section 81 and schedule 29 to the Coronavirus Act 2020 also apply in Wales to extend notice periods.	Three months.	26 March 2020 to 23 July 2020.
The Coronavirus Act 2020 (Assured Tenancies and Assured Shorthold Tenancies, Extension of Notice Periods) (Amendment) (Wales) Regulations 2020		24 July 2020 to (initially) 31 March 2021 but further extended by regulations laid on 28 September to 30 June 2021.
The Coronavirus Act 2020 (Residential Tenancies: Protection from Eviction) (Wales) Regulations 2020		Further regulations in force on 30 June 2021 extended the six month notice period to 30 September 2021.
The Coronavirus Act 2020 (Residential Tenancies: Extension of Period of Protection from Eviction) (Wales) Regulations 2021	Six months in respect of certain tenancies subject to some exceptions for cases involving anti-social behaviour and domestic violence. There was no reduction in the notice period for repossession actions involving rent arrears.	Further regulations in force from 30 September 2021 extended the six month notice period to 31 December 2021.
The Coronavirus Act 2020 (Residential Tenancies: Extension of Period of Protection from Eviction) (No. 2) (Wales) Regulations 2021		
The Coronavirus Act 2020 (Residential Tenancies: Extension of Period of Protection from Eviction) (No. 3) (Wales) Regulations 2021		
The Coronavirus Act 2020 (Residential Tenancies: Extension of Period of Protection from Eviction) (No. 4) (Wales) Regulations 2021		Further regulations in force from 31 December 2021 extended the six month notice period to 24 March 2022. The Coronavirus Act 2020 is due to expire on this date. ⁵

⁵ [Written Statement: Use of powers under the Coronavirus Act 2020: Residential tenancies – extension of the period of protecting tenants from eviction](#), 17 December 2021

1.3

Scotland and Northern Ireland

Scotland

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”.⁶
- Social landlords were contacted 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.⁷

- 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 provided enhanced security of tenure for tenants on a temporary basis with effect from 7 April 2020. [The briefing prepared by the Scottish Parliament Information Centre](#) provides details of the measures taken.⁸

Extended notice periods in Scotland are in place to 31 March 2022.

Essentially, certain mandatory grounds for eviction were made discretionary for a period and certain notice periods were extended up to 30 September 2020. The measures in the Act were further extended to 30 September 2021. The Coronavirus (Extension and Expiry) (Scotland) Act 2021 has further extended the measures to 31 March 2022.⁹

In most cases a six month notice period applies, but there are exceptions where a 28 day notice period applies, including where the tenant has:

- A relevant criminal conviction.

⁶ [SP OR 18 March 2020](#)

⁷ Ibid.

⁸ [The Coronavirus \(Scotland\) Bill – SPICe Briefing](#), 31 March 2020

⁹ See [Coronavirus \(Extension and Expiry\) \(Scotland\) Bill – Extended blogpost, Scottish Parliament Information Centre](#).

- Has engaged in relevant antisocial behaviour.
- Someone they chose to spend time with in the rented property has a relevant criminal conviction or has engaged in relevant antisocial behaviour.
- The tenant is no longer living in the rented property.¹⁰

The [Coronavirus \(Scotland\) \(No.2\) Act 2020](#) gave Scottish Ministers regulation making powers to introduce a pre-action protocol which would apply to private landlords seeking to evict tenants on certain rent arrears grounds where the notice is served after 7 April 2020.¹¹

The [Housing and Property Chamber \(HPC\) First-Tier Tribunal for Scotland](#) announced all hearings and case management discussions would be postponed from 19 March to 28 May 2020 at the earliest. This meant no new eviction orders could be granted until that date. On 22 May 2020 the postponement was extended to 9 July 2020.¹² On 26 June 2020 the Tribunal announced Case Management Discussions would resume from 9 July 2020.¹³

The Scottish Government introduced [The Health Protection \(Coronavirus\) \(Protection from Eviction\) \(Scotland\) Regulations 2020](#) which, with some exceptions, banned enforcement of eviction orders between 11 December 2020 and 22 January 2021.

[The Health Protection \(Coronavirus\) \(Restrictions and Requirements\) \(Local Levels\) \(Scotland\) Amendment \(No. 12\) Regulations 2021](#)¹⁴ extended the ban in areas subject to Tier 3 or 4 restrictions to 31 March 2021. Exemptions applied in Tiers 3 and 4 to cases involving criminal or serious anti-social behaviour. The ban on evictions was extended to 30 September 2021¹⁵ but did not apply in any area subject to Tier 2 or below. The Shelter Scotland website on enforcing evictions records:

Scotland has moved beyond level 0. This means evictions can now be enforced across the country.¹⁶

¹⁰ Shelter Scotland: [Grounds for eviction for private residential tenancy tenants - Shelter Scotland](#) [accessed on 23 September 2021]

¹¹ Paragraphs 4 and 5 of Schedule 1 to the [Coronavirus \(Scotland\) \(No.2\) Act 2020](#) and The Rent Arrears Pre-Action Requirements (Coronavirus) (Scotland) Regulations 2020 which came into force on 30 September 2020. For more details see: [Coronavirus \(COVID-19\): pre-action requirements and seeking repossession of private rented housing on rent arrears grounds.](#)

¹² [Update#4: Further impact of Covid-19 pandemic, 22 May 2020](#)

¹³ [Update #6: Resumption of CMDs and Hearings](#), 26 June 2020

¹⁴ (SSI 2021/17)

¹⁵ Scottish Government, [Coronavirus \(COVID-19\): guidance for private landlords and letting agents](#), updated 3 December 2021

¹⁶ Shelter Scotland: [Eviction of private residential tenancy tenants](#) [accessed 23 September 2021]

[Research](#) published on 8 November 2021 considers the accrual of rent arrears by Scottish private tenants and “suggests measures to try to release the tensions stored up by the temporary legislation.”¹⁷

Northern Ireland

On 6 April 2020, the Department for Communities (DfC) in Northern Ireland said measures would be introduced to prevent evictions.¹⁸ 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 months. The Bill is not intended to have retrospective effect, so will not apply to notice served before Royal Assent.¹⁹

The Bill received Royal Assent on 4 May 2020.²⁰ On 19 August 2020, then-Communities Minister Carál Ní Chuilín announced measures to protect private renters from eviction during the pandemic would be extended to 31 March 2021.²¹ A further extension of 12-week notice periods to 30 September 2021 was announced on 19 February 2021.²² On 31 August 2021, Communities Minister Deirdre Hargey announced a further extension to 4 May 2022.²³ She referred to a new [Private Tenancies Bill](#) which had been introduced to “deliver a

¹⁷ Watson A; Bailey N (Prof), UK Collaborative Centre for Housing Evidence, [The pandemic arrears crisis: Private landlord perspectives on the temporary legislation impacting the Private Rented Sector](#), 8 November 2021

¹⁸ DfC, [Amend notice to quit through the Coronavirus \(Private Tenancies Modification\) Bill 2020](#)

¹⁹ [NIA Bill 04/17-22 Explanatory and Financial Memorandum](#), (404KB, PDF), paras 8-9

²⁰ DfC, [“Bill to protect private renters passed by Assembly”](#), 28 April 2020

²¹ DfC, [“Minister Ní Chuilín announces extension of legislation to protect renters”](#), 19 August 2020

²² DfC, [The Private Tenancies \(Coronavirus Modifications\) Regulations \(Northern Ireland\) 2021 – screening](#), 19 February 2021

²³ DfC [Press Release](#), 31 August 2021

number of protections for private renters including a permanent extension to the Notice to Quit period.”²⁴

Extended notice periods in Northern Ireland are in place up to 4 May 2022.

The Department for Communities produced a [guidance document](#) aimed at landlords and tenants in the private rented sector.²⁵

In Northern Ireland possession proceedings recommenced from 31 August 2020.²⁶

1.4

The Suspension of housing possession claims to 20 September 2020 (England and Wales)

On 26 March 2020, MHCLG announced the Master of the Rolls would issue a Practice Direction²⁷ 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.²⁸

On 5 June 2020, then-Secretary of State at MHCLG, Robert Jenrick, confirmed the Civil Procedure Rule Committee, on request of the Lord Chancellor, had agreed to extend the ban on eviction proceedings by a further 2 months.²⁹ The [statutory instrument](#) to bring the new rule into effect came into force on 25 June 2020.³⁰

On 1 July 2020, Lord Greenhalgh said the courts would begin to process repossession cases from 24 August .³¹

²⁴ Ibid.

²⁵ DfC, [COVID-19 Guidance for Private Rented Sector Landlords and Tenants](#), updated 17 November 2021

²⁶ Ibid., p16

²⁷ [Practice Direction 51Z at 26 March 2020 \(239KB, PDF\)](#)

²⁸ MHCLG, [Press Release](#), 26 March 2020

²⁹ MHCLG, [Press Release](#), 5 June 2020

³⁰ [The Civil Procedure \(Amendment No. 2\) \(Coronavirus\) Rules 2020](#)

³¹ [Private Rented Housing: Coronavirus: Written question - HL5966](#), 1 July 2020

However, on 21 August Robert Jenrick confirmed a further 4-week extension to the ban on eviction hearings to 20 September 2020.³² [The Civil Procedure Rules were amended](#) at short notice to achieve this.³³

The suspension of housing possession actions meant landlords in England and Wales could not obtain court orders for possession against tenants until 20 September 2020 at the earliest. Eviction of a tenant without a court order can amount to illegal eviction, which is a criminal offence.

1.5 The resumption of possession cases from 20 September 2020 (England and Wales)

Prioritisation of “serious cases”

When announcing the 4-week extension of the stay on eviction hearings on 21 August 2020, Robert Jenrick said when the courts resumed eviction hearings they would prioritise the “most egregious cases.”³⁴ On 10 September 2020 he provided the following details:

When possession proceedings resume, it is critical to ensure court time is used effectively. The listing of cases is a judicial function. The judiciary will look to prioritise cases, reflecting those issues highlighted by a broad range of stakeholders represented on the working group as putting the most strain on litigants. We understand this will include claims issued before the stay commenced in March 2020, as well as cases involving antisocial behaviour, extreme rent arrears, domestic abuse, fraud and deception, illegal occupiers and squatters or abandonment of a property. This will provide assurance to landlords, their tenants and neighbours facing the most egregious cases.³⁵

The ‘trigger’ for a serious rent arrears case was at least 12 months’ rent outstanding or 9 months’ rent outstanding where that amounted to more than 25% of a private landlord’s total annual income from any source.³⁶

The guidance developed by the judiciary and stakeholders to manage cases during the pandemic ceased to have effect on 1 November 2021.³⁷

³² MHCLG, [Jenrick extends ban on evictions and notice periods](#), 21 August 2020

³³ [The Civil Procedure \(Amendment No. 5\) \(Coronavirus\) Rules 2020 \(32.2, PDF\)](#)

³⁴ MHCLG, [Jenrick extends ban on evictions and notice periods](#), 21 August 2020

³⁵ [Written Statement: Coronavirus: Renters](#), 10 September 2020

³⁶ HMCTS, Possession Proceedings - Overall Arrangements, 17 September 2020, para 43 ([the overall arrangements document ceased to apply on 1 November 2021](#)).

³⁷ [Statement from the Master of the Rolls: the end of the ‘overall arrangements for possession proceedings’](#), 3 November 2021

Amendments to Civil Procedure Rules

This section describes measures taken by the Government in preparation for lifting the stay on possession actions in the courts. The measures were due to come into effect on 23 August, but were delayed by the 4-week extension to the stay.

New Practice Direction 55C

[The Civil Procedure \(Amendment No. 4\) \(Coronavirus\) Rules 2020](#) amended the Civil Procedure Rules to add a new [Practice Direction 55C](#). PD 55C was amended to take effect from 20 September 2020 and was to remain in force until 30 July 2021, subject to reviews during the period. It was extended to 30 November 2021.³⁸ The provisions apply to claims made before 1 December 2021. Thereafter, only provisions in paragraphs 6.1 and 6.2, which require claim notices to include information about the known effect of coronavirus on the defendant and their household, still apply. This will be the case up to 30 June 2022.³⁹

[Practice Direction 55C](#) changed the requirements on claimants seeking to repossess properties. The explanatory memorandum to the Regulations provides a brief overview of the provisions:

- a requirement for a claimant who wishes to resume stayed proceedings to inform the court and defendant in writing of this after the expiry of the stay in a “reactivation notice”;⁴⁰
- requiring the claimant to provide (in the particulars of claim reactivation notice or for the hearing as appropriate) any relevant information about the defendant’s circumstances to include information on the effect of the pandemic on the defendant and his/her dependants, which will enable the court to have regard to vulnerability, disability, and social security position, and those who are “shielding”;
- to allow the court to fix a date either on or after issue (so that hearings may be appropriately spread out and avoiding “bunching”.
- to suspend the standard period between issue of a claim form and hearing which usually would be not more than eight weeks, again to spread out hearings appropriately in particular having regard to court capacity; and

³⁸ Courts and Tribunals Judiciary, [Practice Direction amendments – 133rd update \(173KB, PDF\)](#), 19 July 2021

³⁹ Ministry of Justice (MoJ), [Civil Procedure Rules 137th Practice Direction Update](#) [accessed 13 December 2021]

⁴⁰ The date for filing a reactivation notice was extended to 30 April 2021 on 29 January 2021.

- to require a claimant so far as practicable to produce the full arrears history in advance rather than at the hearing.⁴¹

The main rationale appeared to be associated with case management concerns. The explanatory memorandum said:

This instrument introduces temporary arrangements to protect the public and to ensure that appropriate arrangements are in place to protect all those involved when cases resume and to ensure that the civil justice system is “accessible, fair and efficient”. It addresses so far as practicable matters affecting litigants and the courts when the present stay on possession proceedings is lifted and promotes best practice and consistency in and related to possession proceedings in the continuing context of the pandemic and the economic situation whilst being mindful of the impact of Covid-19 on the courts and court procedures and the economy.⁴²

The Housing Minister, Christopher Pincher, referred to the impact of PD 55C on 22 July 2020:

It is right that we normalise proceedings and procedures. To that effect, I have had conversations with the Master of the Rolls and with Sir Robin Knowles. They have been quite clear that they want to ensure that courts act properly to hear landlords’ and tenants’ concerns. They are also very clear that, should a landlord not provide requisite information to the courts about the effect of covid-19 on a tenant when the landlord brings forward an application, the courts will have power to adjourn the case, which will hit the landlord in the pocket—something that will focus the landlords’ minds.

I have been told by many stakeholders and representatives, including the National Residential Landlords Association, that this will definitely be a wake-up call to landlords. It will also be of definite support to tenants, so I am convinced that we have struck the right balance between tenants’ needs and the landlords’ rights. I am convinced that we are supporting people to the best of our ability. I am pleased that we are now moving out of the epidemic and we are supporting people appropriately.⁴³

This interpretation was questioned. Where a landlord is seeking to evict a tenant using a mandatory ground, such as section 21 of the Housing Act 1988 or a ground 8 rent arrears claim, it was suggested that the provision of information on a tenant’s circumstances could have no impact on the court’s decision to grant the order.⁴⁴ Shelter said:

Although the rules allow judges to adjourn where a landlord hasn’t supplied certain information, the law dictates that a judge must grant a possession order in mandatory eviction cases (Section 21 and ground 8 claims). Judges have no choice but to follow the law and evict the tenant, or adjourn following

⁴¹ [Explanatory Memorandum to The Civil Procedure \(Amendment No. 4\) \(Coronavirus\) Rules 2020 \(54.5, PDF\)](#)

⁴² Ibid.

⁴³ [HC Deb 22 July 2020 cc2170-71](#)

⁴⁴ [Nearly Legal: Housing Law News and Comment, Reactivation!](#), 21 July 2020

guidelines. There is also the likelihood that a landlord will be able to challenge any decision where a judge adjourns a mandatory claim.

A judge can adjourn the case if a landlord doesn't supply the information – but not if the information they provide shows that the tenant is vulnerable, in arrears because of COVID etc. It's a question of the landlord following a procedure, not building in protections for tenants. There is no detail available for how this would work in practice.

Putting the onus on landlords to find out about their tenants' vulnerabilities is a real concern; vulnerable tenants should not be obligated to divulge personal information about their health and financial circumstances to a landlord. The scheme relies heavily on the landlord advising the court of the tenant's personal circumstances – with the disincentive that not providing the info will cause their mandatory claim to fail, it is inevitable that the system will be open to abuse.

Adjourning cases risks adding further to the backlog in the court and would only serve to prolong the inevitable. Even if proceedings are delayed, ultimately the mandatory claim will succeed, and the person will be evicted. There's no scheme to support tenants with their arrears or issues of affordability to accompany the scheme.⁴⁵

MHCLG (now DLUHC) published [Understanding the possession action process: A guide for private landlords in England and Wales](#) (updated 10 December 2021). A series of information documents and notices were published in September 2020 (updated 29 January 2021).

A cross-sector working group set up at the request of the Master of the Rolls developed [guidance on the prioritisation of cases](#) (81.5KB, PDF) which judges had to have regard to when listing possession cases in the county court, and an Overall Arrangements document which provided a summary of those areas of the process the working group considered.⁴⁶

Guidance in the Overall Arrangements document ceased to apply on 1 November 2021.⁴⁷

A pre-action protocol for private sector 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

⁴⁵ Shelter Briefing: UQ - The implications of the end of the evictions ban for people renting their home [undated – link no longer operational]

⁴⁶ HMCTS, Resumption of Possession Cases, 17 September 2020

⁴⁷ [Statement from the Master of the Rolls: the end of the ‘overall arrangements for possession proceedings’](#), 3 November 2021. For comment see [Possession proceedings - end of the ‘overall arrangements’](#) - *Nearly Legal: Housing Law News and Comment*, 4 November 2021

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.⁴⁸

[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.⁴⁹ The courts take account of whether the protocol has been adhered to when considering what orders to make.

The August 2020 and subsequent versions of the MHCLG (now DLUHC) guidance have not included reference to publication of a new protocol, but on 17 September 2020 the National Residential Landlords Association (NRLA) published a [Pre-Action Plan: Managing arrears and avoiding possession claims](#) saying:

The rules, drafted by the NRLA, form a central part of measures announced by the Government to ensure courts can start to process possession cases following a six-month ban. If landlords fail to follow the rules, they run the risk of cases being adjourned by the courts for a potentially lengthy period of time, in some cases with no rent being paid.⁵⁰

A pilot Housing Possession Mediation Service (withdrawn)

On 1 February 2021, the Government announced a new mediation pilot as part of the court process for housing possession cases. The aim was to ease the backlog of possession claims in the county courts by allowing resolution of landlord and tenant disputes outside of the full possession process. Guidance on the process was published and updated in May 2021.⁵¹ The scheme launched under the title ‘Rental Mediation Service’ and was provided by the Society of Mediators.

Commenting on the launch, the Law Society acknowledged mediation has a place but expressed doubt over its applicability to housing possession cases. The Society argued the £3 million in funding could be better applied.⁵²

Guidance on the pilot was withdrawn on 13 October 2021 at the end of the pilot period.⁵³

⁴⁸ [Ministry of Housing, Communities and Local Government \(MHCLG\) Press Release](#), 18 March 2020

⁴⁹ MoJ, [The Pre-Action Protocol for Possession Claims by Social Landlords](#) [accessed on 13 December 2021]

⁵⁰ NRLA, [New 'golden rules' to sustain tenancies](#), 17 September 2020

⁵¹ MHCLG, [Housing Possession Mediation Service](#), April 2021 (updated May 2021)

⁵² [Housing mediation pilot must not replace the usual routes to access justice | The Law Society](#), Law Society, 8 February 2021

⁵³ DLUHC, [\[Withdrawn\] Rental Mediation Service](#), 13 October 2021

The Debt Respite Scheme (Breathing Space)

The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 came into force on 4 May 2021. The scheme is aimed at giving someone with problem debt (eg rent arrears) the right to legal protection from their creditors for a period.

Debtors can only access a Breathing Space by seeking debt advice from a debt adviser. Where an application for Breathing Space is successful, creditors are prohibited from taking enforcement action. Breathing Space does not amount to a payment holiday. The Insolvency Service has published guidance on the scheme:

- [Debt Respite Scheme \(Breathing Space\) guidance for creditors \(updated 7 September 2021\)](#)
- [Debt Respite Scheme \(Breathing Space\) guidance for money advisers \(updated 7 September 2021\)](#)

The Treasury published [Guidance on mental health crisis breathing space](#) (267KB, PDF) (March 2021).

1.6 Limits on enforcement of eviction orders

If a tenant does not move out on the date specified in an eviction order the next step is for the landlord to apply to the court for a warrant for possession. Where a warrant is issued, the tenants are sent an eviction notice specifying the date on which they must vacate. Court appointed bailiffs can evict the tenants if they do not leave on that date.

During the pandemic, governments across the UK acted to ban the enforcement of eviction orders for a period of time.

England (ban ended 31 May 2021)

On 10 September 2020 Robert Jenrick announced bailiffs would not enforce possession orders where local lockdown measures were in force.⁵⁴ He also said guidance would be issued to bailiffs to ensure enforcement of most possession orders would be stopped over the Christmas period.⁵⁵

Subsequently, the Lord Chancellor wrote to the representative bodies of bailiffs on 21 October 2020 requesting evictions not be enforced where the

⁵⁴ [Written Statement: Coronavirus: Renters](#), 10 September 2020

⁵⁵ Ibid.

Local Alert Level was at 2 (high) or 3 (very high) and in the period between 11 December and 11 January 2021.⁵⁶

Following the introduction of new national restrictions in England on 5 November 2020⁵⁷ the Lord Chancellor sent a [further letter](#) on this matter.⁵⁸ This was followed by [The Public Health \(Coronavirus\) \(Protection from Eviction and Taking Control of Goods\) \(England\) Regulations 2020](#) which came into force on 17 November 2020. These Regulations prevented the enforcement of repossession orders by bailiffs against residents other than in certain circumstances, which included:

- Trespassers.
- Anti-social behaviour.
- Death of an assured tenant.
- Domestic violence.
- Substantial rent arrears (9 months' arrears at the date on which the order for possession was granted) which pre-dated 23 March 2020.

The restrictions on enforcement were due to expire on 11 January 2021 but on 8 January 2021 the Government laid [The Public Health \(Coronavirus\) \(Protection from Eviction\) \(England\) Regulations 2021](#) to extend the ban until 21 February 2021. The Regulations also made a change to the exceptions such that “substantial rent arrears” were defined as:

...a case involves substantial rent arrears if the amount of unpaid rent arrears outstanding is at least an amount equivalent to 6 months' rent.⁵⁹

The requirement to disregard arrears accrued since 23 March 2020 was removed and there was no longer a requirement for six months' arrears at the date on which the possession order was granted. The Housing, Communities and Local Government (HCLG) Select Committee probed the Government on the change in definition and concluded:

The Government is in danger of breaking its pledge that no one should lose their home as a result of the pandemic. We have seen no satisfactory evidence for why the Government changed the definition of substantial rent arrears to permit tenants who have built up arrears only during the pandemic to be evicted. It is also worrying that this significant change was not debated in the House until two weeks after the Regulations came into force.⁶⁰

⁵⁶ [Nearly Legal website](#), 22 October 2020

⁵⁷ The Health Protection (Coronavirus, Restrictions) (England) (No.4) Regulations 2020

⁵⁸ [Nearly Legal website](#), 5 November 2020

⁵⁹ Regulation 2(4) of [The Public Health \(Coronavirus\) \(Protection from Eviction\) \(England\) Regulations 2021](#)

⁶⁰ Housing, Communities and Local Government Committee, [Protecting the homeless and the private rented sector: MHCLG's response to Covid-19](#), (892KB, PDF) 31 March 2021, HC 1329 2019-21, para 65

In response, the Government said this change was made “to balance the impact of the ongoing restrictions on landlords with the need to continue to protect tenants.”⁶¹

On 14 February 2021, the Government announced a further extension to the ban on enforcing evictions in England to 31 March 2021⁶² - on 10 March 2021 the Government said the ban would be extended to 31 May 2021.⁶³

On 12 May 2021 the Government confirmed an end to the ban on enforcing evictions in England:

The current ban on bailiff-enforced evictions, introduced as an emergency measure during lockdown, will end on 31 May. Bailiffs have been asked not to carry out an eviction if anyone living in the property has COVID-19 symptoms or is self-isolating.⁶⁴

The National Residential Landlord Association (NRLA) warned its members there was likely to be a significant backlog:

Due to the various national and local lockdowns in place since March last year, [only 85 properties have been repossessed using a county court bailiff in England and Wales since the pandemic began](#). In comparison there were 20,000 of these appointments in 2019 across the social and private rented sectors.⁶⁵

Wales (ban ended 30 June 2021)

The Welsh Government [introduced measures](#) to suspend the enforcement of eviction orders in respect of social and private rented accommodation between December 11 and 11 January 2021.⁶⁶

Legislation introduced in the Senedd on 8 January 2021 came into force on 11 January to extend this ban to 31 March 2021.⁶⁷ Exceptions applied in cases of serious anti-social behaviour or domestic violence. [Regulations](#) to further extend the ban to 30 June 2021 came into force on 1 April 2021. The ban was subject to regular reviews and after the final scheduled review the ban on most evictions in Wales ceased on 30 June 2021.⁶⁸

⁶¹ [Government Response to the Housing, Communities and Local Government Select Committee report on protecting the homeless and the private rented sector](#), (310KB, PDF) CP 439, 25 May 2021, p12

⁶² MHCLG, [Housing Secretary extends support for renters during pandemic](#), 14 February 2021

⁶³ MHCLG, [Further support for commercial and residential tenants](#), 10 March 2021

⁶⁴ MHCLG, [Support for renters continues with longer notice periods](#), 12 May 2021

⁶⁵ NRLA, [What you need to know: Possessions update for England | NRLA](#), 14 May 2021

⁶⁶ [New regulations to suspend evictions this Christmas](#), 14 December 2020

⁶⁷ [Legislation to further suspend evictions comes into force](#), 8 January 2021

⁶⁸ [The Public Health \(Protection from Eviction\) \(No. 2\) \(Wales\) \(Coronavirus\) Regulations 2021 \(SI 2021/325 \(W.84\)\)](#)

1.7

Help with rent payments

[Government guidance](#) has consistently made 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 made 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.⁶⁹

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

The Government announced a package of support for workers and changes to the welfare benefits system to assist tenants in meeting their rent commitments. The measures are explained in several Library briefings (see below). As lockdown arrangements have moved on some of the assistance available has changed/been withdrawn:

- [Coronavirus: Employment rights and sick pay \(update\)](#)
- [Coronavirus: Increases to benefits payments](#)
- [FAQs: Coronavirus Job Retention Scheme](#)
- [Coronavirus: Self-Employment Income Support Scheme](#)
- [Coronavirus: Support for household finances](#) (includes benefits information)
- [Coronavirus: Withdrawing crisis social security measures](#)

On 2 July 2020 the NRLA published [Arrears Guidance and Coronavirus – working together to sustain tenancies](#) which was developed in partnership with the Chartered Institute of Housing, The Property Redress Scheme, My Deposits, the Tenancy Deposit Scheme and ARLA Propertymark. The guide “reiterates the need for both parties to flag up any problems that might be arising early on, along with advice about measures that can be taken such as agreeing rent deferrals, reductions and suspensions.”⁷⁰

⁶⁹ DLUHC, [Guidance for Landlords and Tenants](#), Updated 10 December 2021

⁷⁰ NRLA, [Arrears Guidance and Coronavirus – working together to sustain tenancies](#), July 2020

A mortgage payment holiday for landlords

To support landlords suffering an interruption to their rental stream where tenants lost their jobs or were unable to work, the Government announced a three-month mortgage payment holiday for 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, 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.⁷¹

The Financial Conduct Authority (FCA) confirmed a three-month extension to the holiday on 2 June 2020. The FCA further extended the date by which a mortgage deferral could be requested to 31 March 2021. [The FCA published updated guidance](#) in March 2021 which “provides support to mortgage customers facing payment difficulties due to circumstances related to coronavirus.”⁷²

Local Housing Allowance

On 20 March 2020, the Chancellor announced a 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.⁷³

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.⁷⁴ In addition, LHA rates for different sizes of properties are subject to national caps. LHA rates were frozen in April 2016 for four years

⁷¹ [Ministry of Housing, Communities and Local Government \(MHCLG\) Press Release](#), 18 March 2020

⁷² FCA, [Finalised Guidance: Mortgages and coronavirus: further updated tailored support guidance for firms](#) | FCA, March 2021

⁷³ [HM Treasury Press Release](#), 20 March 2020

⁷⁴ Prior to this they were set at median rent levels.

– 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.

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.⁷⁵

The 20 March 2020 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. [The Homelessness Monitor: England 2021](#) recorded the increase as one of the “very important” measures in preventing and minimising homelessness during the pandemic.⁷⁶

When questioned on assistance available for renters in meeting their rent commitments through the crisis, the Government 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.⁷⁷

The Resolution Foundation used Freedom of Information requests to analyse how local authorities were using Discretionary Housing Payments (DHPs):

Crucially, we find that more than half of local authorities made fewer awards in the first nine months of 2020-21 than in an average nine months of 2019-20. This could be because the benefit increases made in response to the pandemic have protected some, or because local authorities are hoarding DHPs for when the eviction ban ends. But the system's usefulness in this crisis has also been limited by the rules determining who is eligible: our survey shows that more than half (56 per cent) of private renter families with arrears are not in receipt of benefits, the passport to the DHP system.⁷⁸

Spending Review 2020 (November 2020) announced 2021/22 LHA rates would be frozen in cash terms.⁷⁹ Discretionary Housing Payment funding was reduced from £180 million in 2020/21 to £140 million in 2021/22:

⁷⁵ See for example, Chartered Institute of Housing (CIH), [Simply indexing local housing allowance rates isn't good enough](#), 4 February 2020

⁷⁶ Crisis, [The Homelessness Monitor: England 2021 – key findings](#), 1 March 2021

⁷⁷ [PQ 30723 \[Rents: Coronavirus\], 25 March 2020](#).

⁷⁸ Judge L, [Getting ahead on falling behind: Tackling the UK's building arrears crisis](#), (334KB, PDF) Resolution Foundation, February 2021, p4

⁷⁹ [CP 330, November 2020](#), (2,001KB, PDF) p13. For an analysis of the implications of this measure see Shelter, [First indication of Local Housing Allowance rates out last week](#), 18 December 2020

For 2021-22 the Government will make available £140 million in DHP funding, which takes account of the increased LHA rates. These interventions offer a more appropriate and sustainable form of support for vulnerable renters.⁸⁰

[The Policy Costings document](#) accompanying the Autumn Budget and Spending Review 2021 confirmed LHA rates will be frozen at 2020/21 levels in 2022/23:

The forecast default is that Local Housing Allowance rates for 2022-23 will be maintained at the elevated cash rates agreed for 2020/21. This will be confirmed at the uprating review.⁸¹

The [Office for National Statistics' \(ONS\) experimental price index for privately rented homes in the UK](#) recorded a 1.3% increase in rents paid by private tenants in the UK in the 12 months up to September 2021.

Other funding streams

Earlier versions of Government guidance referred 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.⁸²

The Government confirmed this funding could be used to reduce the 2020/21 council tax bills of working age people receiving Local Council Tax Support.⁸³ The [updated version of the guidance](#) (December 2021) refers to £670 million of new funding to enable councils to help households facing financial hardship.

On 23 October 2021, the Department for Levelling up, Housing and Communities (DLUHC) announced a £65 million support package “[to support low-income earners in rent arrears](#)”. The funding is being allocated to local authorities as an addition to the Homelessness Prevention Grant in 2021/22:

The £65 million will be available through the winter months and households at risk of eviction or homelessness should contact their local council if they require support. The fund recognises the impact the pandemic has had on households in the private rented sector with the lowest income.⁸⁴

⁸⁰ [PQ HL12120 \[Rented Housing: Coronavirus\], 25 January 2021.](#)

⁸¹ HM Treasury, [Autumn Budget and Spending Review 2021 Policy Costings](#), (745KB, PDF) , October 2021, p65

⁸² MHCLG, [Guidance for Landlords and Tenants](#), 17 May 2021 version.

⁸³ MHCLG, [Government confirms £500 million hardship fund will provide council tax relief for vulnerable households](#), 24 March 2020

⁸⁴ DLUHC, [£65 million support package for vulnerable renters](#), 23 October 2021

The Minister, Eddie Hughes, responded to a question about eligibility for the additional funding on 25 November 2021:

The Government announced a £65 million top up to the Homelessness Prevention Grant in October to help vulnerable renters hit hardest by the pandemic from becoming homeless.

This funding is available for local authorities to support those eligible for statutory homelessness assistance. As with the existing Homelessness Prevention Grant, local authorities have flexibility to use this funding in the most appropriate way to meet local pressures.

The Government publishes statutory homelessness statistics quarterly which provides information about statutory homelessness applications, including those cases following eviction from the private rented sector. The data is available at a national and local authority level and can be found here:

<https://www.gov.uk/government/collections/homelessness-statistics#live-tables>⁸⁵

Additional support for landlords and tenants in Scotland and Wales

Wales: Tenancy Saver Loans and Hardship Grants

The Welsh Government announced [Tenancy Saver Loans](#) for private tenants whose income fell due to the pandemic, meaning they could not afford their rent. The scheme was launched on 7 October 2020 and was initially in place up to 31 March 2021⁸⁶ but was extended for applications to 30 September 2021 (see below).⁸⁷ Loans were paid to the landlord or agent.

The window for applications for the loan scheme closed on 1 July 2021. In its place, the Government announced a [Tenancy Hardship Grant](#):

Anyone that has been granted a loan under the Tenancy Saver Loan scheme will be contacted by their credit union later in July and arrangements will be made to convert the loan into a grant. Any loan repayments that a tenant has made will be reimbursed.

⁸⁵ [PQ 79386 \[Private Rented Housing: Finance\], 25 November 2021](#)

⁸⁶ Welsh Government, [FAQs – What you need to know about Tenancy Saver Loans](#), August 2020 and [Scheme to help tenants affected by coronavirus launches in Wales](#), 7 October 2020

⁸⁷ [Written Statement: Extension to the Tenancy Saver Loan Scheme and additional funding for Discretionary Housing Payments \(23 March 2021\) | GOV.WALES](#)

Loan applications that are being considered or are in the process of being awarded, up to and including 30 June 2021, will continue to be processed but will be converted into a grant once the Tenancy Hardship Grant is in place.⁸⁸

Applications for grants opened on 15 July 2021. £10 million has been allocated to the scheme.⁸⁹

Wales allocated additional funding to Discretionary Housing Payments (DHPs):

I have allocated an additional £4.1m funding to top up DHP funding and help local authorities to support tenants in rent arrears both this year and in 2021-2022.⁹⁰

Scotland: Landlord and tenant loan and grant schemes

In September 2020, the Scottish Government announced a £10 million [Tenant Hardship Loan Fund](#) to offer interest-free loans to those unable to access other forms of support for their housing costs.⁹¹ The fund is [open for applications](#) until 31 December 2021.

Scotland opened applications for [The Private Rent Sector Landlord \(non-business\) COVID-19 Loan Scheme](#) on 5 May 2020. This is a £5 million fund offering interest-free loans to landlords whose tenants are having difficulty paying rent during the crisis.⁹²

June 2021 saw the Deputy First Minister, John Swinney, announce a £10 million grant fund “to support tenants struggling to pay their rent as a direct result of Coronavirus (COVID-19).”⁹³

The Scottish Government has faced criticism for low levels of allocations from the loan fund for tenants and delays in opening applications for grant funding.⁹⁴

Scotland also increased funding for Discretionary Housing Payments:

To provide direct financial support to those struggling with housing costs we have already made £5 million additional funding available for local authorities to provide Discretionary Housing Payments to those needing help with their housing costs, and we will now increase the Discretionary Housing Payments funding by a further £3 million, bringing total funding for DHPs to over £80 million. We will work with local authorities to help ensure this supports as

⁸⁸ [Apply for a loan to help pay your rent arrears due to coronavirus | GOV.WALES](#), 1 July 2021 [accessed 23 September 2021]

⁸⁹ [Written Statement: Launch of the Tenancy Hardship Grant](#), 15 July 2021

⁹⁰ [Written Statement: Extension to the Tenancy Saver Loan Scheme and additional funding for Discretionary Housing Payments \(23 March 2021\) | GOV.WALES](#)

⁹¹ Scottish Government, [Protecting Scotland, Renewing Scotland](#), September 2020, p105

⁹² [Rental sector loan schemes extended - gov.scot \(www.gov.scot\)](#), 8 March 2021

⁹³ [Protecting tenants during pandemic - gov.scot \(www.gov.scot\)](#), 27 June 2021

⁹⁴ See for example, “[Covid Scotland: 'No progress' on tenant hardship grant fund for renters struggling due to pandemic](#)”, The Scotsman, 9 September 2021

many households as possible in a way that responds to local pressures resulting from COVID-19, and that tenants in arrears are aware of where they can get impartial advice on best options for their circumstances.⁹⁵

⁹⁵ Scottish Government, [Protecting Scotland, Renewing Scotland](#), September 2020, p105

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The social rented sector

The notice extensions and restrictions on possession cases also applied to social landlords (councils and housing associations). At the start of the initial lockdown period Kate Henderson, 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 everyone who needs it can quickly get help if their income drops.⁹⁶

The NHF published a briefing on how associations were and are supporting tenancy sustainment and income collection through the pandemic.⁹⁷

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

⁹⁶ NHF, [No one should lose their home because of coronavirus](#), 19 March 2020

⁹⁷ NHF, [How housing associations are supporting tenancy sustainment and income collection through the coronavirus crisis](#), August 2020

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.⁹⁸

In May 2020 it was reported that the financial impacts of rent arrears in the longer term was emerging as a key concern for social landlords' business plans. Data shared with Inside Housing by HouseMark reportedly estimated the level of social housing rent arrears at that time as £100 million higher than at the same time in previous years – this was attributed to the impact of Covid-19.⁹⁹ In December 2020, Inside Housing reported on rent arrears levels experienced by several large housing association landlords:

Notting Hill Genesis (66,000 homes in London and the South East) told Inside Housing that its rent arrears had increased from 7.7% in the six months to 30 September 2019 to 9% in the same period of 2020.

Platform Housing Group (45,000 homes in the Midlands) reported an increase in arrears from 2.9% in the first half of 2019/20 to 3.31% in 2020.

Peabody (London) also said that arrears on current rents were higher than usual having increased in line with Universal Credit applications. A trend of reducing arrears as UC entitlement is received was noted.¹⁰⁰

By 29 January 2021 Inside Housing was reporting rent arrears in the social housing sector of £1 billion, representing an increase of £300m in arrears since March 2020. The same report referred to a loss in lettings activity of £31.5 million.¹⁰¹

Robert Jenrick told the Housing, Communities and Local Government (HCLG) Select Committee 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.

⁹⁸ [Coronavirus: LAG responds to renters' support pledge](#), 18 March 2020

⁹⁹ Inside Housing, "Social housing rent arrears up £100m since coronavirus outbreak", 28 May 2020 [subscription required]

¹⁰⁰ Inside Housing, "Housing association rent arrears rise as COVID-19 economic impact bites," 1 December 2020 [subscription required]

¹⁰¹ Inside Housing, "Social housing rent arrears hit record £1bn", 29 January 2021 [subscription required]

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

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.¹⁰²

Scotland established a Social Housing Resilience Group which published a report in August 2021: [The impact of COVID-19 on the social housing sector in Scotland and comparisons with the whole of the UK](#). The report recorded an overall increase in rent arrears but noted some landlords had experienced a reduction in arrears:

The gross rent arrears for local authorities (LAs) rose from an average of 6.3% (£88m) on 1st April 2020 to an average of 8.2% (£101.6m) in March 2021. For Registered Social Landlords (RSLs) the gross rent arrears rose from an average of 3.5% (£58.8m) to 4.4% (£60.1m) during the same time frame.¹⁰³

On 31 March 2020, the Northern Ireland Communities Minister, Deirdre Hargey, announced 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.¹⁰⁴

On 14 October 2021, Inside Housing reported on a further agreement between the bodies to maintain the no-eviction arrangement until May 2022.¹⁰⁵

¹⁰² Oral evidence taken on 4 May 2020, HC (2019–21) 302, [Q106 and 107](#)

¹⁰³ Social Housing Resilience Group, [The impact of COVID-19 on the social housing sector in Scotland and comparisons with the whole of the UK](#), August 2021, p7

¹⁰⁴ DfC: [Covid-19: Housing](#) [accessed on 10 January 2021]

¹⁰⁵ Inside Housing, "Northern Ireland social landlords extend agreement not to evict over pandemic-related arrears", 14 October 2021 [subscription required]

3

Comment on help for the rental sector

The sector welcomed the Government’s commitment to introduce a “complete ban on evictions”.¹⁰⁶ 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 saying they did not amount to a ban on evictions.¹⁰⁷

MHCLG turned to [twitter](#) to defend the action taken.¹⁰⁸

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 initial date on which the suspension was due to end moved closer (25 June 2020), questions were asked about the implications for landlords and tenants. As previously noted, the immediate pressure was resolved by the extension of the moratorium on repossession actions until late August. The extension was welcomed, but confirmation the courts would consider repossession cases from 24 August 2020 led commentators to call for more action to prevent a spike in evictions. Citizens Advice described the extension to 23 August as “a sticking plaster not a cure”.¹⁰⁹

The further stay on repossession hearings until 20 September 2020 was widely welcomed by tenant bodies and advice agencies subject to the additional time being used to put more protections in place for tenants with arrears. For example, Citizens Advice said:

During this extended pause on new eviction proceedings, we hope the government will work with Citizens Advice and others to put in place a series of protections which will help those who’ve built up rent arrears get back on their feet.

¹⁰⁶ [Ministry of Housing, Communities and Local Government \(MHCLG\) Press Release](#), 18 March 2020

¹⁰⁷ Labour: [Healey responds to government amendment to the Coronavirus Bill](#), 23 March 2020

¹⁰⁸ DLUHC @luhc. “1/5 Following misleading information on our commitment to renters and landlords – we want to be clear that the emergency legislation means there can be no evictions as a result of [#coronavirus](#) for 3 months – and we’ve taken the power to extend if necessary [#covid19](#)”. (Twitter). 24 March 2020 [accessed 13 December 2021]. Available from: <https://twitter.com/luhc/status/1242449438838345728>

¹⁰⁹ [Citizens Advice Press Release](#), 5 June 2020

We'd like to see funding for a dedicated set of protections, including measures such as grants for those in arrears due to coronavirus.¹¹⁰

Giles Peaker, a partner with Anthony Gold Solicitors, commented:

It has to be hoped – fervently hoped – that this four week extension is to buy time for there to be a proper, long term solution to the issues presented by the end of the stay on possession claims. Parliament returns on 1 September and any serious address to the issues would require some form of legislation.

A four week blanket extension of the stay on all possession claims (save against trespassers) is in itself, virtually pointless, unless that time is used for *something*.¹¹¹

The National Residential Landlords Association (NRLA) described the extension as “totally unacceptable” and called for “a comprehensive package of financial support to help landlords.”¹¹²

3.1 Preventing a spike in eviction activity

Commentators predicted a potential wave of eviction cases proceeding to court with implications for levels of homelessness when the suspension on possession actions was lifted. Extended notice periods and prioritisation of cases by the courts (see sections 1.1 and 1.5) have limited the number of eviction orders issued. [The mortgage and landlord possession statistics: July to September 2021](#) were published on 11 November 2021:

When compared to the same quarter in 2019, landlord possession claims, orders, warrants and repossessions by county court bailiffs have **decreased** by 64%, 75%, 69% and 35% respectively. However, when compared to the same quarter in 2020, over 100% increases were recorded across all actions. Possession claims **rose** from 3,956 to 10,202, orders from 131 to 5,600, warrants from 919 to 4,492 and repossessions from zero to 4,853.¹¹³

There are remaining concerns about whether the measures are simply delaying the threat of homelessness.¹¹⁴ The Resolution Foundation's research, [Getting ahead on falling behind: Tackling the UK's building arrears crisis](#) (February 2021) estimated “over 750,000 families were behind with their housing payments in January 2021, 300,000 of which contained dependent

¹¹⁰ [Citizens Advice Press Release](#), 21 August 2020

¹¹¹ Nearly Legal: Housing Law News and Comment, [From March to September – possession stay extended](#), 21 August 2020

¹¹² NRLA, [Fury as evictions ban extended and new six month notice rule brought in](#), 21 August 2020

¹¹³ MoJ, [Mortgage and landlord possession statistics: July to September 2021](#), 11 November 2021

¹¹⁴ [Shelter responds to government announcement on support for renters over winter](#), 10 September 2020

children.”¹¹⁵ This would have implications for local housing authorities should arrears translate into evictions and homelessness.

The Local Government Association (LGA) acknowledged the ban on enforcing eviction orders could not continue indefinitely, but said councils “remain concerned over the potential rise in homelessness households may face, and the pressure this will add to already over-stretched homelessness services.”¹¹⁶

The changes to the Civil Procedure Rules (CPR) outlined in section 1.5 gave the courts more flexibility over the management of possession cases. As previously noted, doubts were expressed over the potential impact of the CPR changes in terms of protection offered to tenants:

What this is absolutely not is a means to address the impact of the pandemic, the lockdown and the economic consequences on renters. At best, it will mean delay in possession claims for court management reasons, and hopefully access to housing possession duty scheme assistance for tenants.¹¹⁷

When asked about a potential spike in evictions the Government initially referred to work to extend [The Pre-Action Protocol for Possession Claims by Social Landlords](#) to apply to the private rented sector (see section 1.5) as providing additional protection to tenants. Robert Jenrick 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.”¹¹⁸

Doubts were 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 notice or section 8 notice, citing a Ground 8 rent arrears claim under the Housing Act 1988. Evidence provided to the HCLG Select Committee’s initial inquiry into the impact of Covid-19 on homelessness and the private rented sector by Giles Peaker explained that in those circumstances:

...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.¹¹⁹

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

¹¹⁵ Judge L, [Getting ahead on falling behind: Tackling the UK’s building arrears crisis](#), Resolution Foundation, February 2021, p3

¹¹⁶ LGA, [LGA responds to ending of ban on eviction enforcement](#), 12 May 2021

¹¹⁷ [Nearly Legal: Housing Law News and Comment, Reactivation!](#), 21 July 2020

¹¹⁸ Oral evidence taken on 4 May 2020, HC (2019–21) 302, [Q103](#)

¹¹⁹ Housing, Communities and Local Government Committee, [Protecting rough sleepers and renters: Interim Report](#), 22 May 2020, HC 309 2019–21, para 21

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.¹²⁰

As previously noted, the August 2020 and subsequent versions of [Government Guidance for Landlords and Tenants](#) make no reference to publication of a new protocol. However, the NRLA published a [Pre-Action Plan: Managing arrears and avoiding possession claims](#) on 17 September 2020.

The Resolution Foundation’s February 2021 report supported the introduction of a pre-action protocol:

The time has come for the Government to deliver on its promise of a pre-action protocol for private renters and require landlords take serious steps to negotiate a payment plan with indebted tenants before proceeding to court.¹²¹

In May 2020, the HCLG Committee recommended urgent legislation to prevent eviction due to rent arrears where they 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.¹²²

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.¹²³

Commentators called for the Renters’ Reform Bill to be fast-tracked – these calls were supported by the HCLG Select Committee in May 2020 and again in March 2021:

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.”¹²⁴

The Government must introduce the Renters’ Reform Bill urgently. The Government does not want to introduce the Renters’ Reform Bill until the

¹²⁰ Ibid.

¹²¹ Judge L, [Getting ahead on falling behind: Tackling the UK’s building arrears crisis](#), Resolution Foundation, February 2021, p4

¹²² Housing, Communities and Local Government Committee, [Protecting rough sleepers and renters: Interim Report](#), 22 May 2020, HC 309 2019-21, para 24

¹²³ [Queen’s Speech December 2019 - background briefing notes](#), (747KB, PDF), p10

¹²⁴ Housing, Communities and Local Government Committee, [Protecting rough sleepers and renters: Interim Report](#), 22 May 2020, HC 309 2019-21, para 28

pandemic has finished, but this is at odds with the approach the Government has taken with NHS reforms. The Health Secretary told the House that the pandemic made the reforms “more not less urgent”. The same logic applies to the Renters’ Reform Bill and the urgent need to remove section 21 ‘no fault’ evictions. If the Government does not abolish section 21 before we come out of the pandemic, there will be serious consequences for renters.¹²⁵

The Government response to the Committee’s interim report was published on 25 June 2020 and said:

The Government remains committed to bringing forward legislation to deliver its planned reforms to enhance renters’ security, including by abolishing so-called ‘no-fault’ evictions. However, the proposals for tenancy reform would represent the largest change to renting in 30 years and it is only right that these reforms are taken forward in a considered manner.¹²⁶

The response did not address calls for additional interim legislation but said: “We expect to respond fully to the consultation on tenancy reform and set out planned next steps once the urgent concerns of this emergency have passed.”¹²⁷

The background notes to the 2021 Queen’s Speech said later in 2021 the Government will:

Publish our consultation response on reforming tenancy law to abolish Section 21 ‘no fault’ evictions and improve security for tenants in the private rented sector, as well as strengthening repossession grounds for landlords when they have valid cause.¹²⁸

Details of the full reform package was to be set out in a White Paper in autumn 2021.¹²⁹ At the end of October 2021, the Government told stakeholders the White Paper would be delayed until 2022.¹³⁰

Professor Christine Whitehead and Dr Nancy Holman of the London School of Economics (LSE) suggested a moratorium on section 21 evictions until after the Renters’ Reform Bill has progressed through Parliament, alongside an offer of support for tenants with rent arrears:

A strong case can be made for mediating agreement between landlord and tenant, where tenants have fallen into arrears, but a long-term solution can be envisaged. The Government could incentivise such mediation, via a low-

¹²⁵ Housing, Communities and Local Government Committee, [Protecting the homeless and the private rented sector: MHCLG’s response to Covid-19](#), 31 March 2021, HC 1329 2019-21, para 98

¹²⁶ [Protecting rough sleepers and renters: government response to the Select Committee report](#), (251KB, PDF) CP 248, 25 June 2020, p8

¹²⁷ Ibid., p9

¹²⁸ [Background briefing notes to the Queen’s Speech 2021](#), (747KB, PDF) May 2021

¹²⁹ Ibid.

¹³⁰ NRLA, [Rental reform white paper pushed back to 2022](#), 28 October 2021

interest, government backed loan to landlords which has already been put in place in Wales.¹³¹

HCLG Committee called on the Government to publish “a proper exit plan for the private rented sector from national and local restrictions” in light of the roadmap which “should set out how it intends for the sector to transition out of the pandemic.”¹³²

The [announcement](#) of 12 May 2021 covering the phasing out of extended notice periods and the end of the ban on enforcing evictions in England prompted a raft of comment, primarily expressing concern over a potential rise in homelessness. The District Council Network (DCN) called for retention of the increase in Local Housing Allowance rates to ensure they cover the lowest third of market rents and for the benefit cap to be lifted:

As the cliff edge nears little has been done to ensure the welfare system will support those vulnerable families at risk of homelessness, and we are now at the precipice without a plan.¹³³

Experimental statistics issued by the Department of Work and Pensions on 21 September 2021 recorded a 141% increase in the number of households impacted by the household benefit cap since the start of the pandemic (ie between February 2020 and May 2021).¹³⁴

Lucy Powell, then-Shadow Secretary of State for Housing, said:

Hundreds of thousands of renters could be made homeless as a result of the pandemic.

The Government has kicked its key manifesto pledge to protect renters into the long grass. Now, they’re stripping away emergency protections without any plan to prevent an evictions crisis.

The Housing Secretary must keep his promise that nobody will lose their home because of Coronavirus.¹³⁵

¹³¹ Christine Whitehead and Nancy Holman LSE, [Evictions: where are we now? What needs to change?](#) 27 August 2020

¹³² Housing, Communities and Local Government Committee, [Protecting the homeless and the private rented sector: MHCLG’s response to Covid-19](#), 31 March 2021, HC 1329 2019-21, para 66

¹³³ [THOUSANDS FACE EVICTION AS ‘CLIFF EDGE’ NEARS – COUNCILS WARN – District Councils’ Network](#) [undated]

¹³⁴ Crisis, [Number of households hit by benefit cap 141% higher than before the start of the pandemic](#), 21 September 2021

¹³⁵ [Lucy Powell comments on the Government’s announcement stripping back Covid rent protections - The Labour Party](#), 12 May 2021

3.2 Rent arrears

The lack of specific measures to address the potential accrual of rent arrears due to income loss/disruption has attracted criticism. Giles Peaker 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?¹³⁶

Evidence of rent arrears

If rent arrears have accrued during extended notice periods it is possible that affected tenants will face possession claims once they end. Several organisations have conducted or commissioned research into rent arrears over the period of the pandemic.

On 8 December 2021, the National Residential Landlords Association (NRLA) reported on research carried out by Dynata. A survey of 2,000 private renters in England and Wales found average rent debt owed as a result of the pandemic had increased by 41% since May 2021. Affected tenants' average debt increased to £1,270, up from £900 in May.¹³⁷ The survey reported a reduction in the proportion of tenants with rent arrears but a high proportion with arrears cannot access discretionary help:

Whilst the proportion of tenants who had built arrears since March last year that still needed to be paid off had almost halved to 3.7 per cent (from seven per cent in May) this still amounts to over 430,000 private renters.

The survey found also that over half (57 per cent) of those with outstanding COVID related rent arrears were not in receipt of Universal Credit, making them ineligible for Discretionary Housing Payments.

More broadly, almost 59 per cent of private renters in receipt of Universal Credit said that the decision to cut payments by £20 a week would make it more difficult for them to cover the cost of their rents.¹³⁸

The NRLA ran an online survey of its members in England and Wales between 5 December 2020 and 18 January 2021 to which 1,391 landlords responded.

¹³⁶ [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.

¹³⁷ NRLA, [Tenants with covid rent debts see arrears increase](#), 8 December 2021

¹³⁸ Ibid.

The results led the NRLA to conclude, at that point, “landlords are struggling”:

- 60% had lost rental income as a result of the pandemic.
- 14% of all respondents said they had lost more than 20% of their rental income.
- 39% of those who had lost rental income, said the losses were continuing to increase.
- 65% said that the pandemic was likely to have a negative impact on their lettings business.
- 34% said they were more likely either to leave the market entirely or sell some of the properties they rent out.¹³⁹

On 5 November 2021, the NRLA reported on research commissioned by BVA/BDRC into landlords’ experiences of helping tenants through the pandemic:

The research conducted by BVA/BDRC for the National Residential Landlords Association shows that sixty-one per cent of those landlords who, in the second quarter of the year, had offered at least one tenant a rent free or deferred rent period absorbed the losses from their savings.

With recent YouGov figures suggesting that 61 per cent of landlords rent out just one property, and 34 per cent are retired with rental income representing all or part of their pension, the NRLA is warning that reliance on landlord savings is not sustainable in supporting tenants facing rent problems.¹⁴⁰

The Minister, Eddie Hughes, responded to a question about the level of outstanding rent arrears on 29 November 2021:

According to the Household Resilience Study (Wave 3, Apr-May 2021), 7% of privately renting households are in arrears, and of these, over 60% are in arrears of 1 month or less. 13% of socially renting households are in arrears, and of these, almost 40% are in arrears of 1 month or less

We continue to closely monitor the impacts of the pandemic, as well as the efficacy of the significant support measures put in place to support tenants and sustain tenancies.¹⁴¹

[DLUHC’s Household Resilience Survey Wave 3](#) (579KB, PDF) was published on 13 October 2021. As noted above, the survey recorded 7% of private renters in arrears, unchanged from November to December 2020 and higher than the 3% in arrears over 2019/20.¹⁴² 24% of private renters said they were finding it fairly or very difficult to keep up their rent payments, similar to the pre-

¹³⁹ NRLA, [Covid-19 and the rental market-one year on](#), 25 March 2021

¹⁴⁰ NRLA, [Private landlords forced to rely on savings to cover lost rental income](#), 5 November 2021

¹⁴¹ [PQ 79265 \[Rents: Arrears\], 29 November 2021](#)

¹⁴² DLUHC, [Household Resilience Study, Wave 3](#), (579KB, PDF) 13 October 2021, para 2.15

pandemic level of 27%.¹⁴³ The most commonly cited reasons for experiencing payment difficulties were due to “working fewer hours/less overtime (9%); being furloughed on reduced pay (7%); or unemployment (7%).”¹⁴⁴

9% of private renters expected to fall behind with their rent and 4% said they risked being evicted in the next six months.¹⁴⁵

[Research](#) published by the Joseph Rowntree Foundation in October 2021, found 3.8 million low-income households were in arrears, with 4.4 million having taken on new or increased borrowing during the pandemic.¹⁴⁶

The Resolution Foundation has gathered [survey evidence](#) (287KB, PDF) on how UK working-age adults in different housing tenures are coping with housing costs during the pandemic.¹⁴⁷ The initial research, published in May 2020, showed that while the earnings shock had been widely experienced across all tenures, the ability of individuals to cover their housing costs was “differentiated by tenure”. The survey findings showed:

...while less than one-in-twelve (8 per cent) of home owners with a mortgage have failed to cover their housing costs in recent weeks, the rate rises to one-in-eight for private renters (13 per cent). Most strikingly, one-in-six (17 per cent) of social renters have fallen into (or further into) rent arrears, twice the rate of mortgaged home owners (with a worrying 3 per cent reporting failing to meet housing payments in their entirety).¹⁴⁸

The Resolution Foundation revisited this work and [published new findings](#) in October 2020.¹⁴⁹ Again, renters were found to have taken “the biggest earnings hit to date” and “are more precariously positioned for the future than home owners”.¹⁵⁰ The strategies used over the previous six months such as cutting spending, borrowing, and rent reductions appeared “to be wearing thin”.

The authors estimated, based on the percentage of surveyed private tenants who expected to be asked to leave their tenancy due to an inability to pay the rent (2%), and 4% who planned to move to cheaper accommodation before they were “pushed”, around 200,000 private renters in England could face eviction over the next year.¹⁵¹

¹⁴³ Ibid., para 2.17

¹⁴⁴ Ibid., para 2.20

¹⁴⁵ Ibid., paras 2.21-2.22

¹⁴⁶ Joseph Rowntree Foundation, [Dragged down by debt: Millions of low-income households pulled under by arrears while living costs rise](#), 21 October 2021

¹⁴⁷ Resolution Foundation, Judge L: [Coping with housing costs during the coronavirus crisis](#), (287KB, PDF) 30 May 2020

¹⁴⁸ Ibid.

¹⁴⁹ The Resolution Foundation, [Coping with housing costs, six months on...](#), 30 October 2020

¹⁵⁰ Ibid.

¹⁵¹ Ibid.

Evidence gathered by Citizens Advice (published January 2021) supported the contention that private sector tenants were disproportionately affected by financial difficulties:

58% of people who are currently behind on rent weren't in arrears before the crisis.

The average value of people's rent arrears is £730. And for over half of private renters who are currently behind on rent, a £600 grant would be enough to lift them out of arrears.¹⁵²

Citizens Advice estimated it would take seven years for tenants to pay off their arrears without further assistance.¹⁵³

The Resolution Foundation's February 2021 report, [Getting ahead on falling behind: Tackling the UK's building arrears crisis](#), involved a survey of 6,000 working-age adults across the UK in January 2021. They found households were more likely to be struggling with housing costs as the pandemic continued. Short-term coping strategies, eg using savings, had largely been exhausted. In terms of tenure, they found:

Social renters have the highest incidence of arrears: we estimate that more than one-in-twelve (9 per cent) families living in the social sector were behind in part or full with their housing payments in January 2021, as were just shy of 6 per cent of private renters and 2 per cent of mortgaged home owners. Arrears have increased significantly for all tenure types from their pre-pandemic level, with at least twice as many families in each experiencing more housing stress than 'normal'.¹⁵⁴

Overall, the Resolution Foundation estimated 756,000 working-age families were behind with their housing costs across the UK in January 2021:

...(284,000 private renter families, 280,000 living in the social rental sector and 190,000 home-owning families). Of these, 450,000 can be described as 'Covid-19 excess', that is over-and-above the number we would expect to be in arrears in 'normal' times.¹⁵⁵

The Resolution Foundation suggested reasons why private renters have a higher probability of falling behind with their rent payments, including:

- 24% have seen a reduction in their earnings over the pandemic period, "Renters are four times as likely as home owners to report being in arrears if they have been furloughed, and twice as likely if they have lost their job."

¹⁵² Derricourt R; Hann C; Byrne G; Citizens Advice, [New year, same arrears](#), (2.9MB, PDF) 5 January 2021

¹⁵³ Ibid.

¹⁵⁴ Judge L, [Getting ahead on falling behind: Tackling the UK's building arrears crisis](#), Resolution Foundation, February 2021, p5

¹⁵⁵ L. Judge, [Getting ahead on falling behind: Tackling the UK's building arrears crisis](#), Resolution Foundation, February 2021, p7

- Government support has played an important role but assistance with housing costs is not designed to always cover the full cost of private rented accommodation.
- Private renters have struggled to reduce their housing costs. “Close to one-in-five (18 per cent) of private renters have drawn down on their savings to cover their housing costs, compared to 10 per cent and 9 per cent respectively of families with mortgages and social renting.”¹⁵⁶

The London School of Economics (LSE) published [Homelessness and rough sleeping in the time of covid](#) on 5 May 2021 which reflected on the numbers at risk of eviction:

Around 6–7% of tenants appear to be in arrears– around twice the ‘normal’ proportion. Some 10% of private tenants are thought to be unemployed, about double the average rate.

Given projections of unemployment and the relationship between unemployment and rent arrears, over 400,000 tenant households might be expected to be in significant arrears at the end of the year.

In many cases landlords and tenants have found ways of coping. But the longer tenants remain in accommodation where they can’t pay the rent, the higher their future debts will be and the greater difficulties facing both tenant and landlord.

Perhaps most importantly, the courts will face major difficulties in coping with any significant increase in landlord claims. As a result, the time taken to get an order, let alone to gain possession will almost certainly increase significantly - implying that most cases now entering the system will not be completed until well into 2022.

What impact this will have on the private rented sector into the medium term is unclear – but almost certainly undesirable.¹⁵⁷

The median average time from claim to landlord repossession has increased to 68.4 weeks, up from 20.1 weeks in the same period in 2019.¹⁵⁸

3.3 Calls for more support

There have been calls for more financial support for tenants’ rent payments throughout the latter stages of the pandemic.

As noted in section 1.7, the Government announced £65 million additional funding for local authorities in 2021/22 on 23 October 2021. The funding is

¹⁵⁶ Ibid., pp8-12

¹⁵⁷ Whitehead C; Scanlon K; Edge A; Holman N; Rotolo M; Blanc F: LSE, [Homelessness and rough sleeping in the time of covid, 5 May 2021](#)

¹⁵⁸ MoJ, [Mortgage and landlord possession statistics: July to September 2021](#), 11 November 2021

being issued by local authorities “[to support low-income earners in rent arrears](#).”¹⁵⁹

Housing organisations welcomed the additional assistance with some questioning the adequacy of the fund. Jon Sparkes (Crisis CEO) said:

But with almost a million households across the UK in rent arrears and the cost of living rising rapidly, it is impossible for this funding to meet the demand we face. To prevent homelessness in the first place, we desperately need the UK government to ensure that housing benefit covers the true cost of renting by unfreezing the Local Housing Allowance.¹⁶⁰

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 left 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.¹⁶¹

There have been repeated 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 to prevent tenants in high cost areas from being penalised.¹⁶²

These calls were reflected in evidence submitted to the HCLG Select Committee’s inquiry into measures to protect rough sleepers and renters from bodies representing both landlords and tenants. When giving evidence to the

¹⁵⁹ DLUHC, [£65 million support package for vulnerable renters](#), 23 October 2021

¹⁶⁰ [£65m support package for renters in arrears – Crisis responds](#), 23 October 2021

¹⁶¹ Shelter, [New LHA rates: what do they mean?](#) 26 March 2020

¹⁶² See for example: JRF, [Coronavirus – it’s unthinkable that anyone should be made homeless now](#), 27 March 2020

Committee, then-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.¹⁶³ The Committee's interim report 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.¹⁶⁴

The Government response (25 June 2020) said:

The increase in the Local Housing Allowance rate to the 30th percentile is not a temporary measure, it will remain in place for the duration of the year until March 2021. There are currently no plans to reverse the increase and decisions on Local Housing Allowance levels from April 2021 will be made through future fiscal events and DWP Rent Officers Orders in the normal way.

For those in receipt of Universal Credit or Housing Benefit who may require additional support in meeting rent payments, Discretionary Housing Payments are available. We have provided £180 million in Discretionary Housing Payment funding to Local Authorities to support vulnerable claimants with housing costs in the private and social rented sector in England and Wales for 2020/21. This includes an extra £40 million as announced last year at the spending round.

The Government will continue to consider the next steps on how best to support private renters through the recovery period following COVID-19.¹⁶⁵

As previously noted, Spending Review 2020 (November 2020) announced LHA rates in 2021/22 would be frozen in cash terms.¹⁶⁶ Shelter analysed the implications of this measure.¹⁶⁷ The NRLA expressed "serious concerns" about the freeze:

We were seriously concerned by the decision in the Spending Review to freeze the Local Housing Allowance rate in cash terms from next year. We agree with the Institute for Fiscal Studies which has warned that the measure means that: "some high rent areas get less support than some in low rent ones."¹⁶⁸

A further freeze in LHA rates is confirmed for 2022/23."¹⁶⁹

¹⁶³ Housing, Communities and Local Government Committee, [Protecting rough sleepers and renters: Interim Report](#), 22 May 2020, HC 309 2019-21, para 30

¹⁶⁴ *Ibid.*, para 31

¹⁶⁵ [Protecting rough sleepers and renters: government response to the Select Committee report](#), (251KB, PDF) CP 248, 25 June 2020, p10

¹⁶⁶ HM Treasury, (2,001, PDF) [CP 330, November 2020](#), p13

¹⁶⁷ Shelter, [First indication of Local Housing Allowance rates out last week](#), 18 December 2020

¹⁶⁸ NRLA, [Government needs to get a grip of Covid rent crisis](#), 14 February 2021 – see link to NRLA research in the press release.

¹⁶⁹ [HCWS420, 25 November 2021](#)

Funding for Discretionary Housing Payments was reduced to £140 million in 2021/22 (down from £180 million).

HCLG Committee returned to the issue of LHA rates in its March 2021 report in which they called for a review of the decision to freeze rates in cash terms and for a temporary boost to DHPs.¹⁷⁰

Generation Rent 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.¹⁷¹

The Government 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.¹⁷²

On the five-week waiting period before Universal Credit is paid, the Government emphasised the availability of advance payments – 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.¹⁷³

The point was made that, although landlords faced restrictions on their ability to evict for rent arrears during the pandemic, this would not prevent them from pursuing debts through the courts.

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

¹⁷⁰ Housing, Communities and Local Government Committee, [Protecting the homeless and the private rented sector: MHCLG's response to Covid-19](#), 31 March 2021, HC 1329 2019-21, paras 94-95

¹⁷¹ [Generation Rent: How to protect renters affected by coronavirus](#), 17 March 2020

¹⁷² [PQ 33423 \[Rents: Coronavirus\], 21 April 2020](#).

¹⁷³ [Submission: Treasury Committee inquiry into government's coronavirus financial package](#), Shelter, 20 March 2020

- 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.¹⁷⁴

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 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.¹⁷⁵

The Committee urged the Government to consider other approaches, including the potential for long-term interest-free loans to cover rent arrears, replicating a policy adopted in Spain.¹⁷⁶

As noted in section 1.7, both Scotland and Wales introduced loan (and latterly grant) funding to assist tenants who have accrued rent arrears due to the pandemic. Scotland has also introduced grant funding for landlords. Citizens Advice supports “A national programme of loans and grants to help people in England who have fallen behind on rent due to the pandemic.”¹⁷⁷

Prior to announcing additional funding of £65 million on 23 October 2021, the Government resisted calls to introduce similar schemes in England:

The UK Government has provided an unprecedented package of financial support which is available to tenants.

We have targeted our interventions as non-repayable forms of support, which offer a sustainable form of support for vulnerable renters, and do not encourage more debt.

¹⁷⁴ Labour Party Press Release, [Emergency action needed to protect renters](#), 9 May 2020

¹⁷⁵ Housing, Communities and Local Government Committee, [Protecting rough sleepers and renters: Interim Report](#), 22 May 2020, HC 309 2019-21, para 33

¹⁷⁶ Ibid., para 34

¹⁷⁷ Derricourt R; Hann C; Byrne G; Citizens Advice, [New year, same arrears](#), (2.9MB, PDF) 5 January 2021

We have extended the Coronavirus Job Retention Scheme and £20 per week uplift in Universal Credit until the end of September, helping renters to continue paying their rent. Local housing allowance rates have been maintained at their increased level in cash terms in 2021/22, meaning claimants renting in the private rented sector continue to benefit from the significant increase in the local housing allowance rates applied in April 2020. For those who require additional support, Discretionary Housing Payments (DHP) are available. For 2021-22 the Government has made £140 million available in DHP funding, building on the £180 million provided last year.

Renters will continue to benefit from longer notice periods, giving them more time to make alternative arrangements. As of 1 June, until at least 30 September, notice periods will be at least 4 months except in the most egregious cases.

We continue to monitor the effectiveness of other examples of support, such as those from the devolved administrations in the UK, and note that uptake for loan support has been relatively low in Scotland and Wales.¹⁷⁸

The Resolution Foundation's October 2020 research questioned the sustainability of private sector rent levels while wages are under pressure with a benefits system that does not always cover claimants' rent commitments:

Losing one's home because of financial pressure is never a good outcome, first and foremost for the individuals concerned but also for the state: think homelessness, for example, or even macroeconomic instability in the event of a large number of foreclosures. As we enter a period when wage subsidies are being reduced and higher benefit levels are not yet secured (with huge cuts currently scheduled for April), and the early strategies adopted by lenders, landlords and individuals wear thin, robust action on housing costs is crucial if large numbers of families are not to be put under acute strain. A clear commitment from Government to maintain the current level of housing costs support (at the 30th percentile of local rents) would be a big step in the right direction, as would a prolonged suspension of the benefit cap and extension of the evictions ban. But in the final analysis, the benefit system and the courts cannot resolve the fundamentals: that private rents in particular are now set too high, and need to be encouraged to move to a 'new normal' (we see no evidence to date of movement towards a new equilibrium in the market). The key question is, how can policy makers encourage that to happen?¹⁷⁹

The Resolution Foundation's February 2021 report noted that while the consequences of accumulated housing debt had not been felt at that point due to actions taken to prevent evictions, this was likely to change as protections are unwound. Several strategies were suggested "to enable arrears to unwind without significant negative consequences to renters and landlords alike",¹⁸⁰ including:

¹⁷⁸ [PQ HL1258 \[Private Rented Housing: Disadvantaged\], 5 July 2021.](#)

¹⁷⁹ The Resolution Foundation, [Coping with housing costs, six months on...](#), 30 October 2020

¹⁸⁰ Judge L, [Getting ahead on falling behind: Tackling the UK's building arrears crisis](#), Resolution Foundation, February 2021, p20

- A tenant loan scheme along the lines of those set up in Spain, Wales and Scotland. The Foundation estimates that this would require capitalisation of £200 million, or £375 million if social tenants are included. This would reduce to £100 million/£175 million if arrears accrued before the pandemic are excluded.
- There's a suggestion that landlords benefiting from the transfer of risk a tenant loan scheme would bring might be required "to use mediation to negotiate a manageable repayment plan or a lower future rent".
- The introduction of the promised pre-action protocol for private landlords, "requiring them to take serious steps to resolve rent disputes out of court where possible."¹⁸¹

In [Homelessness and rough sleeping in the time of covid](#) (May 2021) the LSE recommended:

In terms of **policy**:

- Section 21 evictions should be stopped immediately to give more security to private tenants.
- LHA should be kept at the thirtieth percentile. The welfare cap also needs to be reviewed in the light of these payments.
- The £20 Universal Credit uplift should be maintained and the possibility of government paying rent to the landlord during the 5-week waiting period should be examined.
- Government should support greater investment on prevention services including Discretionary Housing Payments.
- More help to mitigate arrears should be provided – e.g. through low interest rate loans to tenants with less than 6 months' arrears.

In terms of **practice**:

- Evictions by social landlords should continue to be restricted to help limit private sector delays.
- Courts need more resources but also should develop streamlined procedures to reduce projected delays.
- Court proceedings for egregious cases and more than six months' arrears must be speeded up.
- A pre-action protocol for the private sector should be put in place for all notices of eviction issued after May 31st.¹⁸²

¹⁸¹ Ibid., pp21-22

¹⁸² Whitehead C; Scanlon K; Edge A; Holman N; Rotolo M; Blanc F: LSE, [Homelessness and rough sleeping in the time of covid, 5 May 2021](#)

In *Dragged down by debt* (October 2021), the Joseph Rowntree Foundation called for the following measures to help UK low-income households in debt, having estimated the number affected at around 3.8 million:

- Reinstating the Universal Credit £20 Lifeline to help prevent low-income households accruing more unmanageable debt.
- Providing grant funding for targeted debt relief: Government should at least double the Household Support Fund¹⁸³ to equip local councils and debt support organisations to provide targeted relief to low-income households facing unmanageable and unaffordable debts accrued during the pandemic.
- Addressing the drivers of debt through systemic reforms, through preventing low-income households from accruing debt as soon as they claim Universal Credit and writing off historic tax credit debt.¹⁸⁴

From the landlord point of view, the NRLA has pointed out that many landlords rely on their rental income for their livelihood, and assistance via mortgage deferrals does not help those without a mortgage, of which there are a significant number:

“It has been argued that landlords have been able to benefit from buy to let mortgage ‘holidays’. Whilst they have been able to access mortgage deferrals where tenants have struggled to pay their rent, this is not all it seems. As the Economic Secretary to the Treasury has noted, those landlords who have secured one: “will still need to repay the full balance of their loan, and will continue to accrue interest during the payment holiday, unless the lender has indicated otherwise.”

With such deferrals extended until the end of July there is a perfect storm brewing where landlords will have to start repaying their missed payments, when faced with renters likely to have built some of the most serious levels of arrears.”¹⁸⁵

There is a good deal of agreement on the need for additional support amongst bodies representing landlords and tenants.

Some of the initiatives the NRLA is calling for are in line with those supported by tenant bodies, eg 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. Indeed, a coalition of bodies including Shelter, the NRLA, the Association of Residential Landlords (ARLA), Propertymark, Crisis, Citizens Advice and Generation Rent, issued a press notice on 28 August 2020 in which they called 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. £270 million is just 0.013% of UK GDP.

¹⁸³ See section 1.7

¹⁸⁴ Joseph Rowntree Foundation, [Dragged down by debt: Millions of low-income households pulled under by arrears while living costs rise](#), 21 October 2021

¹⁸⁵ NRLA, [Covid-19 and the rental market-one year on](#), 25 March 2021

The emergency fund would be limited to helping tenants pay off any unexpected rent arrears built up since the start of the pandemic in March. The coalition argues this would help both tenants to keep their homes, and landlords who rely on rental income for their livelihoods. It would also prevent rising homelessness adding to the current economic crisis.¹⁸⁶

Further joint statements have been issued. On 18 February 2021, ahead of the Budget, the bodies called for:

First, a targeted financial package to help renters pay off arrears built since lockdown measures started in March last year. This will help to sustain existing tenancies and keep renters in their homes – whilst also ensuring rental debt does not risk them finding homes in the future.

Secondly, we need a welfare system that provides renters with the security of knowing that they can afford their homes. The pandemic has shown how vital this is to providing security at a time of crisis. The Government increased Universal Credit and Housing Benefit because it recognised that the system was not doing enough to support people in the first place, yet it has chosen to freeze Housing Benefit rates again from April and is considering cutting Universal Credit at the same time. It cannot be right that these measures could be pulled away from renters during continued economic uncertainty.

We urge the Chancellor to act now to avoid renters being scarred by debts they have no hope of clearing and a wave of people having to leave their homes in the weeks and months to come.¹⁸⁷

The HCLG Committee’s March 2021 report noted that landlords’ income and tenants’ rent arrears are “two sides of the same coin”.¹⁸⁸ The Committee expressed concern over the apparent lack of a clear strategy to tackle rising rent arrears:

We are very concerned that the Government is waiting until there is a clear crisis emerging before intervening, rather than heading off a growing rent arrears crisis by taking proactive action to protect people in this country. The Minister relied on arrears statistics from a survey in August to defend the Government’s response, even though he accepted that the economic circumstances would get worse over time for many households.¹⁸⁹

The Committee called for “a specific financial package to support tenants to repay rent arrears caused by covid-19” and saw this as “one of the Department’s top priorities.”¹⁹⁰ Having considered available options, the Committee expressed a preference for modified DHPs but emphasised “what is important is that the Department delivers a package soon.”¹⁹¹ In the Committee’s opinion, the estimated cost of between £200 and £300 million

¹⁸⁶ Joint press release, [Landlords, letting agents and charities urge the government to help renters clear Coronavirus \(COVID-19\) rent debts and stay in their homes](#), 28 August 2020

¹⁸⁷ Joint Press Release, [Chancellor must act to tackle rent debt crisis](#), 18 February 2021

¹⁸⁸ Housing, Communities and Local Government Committee, [Protecting the homeless and the private rented sector: MHCLG’s response to Covid-19](#), 31 March 2021, HC 1329 2019-21, para 81

¹⁸⁹ *Ibid.*, para 85

¹⁹⁰ *Ibid.*, para 86

¹⁹¹ *Ibid.*

would be likely to save money in terms of homelessness assistance “given the number of evictions this would prevent”.¹⁹²

The Government response (25 May 2021) detailed the package of support put in place during the pandemic and committed to “continue to monitor the effectiveness of our extensive financial support in protecting tenants and landlords, including through the English Housing Survey Household Resilience Study.”¹⁹³

As previously noted, additional funding of £65 million to assist low-income tenants with rent arrears was announced on 23 October 2021.

Research by the debt charity, StepChange (September 2021) referred to a £360 million “wall of debt” built up by tenants over the pandemic and highlighted cuts to Universal Credit as a particular risk:

StepChange is warning that unless the Government changes tack on Universal Credit and delivers an urgent package of targeted support, many private renters face long-term housing insecurity, and prolonged debt harm. This includes the threat of court action, long-term housing insecurity, homelessness and eviction.¹⁹⁴

On 19 August 2021, Inside Housing reported that housing bodies across the UK¹⁹⁵ had written to DWP minister, Will Quince, to voice opposition to the removal of the Universal Credit uplift.¹⁹⁶

¹⁹² Ibid.

¹⁹³ [Government Response to the Housing, Communities and Local Government Select Committee report on protecting the homeless and the private rented sector](#), CP 439, 25 May 2021, p15

¹⁹⁴ StepChange, [£360million Covid rent debt crisis will escalate unless Universal Credit cut is reversed. StepChange warns](#), 17 September 2021

¹⁹⁵ The Northern Ireland Federation of Housing Associations (NIFHA), Community Housing Cymru (CHC), National Housing Federation and Scottish Federation of Housing Associations (SFHA).

¹⁹⁶ “Housing bodies call for Universal Credit uplift to be extended”, Inside Housing, 19 August 2021 [subscription required]

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