



DCLG Inquiry into Homelessness
Written Evidence submitted by the Residential Landlord's Association
(February 2016)

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About the Residential Landlords Association (RLA)

1. The Residential Landlords Association (RLA) is the premier national landlords association operating in England and Wales. We have over 20,000 members. Our members own or control over 250,000 units of accommodation. Primarily our members are landlords in their own right but a number are managing and letting agents, some of whom are also landlords. Our members operate in all sub-sectors of the Private Rented Sector (PRS). Properties are rented out to families, working people, young professionals, the elderly, students and benefit claimants.
2. We have submitted a response to this Inquiry as we feel that Landlords in the Private Rented Sector (PRS) are often blamed in part for any increase in homelessness, whether that is through evicting tenants or being reluctant to house tenants with sometimes very complex housing and social care needs. We feel that there are many external contributing factors that aren't considered from the Landlord's perspective that need to be highlighted to the Committee and to the Government. We have included survey findings and case studies from our members that should explain these reasons effectively. (See appendices)

Executive Summary

- The RLA feels that the reasons given for the PRS being to blame for increases in homelessness are often one sided.
- We are aiming to present a wider narrative as to why Landlords are sometimes put in a position where they have no other choice but to evict tenants that are behind on rent or whose support needs are often more complex than a private landlord has anticipated without the ongoing support of and help with tenancy management from other agencies such as Adult Social Care, Housing Officers, Housing Options teams and so on.
- We are also told by members that the changing welfare landscape including the Benefit Cap, extension of the Shared accommodation rate and the introduction of Universal Credit are also reasons that affect the willingness of landlords to rent to more vulnerable groups that are or have been homeless or are in receipt of benefits.
- We have included survey findings and case studies from our members that should explain these reasons effectively. (See appendices)
- Our response will focus on the following areas of the Inquiry,
 - Differing causes of homelessness for households, couples and single people
 - Steps to tackle homelessness
 - The relationship between homelessness and the availability of social housing
 - Measures taken by local authorities to deal with the homeless
 - The implications of the statutory duty of care, and possible extension to those in danger of homelessness, particularly single people

Differing causes of homelessness for households, couples and single people.

3. According to a recent report published by Crisis and the Joseph Rowntree Foundation 'The vast bulk of the recorded increase in statutory homelessness in the past five years has been attributable to the sharply rising numbers made homeless from the private rented sector.¹ We feel that the reasons as to why there has been this increase in statutory homelessness in the PRS need to be explored fully. Below are the groups of people that you have identified and the key causes we believe are contributing to their risk of homelessness.

Households

4. According to the Homeless Monitor 2016 devised by Crisis and JRF the 'new welfare reforms announced in the Summer 2015 Budget and Autumn Statement will have particularly marked consequences for families with more than two children. Particularly, the planned lowering of the total benefit cap to £23,000 in London and £20,000 elsewhere means that there are concerns that families with more than two children may find both affordable rented and social rented housing, not only in London, but also in much of the rest of the country, beyond their means.² This means for private landlords there is a risk that these families will be struggling to find any shortfall for their rent with other competing living expenses. This is through no fault of the tenant but the landlord cannot be expected to foot the bill of potential mounting arrears.
5. The roll out of Universal Credit to families is also more complex than the payment of single claimants and is very much in its infancy which causes concern amongst landlords. We are finding that due to other reasons explored in more detail later in this report, Landlords are more reluctant to rent to tenants in receipt of benefits and do not have positive experiences when working with DWP requesting help if their tenants have fallen into arrears. Our survey found that 32% of respondents whose tenants are receiving Universal Credit, described DWP as 'not very helpful at all' when processing applications for direct payments to be made to them.³
6. The changes to the Welfare Landscape are all big disincentives for Landlords to want to house lower income and benefit claimants as it doesn't seem that there is a strong safety net in place for if things go wrong. Landlords have to assess the risk of their return on investment against massive benefit changes including Universal Credit allowances limited to support for two children for new claims after April 2017, with the 'family element' also removed from tax

¹ Crisis and JRF, 'The Homeless Monitor England 2016', February 2016, [http://www.crisis.org.uk/data/files/publications/Homelessness_Monitor_England_2016_FINAL_\(V12\).pdf](http://www.crisis.org.uk/data/files/publications/Homelessness_Monitor_England_2016_FINAL_(V12).pdf)

² Ibid

³ Renting to Tenants on Benefits, RLA Survey, February 2016
[file:///C:/Users/Natalie/Downloads/Data_All_160208%20\(2\).pdf](file:///C:/Users/Natalie/Downloads/Data_All_160208%20(2).pdf)

credit and Universal Credit allowances for all new families after that date; income thresholds for Universal Credit reduced by cuts to the levels of the 'work allowance', alongside the lowering of the benefit caps noted above; and, crucially, benefit rates (including Local Housing Allowance rates) frozen for four years from 2016/17.

7. Unfortunately, the reality is that in areas where there is high employment there is no need for landlords to rent to claimants. The high demand generally for PRS properties means that in some areas landlords can be more selective. The Government cannot realistically expect Landlords to freeze rents for 4 years if inflation increases and interest rates rise alongside upward pressures. The freezing of allowances means a real term reduction. The long term nature of the proposal is therefore worrying for landlords, particularly as there is no automatic review mechanism written in to the regulations.

Couples

8. It is well known that there is a chronic housing shortage in Britain at the moment, particularly for those looking for affordable housing. Couples can find that they are living in overcrowded housing settings either at home with parents or with friends because they cannot afford to buy or rent their own place, particularly in overheated markets like London. Crisis estimate that there are up to 267,000 concealed couples experiencing homelessness in the sense that they would like to live independently but they can't.
9. The National Planning Policy Framework requires local authorities to use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for affordable housing in the housing market area. Local authorities should try their to ensure that there is an adequate supply of homes affordable and accessible to low income residents by using their strategic powers to minimise prevent the conversion of homes of multiple occupation into single-household properties, where suitable and to increase their offer of genuinely affordable housing to couples that might be struggling to live independently.
10. The RLA supports the idea of 'Build-to-rent' schemes that may become more common, particularly to meet the needs of young couples. However, given the predominance of individual landlords in the PRS, these landlords must also be incentivised to bring forward PRS supply. Recent changes announced in the budget to increase charges to Stamp Duty Land Tax (SDLT) for buy to let and second homes and restrictions to Mortgage Interest Relief will do nothing to encourage landlords to invest in much needed PRS housing and could actually cause them to withdraw from the market altogether .
11. The Government must realise that they cannot assume that replacing PRS homes for sale but pushing buy to let landlords out of the market will solve the housing shortage. Many young couple will still not be able to afford the

sizeable deposits often needed or satisfy the stringent conditions applied by the banks offering 'Help to Buy' packages.

12. Clearly, there is not enough supply of housing for couples, particularly those on low incomes and young couples particularly in high demand areas especially in Greater London and other cities. We feel that without fundamental reform to the housing system to create suitable options, this group will be increasingly marginalised in a housing system that simply does not offer enough suitable accommodation.

Single People

13. Unfortunately for this group finding a suitable place to live whether through home ownership or renting is a growing challenge. Single adults under the age of 35 are especially vulnerable to unstable, short term housing options.
14. Record numbers of people in their 20s and 30s are now living with their parents as unemployment; soaring house prices and the rising cost of living make it harder than ever to fly the nest. The recession has also accelerated this change, with the number of 20- to 34-year-olds staying in the parental home soaring by 38 per cent in a decade to 3.35 million, according to the Office for National Statistics (ONS)⁴.
15. For those that are able to leave home, many are living in the PRS and in London particularly, in shared accommodation due to sky high rents. The level of sharing is highest within the Greater London region, at 2.3%, most notably in the Boroughs of Camden (5.1%) and Haringey (5.4%)⁵.
16. Of the 1.7 million adults aged 16 to 24 in low-income households, 1.1 million are single adults without children⁶ and will see a knock on effect from the extension of the shared accommodation rate to 25 – 35 year olds.
17. Those aged 18 – 21 will also see their housing options potentially reduced when the Government take away the automatic entitlement to the housing element of Universal Credit or housing costs in April 2017. A recent survey conducted by the RLA found that 76% of over 800 Landlords agreed that these changes make them generally more reluctant to rent to the 18 – 21 age group altogether⁷. This could have serious implications on supply of housing to this age group given how much Local Authorities rely on the PRS to house their homeless service users.
18. The Homeless Monitor 2016 (Crisis and JRF) also agrees that the welfare reforms will have marked consequences for 'out-of-work young single people aged 18-21 who, subject to specific exemptions, may be entirely excluded from support with their housing costs or otherwise subject to the very low

⁴ ONS, Young adults living with parents <http://www.ons.gov.uk/ons/rel/family-demography/young-adults-living-with-parents/2013/sty-young-adults.html>, 2013

⁵ The University of York, Crisis, Unfair Shares, A report on the impact of extending the SAR of Housing Benefit, <http://www.crisis.org.uk/data/files/publications/SharedAccommodationRate.pdf>, 2011

⁶ <http://www.poverty.org.uk/summary/adults.htm>, 2013.

⁷ Renting to Tenants on Benefits, RLA Survey, February 2016
[file:///C:/Users/Natalie/Downloads/Data_All_160208%20\(2\).pdf](file:///C:/Users/Natalie/Downloads/Data_All_160208%20(2).pdf)

Shared Accommodation Rate of Housing Benefit in the social as well as the private rented sector'.⁸

19. Increased demand from those over the age of 25 – 35 year olds for shared accommodation will inevitably affect the under 25s too as Landlords may choose to house more mature tenants who may be in work and have less support needs. According to Joseph Rowntree Foundation the number of young people aged 18–24 following a chaotic housing pathway (including homelessness) will increase from 75,000 to 81,000 between 2008 and 2020⁹ looking at these figures a worrying picture is emerging.
20. As the Homeless Monitor for England (2016) highlights 'The Shared Accommodation Rate limits for single people aged under 35 have already had a marked impact in reducing (by some 40 per cent) their access to the private rented sector.'¹⁰
21. The Government must realise that currently there is just not enough suitable accommodation for all the different types of single people that rent or want to buy particularly under the age of 35. Whether these are vulnerable groups or not, there needs to be a huge increase in supply to prevent a trajectory of increased homelessness in this group.

Steps to tackle homelessness

Boost supply

22. One of the most important things the Government can do to help prevent homelessness is to simply increase the supply of affordable housing. The Government seems to recognise this, however recent measures taken seem to indicate that the Government does not see the PRS has having as an important a role to play in solving the housing crisis as home ownership and house building. Increasing stamp duty for Buy to let purchases, reducing Mortgage Interest Relief and changes to other tax allowances such as Wear and Tear are clear disincentives for small Landlords. This is despite the fact that new analysis by Savills has suggested that demand for rented homes will rise by more than one million households over the next five years. This demand will still exist even though steps have been made by the Government to help 'generation rent' become 'generation buy'.¹¹

⁸ Crisis and JRF, 'The Homeless Monitor England 2016', February 2016, [http://www.crisis.org.uk/data/files/publications/Homelessness_Monitor_England_2016_FINAL_\(V12\).pdf](http://www.crisis.org.uk/data/files/publications/Homelessness_Monitor_England_2016_FINAL_(V12).pdf)

⁹ JRF, Housing options and solutions for young people in 2020, <http://www.jrf.org.uk/publications/housing-options-solutions-young-people>, 2012

¹⁰ Crisis and JRF, 'The Homeless Monitor England 2016', February 2016, [http://www.crisis.org.uk/data/files/publications/Homelessness_Monitor_England_2016_FINAL_\(V12\).pdf](http://www.crisis.org.uk/data/files/publications/Homelessness_Monitor_England_2016_FINAL_(V12).pdf)

¹¹ Savills 'Rental Britain', February 2016 <http://pdf.euro.savills.co.uk/uk/residential---other/spotlight-rental-britain-february-2016.pdf>

23. According to the 2011 Census 16 million UK homes has at least one spare bedroom, with 8.1 million having a least 2 spare bedrooms. 82.3% of owner occupied homes had a spare bedroom compared to 49.5% of private rented homes. In London there are some 720,000 homes (23%) with 2 or more spare bedroom, 85% of which are owner occupied and just 9% in the PRS (Housing In London 2014, The evidence base for the Mayor's Housing Strategy).
24. Despite encouraging more efficient use of property and meeting a growing housing need, local authorities are increasingly restricting the supply of shared accommodation through the use of Article 4 directions, removing permitted development rights for conversion of properties to HMOs. Additionally, councils are beginning to use Article 4 directions to restrict the conversion of office accommodation to residential property.
25. The RLA believes that Government should put in place mechanisms to restrict the growing use of Article 4 Directions as a constraint on the supply of shared, and other, residential accommodation. This power could sit with either the Secretary of State and apply more generally across England, or could be devolved to the London mayor, and apply only to London boroughs.
26. The RLA would like to see acknowledgment from the Government that the PRS, including smaller landlords and not just institutional investment have a role to play in helping to solve the housing crisis. Ways that they could do that include,
 - Utilising small plots of unused public sector land to develop new properties to rent, plots that smaller landlords and house builders could utilise for private rent.
 - End the anomaly that means VAT cannot be reclaimed where a property is being built to rent.
 - Abolish the use of Article 4 Directions used by many local Councils to restrict the growth of shared homes to rent at just the time when demand for them is increasing substantially.

Encouraging positive relationships between Local Authorities and Landlords

27. We would like to see Local Authorities and Private Landlords working more closely together when working with vulnerable tenants discharged into the PRS. So often we hear from members that their Local Authority has advised tenants that they won't accept service of a Section 21 as the start of their homelessness application, and instead encourage tenants to wait until the bailiffs call, keeping them in the property longer. We feel that this is irresponsible and will put landlords off completely from letting to more vulnerable people at greater risk of default, even more.
28. So often it is portrayed that Landlords will evict tenants without a second thought or reason but in fact we found in a survey of over 1700 members that only just over half of all respondents had ever evicted a tenant and 89% had

said that this was due to Rent arrears or Anti-Social Behaviour (43%). Furthermore, 56% of respondents said that the tenancy had been running longer than 12 months.¹² Therefore, we think that rather than all Landlords being blamed for increasing homelessness, a wider view must be taken as to why tenants that have fallen into rent arrears or are perpetrators of Anti-Social Behaviour are evicted and what more can be done by multi-disciplinary organisations to help these tenants improve their wellbeing and behaviour so that they can stay in the property. This must be a partnership approach between the LA and Landlord.

Welfare Reform and Universal Credit in the PRS

Direct Payment to Landlord

29. Almost three quarters (73%) of local authorities surveyed in 2015 anticipated that the roll out of Universal Credit would further increase homelessness in their area. The most widespread concern related to the impact of altered direct rental payment arrangements on their already fragile access to the private rented sector to prevent or alleviate homelessness.¹³
30. The RLA agrees with this prediction as Direct payments of UC housing costs to claimant rather than the landlord prompted 54% of respondents to an RLA Welfare Survey answer that this made them more reluctant to let to homeless people and people in receipt of benefits. Alongside a number of organisations including Shelter, Crisis, Citizens Advice Bureau and the Money Advice Trust, the RLA has consistently argued that, to help them budget, tenants should be given a choice as to who should receive the housing element of Universal Credit – themselves or their landlords.

Allowing the Landlord permission to learn about a claim.

31. DWP maintain to the RLA, wrongly in our view that there is no power to disclose information to third parties such as landlords regarding claims for UC, their administration and delivery, even if the tenant consents. We would like to seek disclosure for the Landlord where the tenant gives written consent normally. However, the fact that a claim for housing costs has been made and also the fact that payment has started should be disclosed to the Landlord, in any event without the necessity for any consent, unless the tenant objects for good reason. This would instil a greater confidence in Landlords renting to this group.

¹² RLA, 'Survey on Evictions' Sept 2014, <http://news.rla.org.uk/tenant-evictions-fall/>

¹³ Crisis and JRF, 'The Homeless Monitor England 2016', February 2016, [http://www.crisis.org.uk/data/files/publications/Homelessness_Monitor_England_2016_FINAL_\(V12\).pdf](http://www.crisis.org.uk/data/files/publications/Homelessness_Monitor_England_2016_FINAL_(V12).pdf)

Review of Universal Credit

32. Recent reviews on the latest roll out of Universal Credit has not found much to offer confidence to Landlords whose tenants are already claiming or are moving across to the Universal Credit System. The House of Commons Committee of Public Accounts - Universal Credit progress up date (19th report of session 2015 – 16) has said that ‘there remains a long way to go with Universal Credit and that they remain disappointed by the persistent lack of clarity and evasive responses by the Department to their inquiries around the extent and impact of delays’. Why would a Landlord look at this sort of review and want to rent their property to a tenant that could experience problems with this new system? This will affect the number of vulnerable people able to gain access into the PRS, including Homeless people.

Welfare Changes overall

33. As discussed in detail above - the raft of welfare reforms that are about to hit many low income claimants and families are already starting to make Landlords worry. In our most recent Welfare Survey (February 2016) 66% of 883 respondents answered that they are more reluctant to let properties to tenants who are of working age and on benefits because of the benefit cap. Our members are also more reluctant to rent to benefit tenants for reasons such as well as Caps on Local Housing Allowance rates (47%) and 4 year freeze on HB payments to working age claimants (47%)¹⁴. We feel that this paints a worrying picture for the Government to consider as this could indicate a substantial loss of PRS accommodation due to these changes.

Wider disincentives for Landlords

34. At present the PRS is facing unprecedented targeting by the Government and Treasury. As mentioned above the restrictions on Mortgage Interest Relief are causing Landlords to reconsider who they rent to as they need a less risky return on their investment with reliable rent payments and possible rent increases to cover the extra cost. 41% of 860 respondents in our most recent Welfare Survey answered that Taxation changes (such as the Mortgage Interest Relief removal) makes them more reluctant to let to homeless people and people in receipt of benefits, which would reduce much needed supply of housing for those at risk of homelessness. This could even cause increased homelessness if these Landlords exist the market altogether.

35. Landlords are facing more regulatory burdens such as the roll out of immigration checks, extensive property licensing schemes with high fees,

¹⁴ Renting to Tenants on Benefits, RLA Survey, February 2016
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restrictions on gaining possession, compulsory improvements and minimum energy efficiency regulations from 2018. We are not necessarily opposed to all these measures, but nevertheless they inevitable come at a cost to the landlord.

36. We would encourage therefore that the Government considers the impact of these wider implications on the supply of PRS housing at a time when demand for this tenure of housing is at an all-time high, especially when concerned with the increased risk of homelessness.

The relationship between homelessness and the availability of social housing

37. The PRS is essentially now being used for a purpose that it wasn't ever intended and that it is provide a type of permanent or longer term housing option in the absence of enough social housing and demand outstripping supply. This often means that private landlords are working with more vulnerable tenants that might have complex housing and support needs. This sometimes works with dedicated tenancy management but often will break down as the landlord is left to cope on their own in the absence of housing officers, tenancy management officers that are often available to sustain tenancies in social housing.

38. When tenancies break down because of arrears or anti-social behaviour landlords often have no choice but to end the tenancy, which can lead to short term and inconsistent housing for those that have complex housing histories either through homelessness or other reasons. In the absence of enough social housing and with local authority resources under strain there often isn't the effort put into helping keep the tenancy healthy in the PRS as there is in social housing. This isn't always one sided and does need both parties to be aware of their responsibilities to each other. The idea of effective tenancy management between landlords, local authorities and third sector organisations is a nice idea but doesn't always translate into real life.

39. There are also concerns that the forced sale of high-value council houses, coupled with the loss of properties via the Right to Buy, and reduced new build development, will further deplete social housing capacity in just those areas of England already exposed to extreme shortage¹⁵. Coupled with a potential weakening in local authority nomination rights to housing association properties, and growing difficulties in gaining access to the private rented sector, these recent policy developments could well result in 'perfect storm' conditions for local authorities seeking to discharge statutory homelessness duties.

Measures taken by local authorities to deal with the homeless

40. Changes in the Localism Act 2011 give local authorities more scope to place homeless households in private rented homes, increasing options for

¹⁵ Ibid

placements. However, we feel that discharge of homeless tenants into the PRS needs care and proper tenancy management.

Effective support to Landlords and consistent tenancy management

41. Local authorities can help to reduce homelessness in the PRS by –

- Preventing rent arrears by expediting the processing and payment of Housing Benefit and Local Housing Allowance, and through the use of Discretionary Housing Payments. When Universal Credit is rolled out we would hope that Landlords that have tenants who are in arrears will be easily be able to request alternative payment and direct payment to themselves quickly and without delay.
- Prevent breaches or loss of tenancy by providing, or referring people to, support and care services that allow them to remain in their homes. Preventative services should be targeted at those particularly at risk of homelessness and these services need to work with landlords effectively.

Accreditation and Co regulation schemes

42. Providing high quality advice and advocacy to both landlords and tenants is essential in keeping dialogue open and a healthy tenancy in place. This could include advisors negotiating with landlords to help ensure that housing problems do not reach crisis point. We firmly believe that Landlord associations like the RLA can play a part here. We already run effective accreditation schemes in Leeds and London and a Co regulation scheme in Liverpool where we act as an intermediary instead of the local authority to try and sustain tenancies that have lower level tenancy problems.
43. Establishing a PRS accreditation scheme ensures a consistent tenancy management approach locally. The RLA do not condone poor, dangerous standards in PRS and believe that local authorities should be able to proactively enforce against criminal landlords that deliberately put tenants at risk. However where there are good landlords they should be able to self-regulate so that Environmental health teams can target the worst offenders. These Coregulation and accreditation schemes are effective mechanisms for avoiding homelessness through tenant / Landlord disputes.

Not using Discretionary Housing Payments as a long term solution

44. We feel Discretionary Housing Payments, while welcome and necessary are an unsustainable 'fix' in the longer-term.

45. DWP estimates that the move to setting the SAR at the 30th percentile will affect 94% of SAR claimants. Additionally, for those claimants who would see a loss in their housing benefit due to the changing age threshold, the average loss estimated by DWP would be £41 per week per claimant. However, in London this difference will be harder for tenants to absorb, where the average difference between the 30th percentile one bedroom rate and the 30th percentile SAR rate would be £102.10 per week which equates to a 54.1 per cent reduction¹⁶.
46. The number of clients experiencing a shortfall between their rent and the amount of Local Housing Allowance they receive is on an upward trajectory, with 73% reporting an increase in shortfalls.
47. Discretionary Housing Payments are playing a vital role in helping people meet their rental obligations. However, over a third (36%) of claimants or their housing schemes report that they have found it difficult to secure them. Perhaps even more worryingly, 22% stated none of their clients have been able to secure discretionary payments¹⁷.

The implications of the statutory duty of care, and possible extension to those in danger of homelessness, particularly single people

48. The Homelessness Act 2002 requires local authorities to strategically prevent homelessness; to ensure sufficient accommodation is and will be available for people in the district who may become homeless; and to secure satisfactory provision of support (advice, information and assistance) for homeless people. If extension is granted to single homeless people, particularly those under the age of 35 there could be a real issue with supply for Local authorities to face.
49. We believe strongly that Article 4 Directions planning rules, which are severely restricting the growth of much needed shared housing – predominantly benefiting young people (under 35s) in many areas of the country should be scrapped. They do nothing to alter the make-up of existing communities but they are denying tenants the choice of where they can live, drying up supply, increasing rents while the impact of Article 4 Directions significantly reduces the value of houses owned by local residents.
50. Ultimately this direct impact on supply has consequences for rent levels which will inevitably increase. The impact of this will not be mitigated by already oversubscribed social housing providers. As each local authority is under a duty to ensure that sufficient levels of small HMO accommodation is provided in their area, we would urge the Government to ask where will alternative provision for HMOs be met?

¹⁶ The University of York, Crisis, Unfair Shares, A report on the impact of extending the SAR of Housing Benefit, <http://www.crisis.org.uk/data/files/publications/SharedAccommodationRate.pdf>, 2011

¹⁷ Hitting Homes, Crisis, http://www.crisis.org.uk/data/files/publications/201212_HittingHomes.pdf, 2012

51. There is clear evidence that landlords have been reluctant to take on young people in self-contained accommodation if they are benefit claimants because they would only be able to claim the reduced room rate. Landlords recognise that there is a greater risk that tenants will fall into arrears if they are unable to find the shortfall in their rent.
52. Three years ago the RLA conducted a survey of its members who are Landlords in London. Out of 190 respondents 51.2% said that those who still rent to under 35s who now receive the single room rate do not intend to renew existing tenancies when these run out for this type of tenant. When we repeated this survey this year (February 2016) there was a small decrease in this attitude with 49% answering that they do not intend to renew their tenancies for under 35s now receiving the SAR.
53. Nationally, we had over 880 responses and over 54% answered that they do not intend to renew their tenancies with under 35s now receiving the SAR.
54. We find this very worrying as where will these tenants go once their existing tenancies expire with shared accommodation being in such short supply? We feel that this is an early warning sign of the attitudes of Landlords now that these changes are starting to take effect and we feel that this needs to be taken seriously. This is a serious threat in increasing homelessness.

Full results of the survey are at Appendix 1- 3 .

55. Recommendations

- Accreditation / co regulation schemes as means of low level tenancy management
- Boost supply for this group by working with and incentivising landlords as Local Authorities desperately need PRS stock to discharge their homelessness duty to. This includes looking at reasons why Landlords may look to leave providing housing to this sub sector of the market as it no longer provides a viable return on their investment.
- Boost supply of affordable housing on the whole, particularly for low income families and couples.
- Look at why planning restrictions may be reducing supply of shared accommodation at a time when demand is at an all-time high.
- Take a holistic view of how cuts in Welfare will affect the wider supply of housing for the most vulnerable tenants.
- Look closely at how the roll out of Universal Credit could cause more problems for Landlords particularly around direct payment because of arrears and the issues around the lack of data sharing even if the tenant agrees.

Appendix 1

In December 2013 the RLA gave oral evidence to the Department for Work and Pensions Select Committee on Universal Credit and Housing Costs. We also attended the London Assembly committee on Welfare Reform and Housing in London. As part of this work and ongoing research into Universal Credit and the impact that it will have on private landlords the RLA conducted a survey of its members currently renting to LHA tenants in London. The purpose of this exercise was to gain insight into how the recent welfare changes may have unsettled landlords renting to benefit claimants and to see how these changes may influence their decision to continue let to this group of tenants.

Full survey results are available to read here - <http://news.rla.org.uk/wp-content/uploads/2014/01/london-letting-welfare-changes.jan-14.pdf>

Appendix 2

In February 2016 the RLA repeated a survey on Welfare reform basing the survey on our previous welfare survey that we sent to London members. We sent this survey to the same London members. There are some additional questions included in this survey that weren't on the original; however there are still some interesting points of comparison. We deliberately kept London separate from the rest of the country to capture the different markets.

You can read the results in full here -

<file:///C:/Users/Natalie/Downloads/Renting%20to%20tenants%20on%20benefits%20%20-%20LONDON%20only.pdf>

Appendix 3

In February 2016 the RLA repeated a survey on Welfare reform basing the survey on our previous welfare survey that we sent to London members. We sent this survey to the rest of the country (England only). This is the exact same survey that was sent in February 2016 to our London members. We deliberately kept London separate from the rest of the country to capture the different markets.

You can read the results in full here. -

[file:///C:/Users/Natalie/Downloads/Data_All_160208%20\(2\).pdf](file:///C:/Users/Natalie/Downloads/Data_All_160208%20(2).pdf)

Appendix 4 - Case studies

Landlord A

'The changes are a powerful disincentive to rent to benefit claimants. I find there is a constant cycle of suspending and denying valid Housing Benefit claims on spurious grounds (e.g one local authority insisting tenants provide utility bill receipts as proof of residency even after their visiting officer met tenants in their homes and knew they were resident). These tenants do not have monthly utility contracts and do not have the resources (e.g computers and sufficient communication skills) to meet this requirement easily. I rent to a number of vulnerable tenants - some have learning difficulties, some are illiterate, many suffer with anxiety and poor mental health - these changes have caused distress and anxiety (about arrears and evictions) to people who are least able to cope. Equally, I rent to very able tenants who are benefit claimants and they have found the move to UC devastating - long delays, punitive decisions, massive anxiety. It's a mess. Universal Credit is a terrible change that is ill-conceived and woefully-managed particularly in some economies where there is simply no alternative to claiming benefits. None of my tenants have had the so-called supportive measures described in the Government agenda. I have refused to rent to a number of young people (under 35) because there is simply no way they can afford the top up required on the miserly LHA available to them (£62 per week) and would inevitably fall into arrears as many do. I spend an inordinate amount of time dealing with the technicalities and the emotional distress associated with the change. The changes are terrible and do not serve anyone - tenant, landlord, courts, Treasury or Government - well.'

Landlord B – (London Landlord)

'Generally feel it's too risky and complicated to let my properties to people on benefits as I am in London and rents etc are so high. Tenants cannot move out even if they want to because there is nowhere to go. This also applies to working tenants. Landlords get trapped with tenants who can't afford to move and tenants get trapped in properties which are not quite right for their needs. I'm not enjoying being a landlord now. In London, as a good ethical landlord I find it quite upsetting.'

Landlord C

'I let to tenants who are on minimum wage and whose hours change frequently. I strongly suspect they don't have enough to live on some weeks. The requirements on claimants are arbitrary and the DWP is unable to deal properly with enquiries. There are not enough advice agencies to support tenants, and thus also ensure that rental arrears don't mount up.'