



HOMELESS LINK RESPONSE TO LOCAL DECISIONS: A FAIRER FUTURE FOR SOCIAL HOUSING CONSULTATION: JANUARY 2010

Homeless Link is the national membership organisation for agencies working with people who are homeless across England. We have more than 500 members, whose services range from local authority housing services, day centres, outreach services, residential care homes, hostels, supported housing, floating support through to employment, training and education.

SUMMARY

- Homeless Link believes that the fundamental problems that the paper is aiming to address are issues of supply of decent affordable homes, both in the social rented and private rented sectors
- The proposals in conjunction with the proposed changes to Housing Benefit will further squeeze the bottom end of the private rented sector and drive down standards
- We oppose the notion of flexible tenancies, social tenancies generally go to people in need of long term security and stability and they should be given the opportunity to build a sustainable community
- We agree that the reasonable preference categories should be maintained
- Homeless Link does not agree with the proposal to end the homelessness duty with an offer of an assured shorthold tenancy in the private rented sector. While this may be a sustainable and fair offer in the future, substantial work will need to be done with the private rented sector to equalize the offer and make this a real choice.

INTRODUCTION

We welcome the chance to respond to Local decisions: a fairer future for social housing. However we are concerned about the scope and the nature of the consultation. The Localism bill containing many of the proposed changes has its second reading on the 17th January 2011, the date this consultation closes. This is eight weeks after the paper was published instead of the twelve weeks stipulated by the Government's Code of Practice on Consultation¹, and over the Christmas period when many people take leave. This also comes at a time when there are other fundamental reforms going on. It is the cross cutting nature of these proposals with the cuts to Housing Benefit, the reduction in the budget for social housing and the cuts in revenue funding to support those in housing need which will have a devastating impact on the lives of some vulnerable people. The timing means that substantive issues are not being properly consulted on. In the light of evidence that

¹ HM Government, 2008, *Code of Practice on Consultation*.

three quarters of housing professionals do not support the proposed changes² this is worrying. Many of the questions are directed specifically at landlords and local authorities marginalising the voice of agencies that work with homeless people and of tenants. Our response is therefore not limited to the questions posed in the paper but is oriented around the impact all the proposals will have on homeless people and in particular single homeless people. As the foreword to the paper states social housing is of enormous importance. It forms part of the welfare safety net that supports many of the most vulnerable in our society.

We recognise that part of the intention of these reforms is to increase the freedom of social landlords to respond to local need, to make the best use of limited social housing stock and to address the issue of having 1.8 million households on housing waiting lists in England and many families living in overcrowded homes, while others are 'under-occupying'. We understand that there is a need for reform but Homeless Link sees the fundamental problem as one of supply, both of social housing and affordable decent housing in the private rented sector.

HOUSING SUPPLY

Social housing, especially in London and the South East has been increasingly under pressure over the last decade. The 2008 London Strategic Housing Market Assessment estimates an annual requirement for 32,600 new homes in London, with affordable housing making up more than half the total. The number of homeless households in London vastly outnumbers the annual supply of new lettings. There are four times as many homeless households as there are annual lettings to households by local authorities or housing associations.³ Homelessness is rising; the last two quarters have seen the biggest surge in seven years, an increase in of 12% from last quarter, and 14% compared to the same period in 2009⁴. In this context the capital funding for social housing has been cut by £4.4bn. Ministers hope that allowing new homes to be let at higher rents, of up to 80% of local market values, will help plug the funding gap, the higher rents providing more cash for development. In some areas of the country, where market rents are lower, the change will have little effect on associations' rental stream – meaning their development capacity will be low. According to the latest figures, in 19 English local authority areas, association rents are already at least 75% of market values⁵.

The government has said that it aims to deliver up to 150,000 new affordable homes over the spending review period. Even if this optimistic projection is delivered it represents less than a third of the affordable homes Shelter estimates are needed over the next 4 years to meet need.⁶ Housing need looks set to increase unless the supply of social housing increases proportionally, there will never be sufficient stock to meet demand. It is in this context that the government is looking for more new lets coming from existing social housing stock and more use to be made of the private rented sector.

² Rhiannon Bury 20.12.11 Housing sector rejects fixed-term tenancies Inside Housing

³ GLA November 2009 Housing in London- Evidence base for London housing Strategy

⁴ House of Commons Library (2010) Standard note: SN/SP/1164 *Homelessness in England*, p.5, available at:

<http://www.parliament.uk/briefingpapers/commons/lib/research/briefings/snsp-01164.pdf>

⁵ Kate Murray November 2009 Local decisions: a fairer future for social housing HQN Briefing

⁶ Shelter October 2010 Briefing on the Comprehensive Spending Review
http://england.shelter.org.uk/professional_resources/policy_library/policy_library_folder/briefing_the_comprehensive_spending_review

At Homeless Link we are particularly concerned about how the shortage of decent affordable housing affects single homeless people waiting to move on. Our research⁷ found that 45% of the people in hostels were ready to move but stuck in hostels as a consequence of a lack of housing. Hostel beds are needed for people becoming homeless who can otherwise end up on the streets. Our annual Survey of Needs and Provision (SNAP) found 79% of accommodation-based projects have no empty beds and the majority of the 21% that do only have one empty bed available.⁸

PROPOSALS UNDERMINED BY CHANGES TO HOUSING BENEFIT AND CONDITIONS IN THE PRIVATE RENTED SECTOR

The changes proposed in the paper, although ostensibly about the reform of social housing, will result in considerably more pressure on the private rented sector (PRS) as it is proposed that local authorities will be able to permanently discharge their duty to homeless people through an offer in the private rented sector.

The possibility of this being a reasonable solution is undermined by the concurrent changes to housing benefit. 40% of people in the private rented sector are in receipt of housing benefit.⁹ The imminent changes will restrict people on benefit to accessing the bottom 30th percentile of the private rented sector market. This clearly leaves 10% of the group in receipt of benefit in difficulty, either losing their homes or having to find money to make up their rent shortfall. Squeezing the PRS with caps to housing benefit, restricting to the bottom third of the market, extending the shared room rate restriction and enabling local authorities to discharge the homelessness duty to the private rented sector, will all mean that demand will massively outstrip supply. The standards in the sector are likely to be driven down, meaning the most vulnerable people being placed in the worst housing.

The Government has said that the purpose of the HB reforms is “to influence rent levels and housing choices,” thus there is a clear expectation that private sector rent levels will be reduced. A survey of private landlords in London, conducted by London Councils and the London Landlord Accreditation Scheme in August 2010¹⁰, explored how landlords might react to the changes announced in the June Budget. Out of the 270 respondents 60% said that they would not reduce their rent *by even a small amount* if the tenant could no longer pay the full rent due to changes in HB. In these circumstances tenants will face eviction and homelessness or will have to find alternative, cheaper, accommodation.

In 2006 40% of private rented stock property failed to meet the decent homes standard. Of those 30% could be classed as having category 1 hazards under the framework set by the housing health and safety rating system.¹¹ Research commissioned by Shelter¹² examined the relationship between the private sector and homelessness. It found that at the bottom end of the private rented sector extremely

⁷ Homeless Link 2005 No Room to Move

⁸ Homeless Link 2010 Survey of Needs and Provision

⁹ Work and Pensions Committee Dec 2010 Changes to Housing Benefit announced in the June 2010 Budget -

<http://www.publications.parliament.uk/pa/cm201011/cmselect/cmworpen/469/46910.htm>

¹⁰ London Councils & London Landlord Accreditation Scheme, September 2010 The impact of Housing Benefit changes in London,

¹¹ CLG (2009) The private rented sector professionalism and quality.

¹² Rugg, J. (2008) A Route to Homelessness? A study of why private sector tenants become homelessness, London: Shelter

poor conditions mean tenancies are unsustainable and was the single biggest reason for tenancies coming to an end.

'Some tenants had taken properties in more or less slum conditions because of the inability to secure any alternative accommodation.'

The research also found that some landlords target people with addiction difficulties, offering poor-quality shared property to vulnerable tenants.

If tenants on housing benefit had access to a wider selection of properties then landlords owning the very worst quality accommodation would be pushed out of the market. Instead the changes to Housing Benefit mean that there will be less pressure on landlords to carry out repairs and offer stock of a decent quality. Market forces already fail to adequately police management quality as there is an excess demand for property at the bottom of the market. The service offered by environmental health officers and tenancy relations officers, who have the principal responsibility for checking the quality of tenancies in the private rented sector has had a low priority and been poorly resourced by local authorities. These will become even more stretched. In addition the Shelter report found that local authorities are not always scrupulous about the quality of landlords and properties they use. This has been confirmed by officers in the front line of addressing the needs of homeless people. A homelessness manager with a London council has reportedly questioned whether there is a sufficient supply of good quality private rented housing to use as temporary and permanent housing:

*"Because there are so few landlords and boroughs fighting for them, you just take it [the accommodation]," he explained. "But we don't have as much information about the landlords as we would like and they can be as unprofessional as they like."*¹³

We believe there is a need for a national strategy to ensure that landlords offering properties in slum conditions cannot survive in the private rented sector.

POINTS IN RESPONSE TO SPECIFIC QUESTIONS

Question 4: Which other persons or bodies should local authorities consult in drawing up their strategic tenancy policy?

We welcome the idea of a strategic tenancy policy and would like to see the policy widely consulted on with social landlords in the area, tenants groups and forums, the local homelessness forum if it exists, and with agencies that work with people who are homeless and in housing need. It is important that the voice of people who are not in organised tenants groups are heard. Local authorities and social landlords should be required to reach out to socially excluded people in housing need and to take their views into account. All decisions that affect tenants should be transparent and open to tenant scrutiny and consultation. There should both advisory and financial support built in for the tenant movement.

Question 5: Do you agree that the Tenancy Standard should focus on key principles? If so, what should these be?

Homeless Link has a number of concerns as outlined elsewhere about the move to new flexible tenancies. We believe that stability and security are fundamental to people creating a settled home for themselves and fundamental to cohesive and

¹³ Inside Housing, 15 December 2010 Localism Bill pushes homeless into private sector

sustainable communities. Homes should not be seen as ‘transferable assets’ and social landlords should have a duty to provide as much security as possible particularly to vulnerable people. We believe this is the principle that should underlie tenancy standards.

Question 7: Should we seek to prescribe more closely the content of landlord policies on tenancies? If so, in what respects?

We recognize that the Government wish to offer landlords the capacity to respond to local circumstances and local needs but we believe that there should be a central role in prescribing the content of landlord policies on tenancies. We would like to see it nationally prescribed that households in vulnerable circumstances are offered life time tenancies. Policies should also clearly set out tenants’ rights to appeal any decision and the stages and timetable of any such an appeal.

We believe it is important that social landlords are offering a service to vulnerable people across the community in which they operate and that they cannot choose to work with the easiest tenants and those that are least likely to cause management problems. We would like to see it built into the policy that tenancies should be re-issued except in very prescribed and transparent circumstances so that tenants know where they stand. If flexible tenancies are introduced this should include statutory guidance on any formula for applying a means test threshold to protect against landlords setting an arbitrary figure. .

Question 9 – Is two years an appropriate minimum fixed term for a general needs social tenancy, or should the minimum fixed term be longer? If so, how long should it be? What is the basis for proposing a minimum fixed term of that length?

Should a distinction be drawn between tenancies on social and affordable rents?

If so, what should this be?

Should the minimum fixed term include any probationary period?

The proposal to allow social landlords to offer flexible tenancies with a range of fixed terms with a minimum of two years has a stated intention of focusing help and support on those who need it most and building strong and cohesive communities. Our concern is that although it could result in more people being helped with social housing it would result in increased residualisation. Prior to the proposed changes, public housing has been called the ‘poverty tenure’ because it is often the poorest people who are ‘filtered’ into it.¹⁴ 68% of households in the social housing sector have an income of less than £15,000 per annum with 62% in receipt of housing benefit.¹⁵

We welcome the protections of existing tenants from any of the proposed changes but if social landlords take advantage of the right to use fixed term tenancies we foresee a gradual lessening of the already fragile social mix in some social housing communities. It is well established that mixed income mixed tenure communities provide more positive living environments and work better for residents, housing managers and developers.¹⁶ It was these types of more sustainable communities that the previous government was trying to achieve by promoting choice based lettings and opening up housing registers. However the lack of supply of social housing has meant the problem remains. Plans for a new flexible tenancy mean

¹⁴ Gregory J 2009 In the mix: narrowing the gap between public and private housing . Policy report 62 Fabian society

¹⁵ Statistics from CLG (2008) live tables 803 and 808

¹⁶ Holmes C 2006 Mixed communities success and sustainability York JRF

council and housing association tenants whose circumstances improve could be asked to move on as little as two years after moving into their new home. It is difficult to see how this squares with the idea of creating strong and cohesive communities. It creates a perverse incentive by setting out that if a person's wellbeing or financial position improves, this might affect the chances of their tenancy being renewed. Initiatives aimed at encouraging tenants to enter the world of training and work might be undermined, if tenants think, potentially, 'if I improve my circumstances, I could lose my home.'

We also question how the policy on flexible tenancies fits with the intention of focusing help and support on those who need it most. Social landlords are obliged to prioritise based upon 'Reasonable Preference' criteria. The paper states that in 2008/09 around 90% of new general needs lettings went to households in the reasonable preference categories. Although we recognise that a small proportion of those people may be experiencing a short term crisis from which they can move on in a relatively short space of time they will probably be motivated to do so, the majority are more likely to need on going housing subsidy and stability. Allocations are seldom going to be made to those who have the potential to cease to need social housing within two years. The quote below is from one of our member agencies:

'If the tenant always had the aspiration to move-on to owner occupation then they will do so as soon as they can, using social housing as a stepping stone. If the tenant is forced to move-on to private rented within two years, then we would anticipate that over 90% will also rejoin the waiting list. Creating a two year churn at the margins of social housing does not from our perspective achieve any of the stated objectives of the proposal.' Tyne Housing

If we believe that social housing is to serve a positive function, beyond temporary accommodation, then people need sufficient time to establish themselves but also need to be able to choose to remain in their established community should they wish to. Social housing has a key role to play in promoting community cohesion. Many social landlords actively promote community relations between people with different backgrounds. They also have a role in delivering public health benefits, establishing play parks, safe neighbourhoods, food co-ops, time banks all of which enhance the life in the local area but will not work with a constantly changing population. Transient communities do not build up the same social capital – the policy is at odds with the 'big society' and could potentially create knock-on costs for support and health budgets.

Some social landlords are showing an interest in the power to grant flexible tenancies but there are also reservations. There are concerns about the cost of voids, the impact of tenants knowing they only have a limited tenure on their respect and care for their home and neighbourhood. This is likely to mean increased management costs as damage will have to be put right, redecorating done and gas and electric safety checks carried out after each outgoing tenant. A fixed term tenancy related to income would also require a resource intensive process to establish the means of every member of the household.

If the government intention is to create more social housing vacancies possession Ground 9 has the potential to be used to gain possession against a tenant under – occupying their home who has been offered a transfer to a smaller property or who has failed a means test on the basis that owner occupied or intermediate rent homes are available for their occupation.

An alternative proposal on flexible tenancies has been proposed by Chartered Institute of Housing (CIH), which would preserve security of tenure but would end the guarantee of a permanent sub market rent. They argue that this could help social housing offer more choice, meet people's housing aspirations and respond more flexibly to changed circumstances. We would argue that if there is a need for flexible tenancies this may be a better route to consider; tenants should be able to stay in their own property if circumstances change, perhaps with a new tenancy agreement that has different terms based on their changed circumstances (e.g. increased rent).

Question 10: Should we require a longer minimum fixed term for some groups? If so, who should those groups be and what minimum fixed terms would be appropriate? What is the basis for proposing a minimum fixed term of that length? Should a distinction be drawn between tenancies on social and affordable rents? If so, what should this be?

We are opposed to an increase in fixed term tenure in the social sector. If the measures do go ahead families with younger children should always be given a fixed term tenancy that lasts at least as long as the children are in compulsory education. Changing schools and friendship networks is very disruptive, especially if the family's life has already been disrupted by relationship breakdown, violence, illness or disability.

Question 11: Do you think that older people and those with a long term illness or disability should continue to be provided with a guarantee of a social home for life through the Tenancy Standard?

Yes, the point of issuing shorted fixed tenancies can only be to free up social housing for people in greater housing need. Older people and those with long term health issues are unlikely to be able to compete in the owner occupied or private rented market, they also may have built up support networks in their local area and so should be given the peace of mind and security that comes with a social home for life.

Question 12: Are there other types of household where we should always require landlords to guarantee a social home for life?

If these changes go ahead then groups that are guaranteed a social home for life should be set out in legislation. We believe that the reasonable preference categories already set out a good framework for groups that will need the ongoing stability of a social home for life. Stable housing is a key component in effectively supporting people who experience a complex mixture of problems. People who have been determined as being in 'priority need' due to mental ill health for example or another vulnerability have already been through a process to determine that they are less able to fend for themselves than other people and so are likely to be particularly marginalised and require the stability that comes with knowing they can stay as long as they need to in their home.

If flexible tenancies are introduced landlords should continue to be given the power to grant households a social home for life if that is the most appropriate in the circumstances. All tenants should be able to make the case that they need the stability and continuity that their home is providing and to make the case for a tenancy to be re-issued.

Question 13: Do you agree that we should require landlords to offer existing secure and assured tenants who move to another social rent property a lifetime tenancy in their new home?

Existing secured and assured tenants who move to another social property should be granted a lifetime tenancy. Failure to do so would renege on the commitment to preserve the rights of existing social tenants. One of the changes proposed to housing benefit is that people will no longer be able to claim for a property that is deemed bigger than they need. People will have to move to smaller properties in order for them to be affordable. This should never result in them losing their security of tenure.

Question 14: Do you agree that landlords should have the freedom to decide whether new secure and assured tenants should continue to receive a lifetime tenancy when they move?

If people are given a secure tenancy then it should be prescribed that they continue with a secure tenancy when they move.

Question 15: Do you agree that we should require social landlords to provide advice and assistance to tenants prior to the expiry of the fixed term of the tenancy?

Good quality advice and assistance should be provided which is well informed and tailored to tenants who potentially may need additional support to take up some the options open to them. Effective advice services have been shown to be a good preventative tool where homelessness is threatened. Local Authorities have a statutory duty to provide advice and assistance but this is of patchy quality. Quality standards should be set by the government and adequate training for landlords put in place. The notion that social landlords may not re-issue a tenancy at the end of a fixed term tenancy when the tenant has no suitable alternative accommodation to go to and will be homeless would appear counter to the function of social landlords and we cannot think of circumstances in which this action would be justifiable.

Question 17 As a local authority, how would you expect to use the new flexibilities to decide who should qualify to go on the waiting list? What sort of outcomes would you hope to achieve?

Homeless Link is obviously not a landlord but we do have concerns about the criteria it is suggested that local authorities might apply to who can qualify to register a need for social housing. We are concerned about the suggestions that councils could impose residency criteria and that they might exclude people with a poor tenancy record. The client group we are concerned with are often quite mobile and may need housing in an area they are not currently resident in order to move on from a life of substance dependence or to move back to somewhere they have support. They are also quite likely to have had a poor tenancy record but this is often about unmet support needs. To bar application from everyone with a poor tenancy record will create a group of people outside the system who, without the subsidy and support that can be provided in social housing, are more likely to cause anti social behaviour and costs to the public purse across a range of services.

Question 20: Do you agree that current statutory reasonable preference categories should remain unchanged? Or do you consider that there is scope to clarify the current categories?

Question 21: Do you think that the existing reasonable preference categories should be expanded to include other categories of people in housing need? If so, what additional categories would you include and what is the rationale for doing so?

We believe the reasonable preference categories provide a good basis on which to allocate housing. The paper states that in 2008 /09 around 90% of new general needs lettings went to households in some form of reasonable preference. This indicates that expanding the categories would put more pressure on an already pressurised resource. It is our members' experience that the reasonable preference categories are not always used effectively. Some local authorities do not carry out proper investigations when people present as homeless and it sometimes appears that the intention is to find reasons not to owe people a duty rather than to look for ways of offering effective help to people who are or are threatened with homelessness. Therefore we do feel there is scope to clarify who should be helped and local authorities' responses.

Question 27: Do you consider that 12 months is the right period to provide as a minimum fixed term where the homelessness duty is ended with an offer of an assured shorthold tenancy? If you consider the period should be longer, do you consider that private landlords would be prepared to provide fixed term assured shorthold tenancies for that longer period to new tenants?

Homeless Link does not believe that the use of the private rented sector to fulfill the homelessness duty should be imposed on homeless people. The private rented sector is an important part of the housing market and would be used as a tenure of choice more often if the standard of the offer in the PRS was improved.

'The private rented sector: its contribution and potential' is a review commissioned by the Department of Communities and Local Government (DCLG) from the Centre for Housing Policy in 2008¹⁷ to look at how the potential of the private rented sector could be maximised, how it could move from its position as a marginal poorly regarded third option and become a flexible well functioning element of the English housing market. One of the conclusions of the report was that:

'use of the PRS to accommodate more households on low incomes must follow from rather than drive initiatives to improve private renting: when the sector is seen as an affordable, secure environment in which to make a long term home, there will be little need to devise policies to encourage households into private renting.'

The recommendations included:

- Development of a national register of private landlords
- Regulation of managing and letting agents
- Putting in place a series of policy objectives which would equalize the rental choice between a social or a private let to ensure that a PRS tenancy can be viewed as being equally desirable by households who would generally look to the social sector for long-term housing.

We understand that the recommendations have been abandoned by the current government on the grounds of imposing too much red tape.

The Local Decisions paper (paragraph 1.20) states that one of the aims is more choice for existing and prospective tenants. It also points out that only 7% of applicants currently accept a suitable home in the private sector, compared with 70% of homelessness cases which end with an offer of social housing. The changes proposed in effect deny people who have been accepted as homeless the choice that the vast majority of them make, belying the notion that tenants are being offered

¹⁷ Julie Rugg and David Rhodes 2008 'The private rented sector: its contribution and potential' Centre for Housing Policy York in

more choice. If the government is serious about offering real choices we urge them to look again at the recommendations of the Rugg Review.¹⁸

Homeless Link's member agencies work mainly with the non-statutory single homeless population. The private rented sector is increasingly the main option available for homeless people moving out of hostels, especially in areas of housing pressure like London and the South East. It has taken a time for the homeless sector to adapt to successfully working with the PRS. In the last five years agencies have put effort into finding and developing relationships with private landlords and have had considerable success. It has particularly worked where voluntary sector agencies have set up schemes, engaged landlords and given them a rent guarantee in return for decent quality properties. Another important element of this has been offering vulnerable tenants floating support to help them to sustain those tenancies. This relationship was noted in the Rugg review

“Agencies dealing with vulnerable groups often highlight the positive relationships they can form with private landlords, where arrangements are made to provide supported accommodation. Indeed, these arrangements can be viewed as being quite a distinctive part of the housing benefit market and often encompass landlords who themselves may have a history of offering care or support in residential settings. Examples include a landlord managing a large shared house for semi-independent people with learning difficulties, long-term stay shared houses for young people leaving care, and rooms in HMOs where the landlord befriends”¹⁹.

For some people a private rented tenancy can be a better option and offers more flexibility around location and type of property. However the lack of longer term security in the sector is an issue and will become more so when people are forced to move out of homes that have been suitable because the rents are too high or because they are under 35 and have had a self contained tenancy. We are concerned that increased pressure and lack of regulation in this section of the private rented market will mean the offers to homeless people in many cases will be sub-standard and will not offer a sustainable tenancy. The major cuts to Supporting People services are also likely to impact on the capacity to offer floating support. The paper suggests offers should be within the same local authority area 'so far as reasonably practicable'. This is likely to mean for high value areas that people will be housed out of the area they are connected to which could be detrimental to their ability to settle and integrate. There is already considerable concern in the sector about the impact of the extension of the shared room rate to everyone under 35 and the restriction to the bottom third of the market. Adding in permanently discharging the homelessness duty to the PRS will add an additional pressure. A discharge of duty into the PRS should be an attractive choice for individuals, but to be so this should be accompanied by a structure similar to that introduced in Scotland where tenants are assessed and offered a realistic support package to move into good quality settled accommodation in the PRS.

If the government go ahead with this change, 12 months is not the right period to provide as a minimum fixed term where the homelessness duty is ended with an offer of an assured short hold tenancy. Paragraph 1.36 of the Local Decisions paper states that the government recognises how important stable and secure housing is for individuals and families. 12 months does not represent stable and secure housing. The vast majority of homeless people have either acute or chronic needs

¹⁸ See footnote 17

¹⁹ See footnote 17

that precipitated their housing crisis. Offering tenancies of twelve months will not allow any household enough time to address their problems, to integrate into the community, to build up a relationship with doctors or establish a healthy and supportive social network. In addition there is already an issue of how many landlords are willing to accept tenants in receipt of benefit

*“The housing benefit market is not infinitely elastic: the supply of reasonable quality property is often insufficient to meet demand at the bottom of the sector. The search for a landlord willing to take someone on housing benefit could last for months”.*²⁰

Insisting private landlords offer longer term tenancies will simply reduce the number of landlords willing to accommodate people referred as homeless. If these changes go ahead the two year “safety net” for households who are evicted from a private sector tenancy having been placed there by an authority in discharge of its homelessness duty will be an essential measure.

Question 28: What powers do local authorities and landlords need to address overcrowding?

We welcome the recognition in Local Decisions of the suffering caused by overcrowding. This comes back to a supply issue and fundamentally needs to be addressed through the building of more social housing. There are also measures that can be taken to incentivise and support under-occupying households to move on to smaller properties thereby freeing up properties for larger households. Research²¹ has shown which approaches are most successful in tackling this difficult area. It is important that people are not pressurised into leaving their home but tackled sensitively it can have advantages for both parties. Another route to tackling under-occupying is to end the restrictions on letting a room for social tenants and uplifting the allowance for renting a room to help families who could use the extra income from a lodger.

Addressing the issue of the 300,000 privately owned empty homes could begin to help with supply. However contrary to what is said in the paper about government putting in place a powerful package of measures to empower local communities to tackle empty homes by removing the barriers to action, it was announced on 7th Jan that councils will have to wait two years before seizing empty homes²². The previous measure which allowed authorities to act after six months were described as “heavy-handed” and infringed homeowners’ rights. This measure appears to have been taken to address difficulties that arose with a small number of cases which could have been treated in a more individualised manner. This does not build confidence in the stated intention to deal with the issue of empty homes. We would like to see a national drive put in place to address this issue with financial disincentives for leaving buildings empty.

Sarah Gorton
Policy Manager
Homeless Link
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²⁰ Rugg, J.(2008) A Route to Homelessness? A study of why private sector tenants become homeless, London: Shelter

²¹ Tenant Services Authority November 2009 [Overcrowding and Under-Occupation: Self-Assessment for Social Landlords](#)

²² BBC news 7 January 2011