

COVID-19 COMMITTEE

SUBMISSION FROM CITIZENS ADVICE SCOTLAND

Summary

Scotland's Citizens Advice Network empowers people in every corner of Scotland through our local bureaux and national services by providing free, confidential, and independent advice. We use people's real-life experiences to influence policy and drive positive change. We are on the side of people in Scotland who need help, and we change lives for the better.

We welcome the opportunity to respond to this call for evidence on the Coronavirus (Scotland) Acts (Amendment of Expiry Dates) Regulations 2020, particularly in relation to the provisions affecting housing.

Evidence from Citizens Advice Bureaux, Citizens Advice Scotland's (CAS) public advice site and specific CAS research shows that people are worried about paying rent or are already struggling with arrears. This is before the full extent of the economic fallout from the pandemic is clear, and before income support schemes have ended. Those facing income crises and debt need time to get support, and for tribunal judges to take full account of their – and their landlord's – circumstances.

Keeping grounds for evictions discretionary and maintaining the need for longer eviction notice periods gives tenants the best chance of staying in their homes, and landlords the best chance of recouping income. Otherwise, there would be nothing to legally stop a wave of evictions from November, potentially creating a homelessness crisis. **In CAS' view, this legislation is therefore absolutely necessary.**

Reasons for CAS views

The protections provided by the emergency powers to date have been very welcome. But as we move out of the initial stages of the pandemic and the emergency measures and protections fall away an increasing number of people will struggle to cope. If protections are not extended, we could see a spike in evictions due to rent arrears from the impact of the coronavirus pandemic. This will put additional pressure on an already over stretched homelessness system and local authorities.

Recent figures show that a growing number of people are becoming homeless - at the end of July, there were **14,174** households in temporary accommodation, up another **2%** on the previous month. Rent arrears in the social rented sector stood at over £163 million at the end of July, and 376 notices of proceedings were issued for rent arrears that month¹. There is no public data available for private rented sector (PRS) tenants, but CAS data gives some indication of the issues tenants are facing.

¹ <https://www.housingregulator.gov.scot/landlord-performance/national-reports/monthly-covid-19-dashboards/july-dashboard>

Evidence from the Citizens Advice network

The Citizens Advice Network's 59 Citizens Advice Bureaux operate across every corner of Scotland. Over the course of the pandemic it has become increasingly clear that a growing number of clients are worried about their housing. Month on month, since February, views of the housing pages on CAS' public facing advice website have increased. Recent CAS research found 1 in 4 people are concerned about paying rent, and 1 in 3 were very or fairly concerned about their income².

In addition, between February and August there has been:

- > A **35% increase** in the proportion of advice given in relation to the PRS.
- > A **near-tripling** in the proportion of advice given on PRS rent arrears compared to a decrease in the proportion of advice given on local authority and RSL rent arrears.
- > An **83% increase** in advice given on PRS harassment and illegal evictions (relatively small absolute numbers but a disproportionate rise well above the 54% equivalent in PRS advice overall).
- A **31% increase** in views of our "you're facing eviction" advice page online as a proportion of all housing pages views.

Further charts and tables are attached as an appendix.

The measures contained in the first round of emergency legislation – of keeping the grounds for evictions discretionary and maintaining the need for longer eviction notice periods give - will be just as needed, if not more so, over the following six months as economic disruption and downturn continues. The latest Bank of England forecast predicts unemployment will peak at 7.5% between January and March 2021. Extension of the emergency measures is required to ensure people can stay in their homes throughout this unprecedented health and economic crisis.

The Citizens Advice network's experience of advising clients for over 80 years tells us that above all else, people in debt need time to assess their situation, get the help they need and make a sustainable plan to repay their debts, take out a consolidation loan or agree a statutory debt solutions. Initiatives like breathing space are now very common among regular commercial lenders/debt owners. Evicting people before they've had this crucial time is wholly inhumane. It also prevents any chance of the landlord recouping the arrears that they might be able to if they waited to establish a suitable repayment plan or other debt solution. During the pandemic, it's also a public health hazard, and will put more stress on temporary accommodation that already seems to be under increased pressure.

Views on legislation achieving proposed outcomes and further improvements

CAS understands that extending the eviction notice period requirements alone doesn't solve the problem of mounting rent arrears and that action is required to address this issue. However, evicting anyone into sofa-surfing, rough sleeping or temporary accommodation

² Citizens Advice Scotland, [Scotpulse survey results June 2020](#), July 2020

will have far more serious and long-reaching ramifications for the individual household and society at large than any temporary shortfall in rental income.

This legislation will achieve outcomes in terms of providing additional time for tenants to seek help and giving tribunals the discretion to take full account of tenant and landlord circumstances in deciding whether to grant eviction notices. However, additional measures are likely required on the root issues to ensure more people don't fall into rent arrears, and that anyone who does can repay them or have them written off.

The Programme for Government announcements on further investment into Discretionary Housing Payments are welcome in this regard, as are the letters and guidance sent to tenants informing them of access to social security payments and advice services, and the introduction of pre-action requirements for PRS evictions. However, while the £10m tenant hardship loan fund may help some tenants, CAS is not convinced the solution to debt is other debt for most tents. We hope to see increased non-repayable financial support for those who cannot access Universal Credit and Discretionary Housing Payments to cover their rent while the economy is yet to fully recover.

APPENDIX – Charts and tables on CAS and CAB data

Note on the data

All charts are based on advice code data or web page views. Advice code data is recorded by advisers every time advice in relation to a particular topic is issued. All figures are expressed as percentages of their “parent” advice code category: e.g. housing advice is expressed as a proportion of all advice issues, and PRS advice is expressed as a proportion of all housing advice. This allows for more effective comparisons between months when overall numbers of clients fluctuate and/or there are changes in advice provision (e.g. the shift to telephone and email at lockdown).

Chart 1. Advice on housing as a proportion of all advice

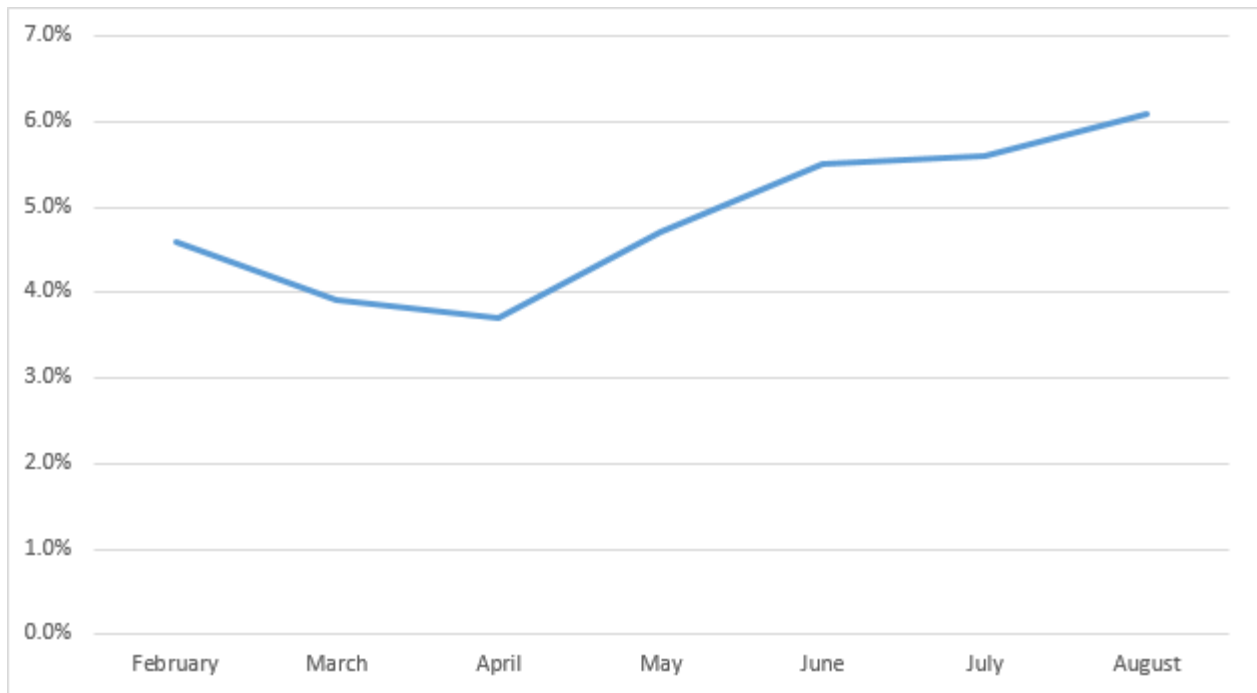


Table 1. Advice on housing as a proportion of all advice

Month	Housing advice as proportion of all advice
February	4.6%
March	3.9%
April	3.7%
May	4.7%
June	5.5%
July	5.6%
August	6.1%

Chart 2. Most common types of housing advice (as a proportion of all housing advice)

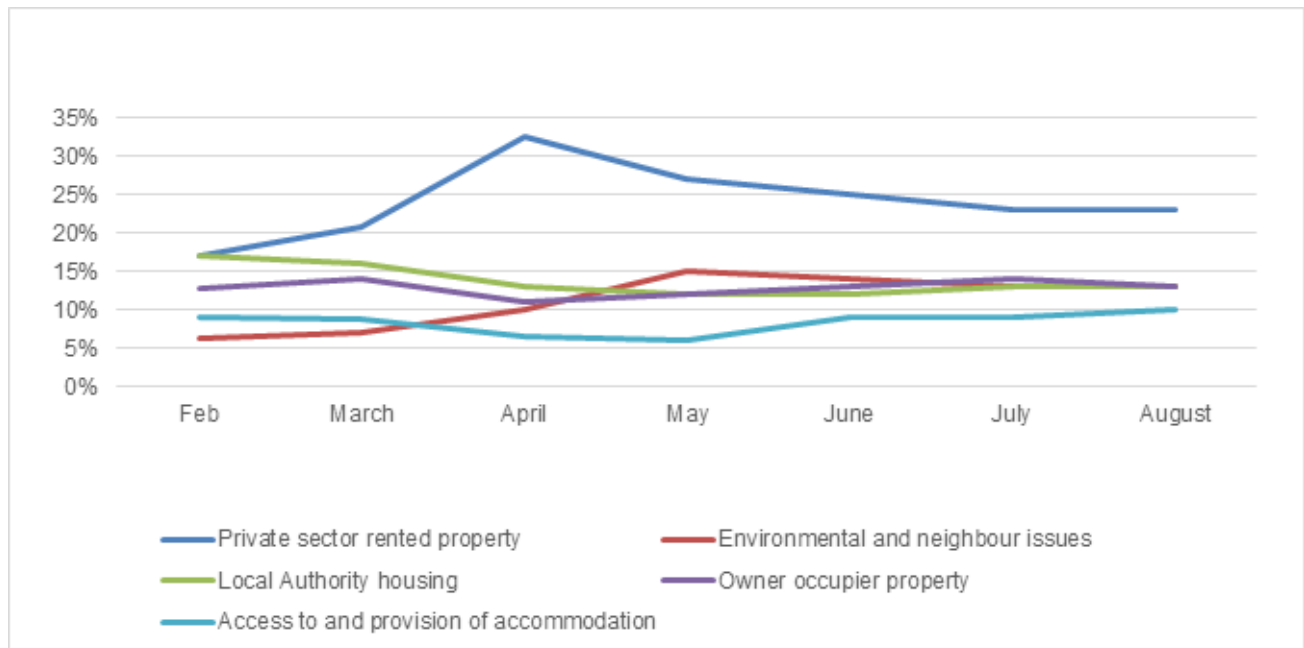


Table 2. Most common types of housing advice (as a proportion of all housing advice)

Types of housing advice as a proportion of all housing advice	Feb	Mar	Apr	May	Jun	Jul	Aug
Private sector rented property	17%	21%	33%	27%	25%	23%	23%
Environmental and neighbour issues	6%	7%	10%	15%	14%	13%	13%
Local Authority housing	17%	16%	13%	12%	12%	13%	13%
Owner occupier property	13%	14%	11%	12%	13%	14%	13%
Access to and provision of accommodation	9%	9%	7%	6%	9%	9%	10%

Chart 3. Changes in proportion of advice on housing cost arrears

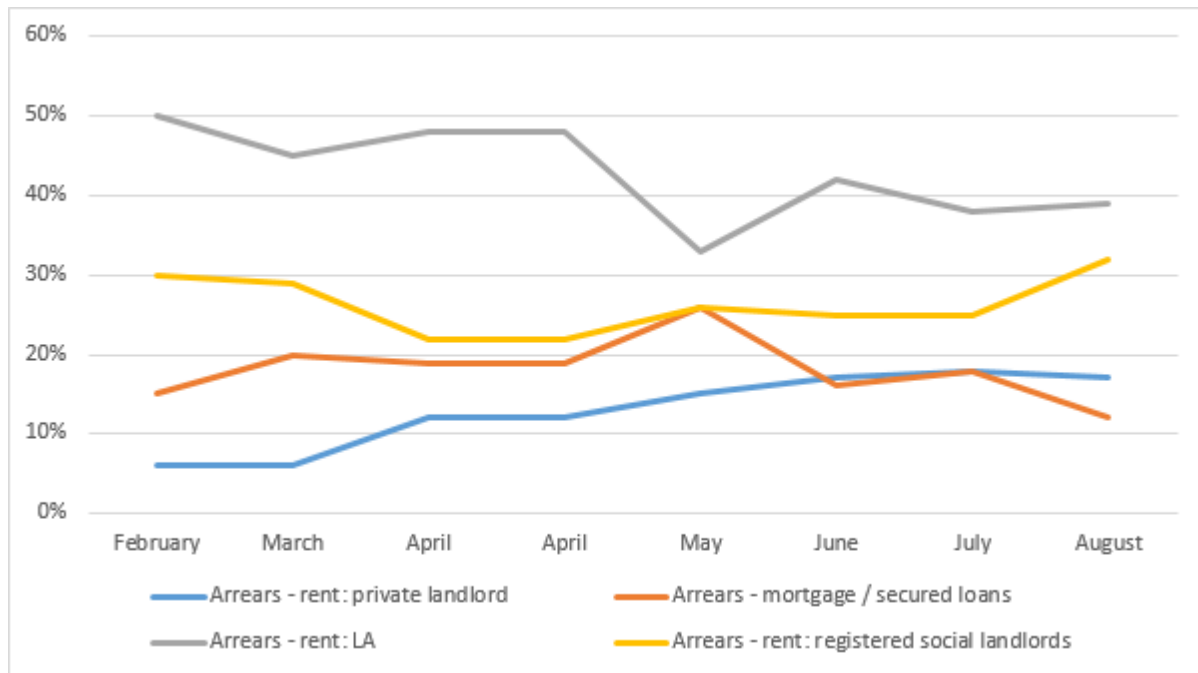


Table 3. Changes in proportion of advice on housing cost arrears

Type of housing cost arrears	Feb	Mar	Apr	May	Jun	Jul	Aug
Arrears - rent: private landlord	6%	6%	12%	15%	17%	18%	17%
Arrears - mortgage / secured loans	15%	20%	19%	26%	16%	18%	12%
Arrears - rent: LA	50%	45%	48%	33%	42%	38%	39%
Arrears - rent: registered social landlords	30%	29%	22%	26%	25%	25%	32%

Advice on landlord harassment and illegal evictions in the PRS

These figures are not expressed as a percentage of their “parent” advice code category (e.g. private rented sector property advice) as they make only 5-8% of all PRS advice and trends in terms of proportion of advice are masked. Instead they are shown below in total numbers of pieces of advice, and against the total numbers of PRS advice and the percentage increase since February in those numbers.

You can see that even where advice on harassment stayed the same or decreased compared to February it mostly still did so at a disproportionately lower rate than the parent advice code numbers. If there was no change in people’s advice needs overall we’d expect to see the percentages look very similar but the first two rows here show very

different % increases and decreases to the bottom two (% change from February in brackets).

Table 4. Harassment and illegal evictions in the PRS

	February	March	April	May	June	July	August
Harassment / illegal evictions	18	18 (=0%)	39 (+117%)	18 (=0%)	25 (+39%)	36 (+100%)	33 (+83%)
Complaints / harassment by landlord	36	33 (-8%)	38 (-6%)	33 (-8%)	49 (+36%)	52 (+44%)	56 (+56%)
All PRS advice	767	656 (-14%)	945 (+23%)	844 (+10%)	1052 (+37%)	1034 (+35%)	1178 (+54%)
All housing advice	2395	1849 (-23%)	1477 (-38%)	1773 (-26%)	2315 (-3%)	2233 (-7%)	2736 (+14%)

Chart 5. February – August increase in views of “renting a home” pages as % of all housing page views

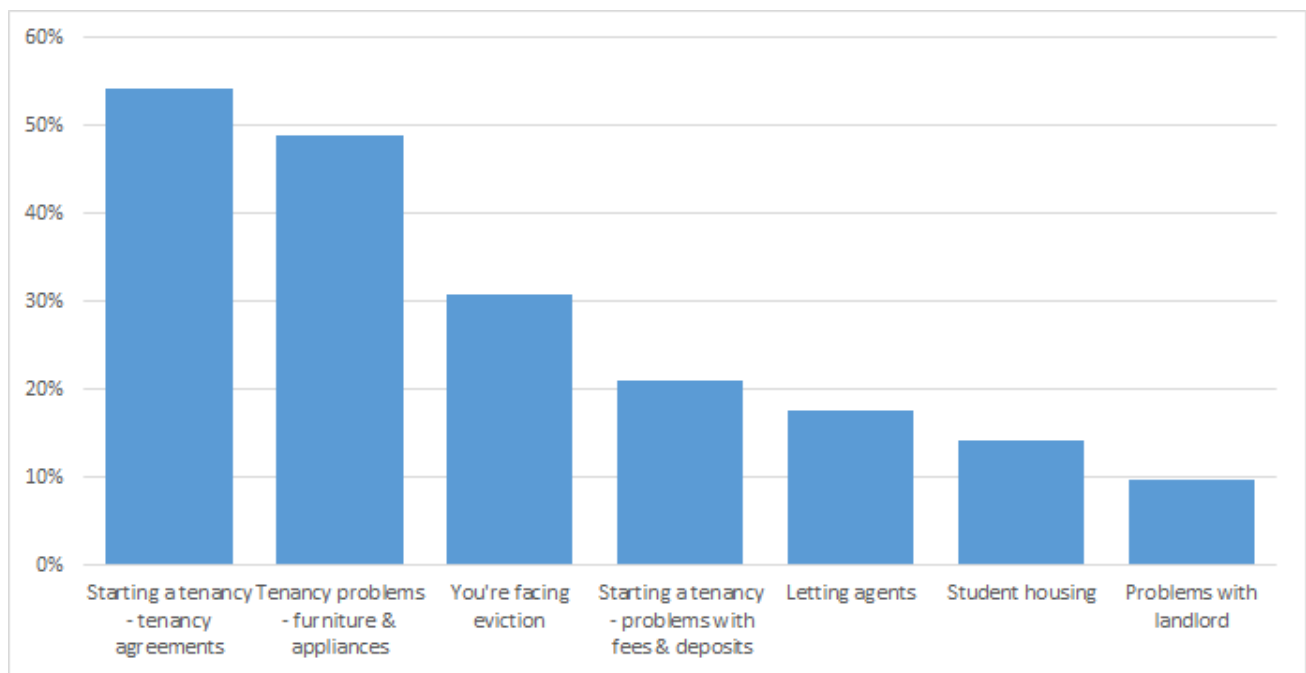


Table 5. February – August increase in views of “renting a home” pages as % of all housing page views

Public advice site webpage	Increase in views Feb - Aug as % of all housing pages views
Starting a tenancy - tenancy agreements	54.1%
Tenancy problems - furniture & appliances	48.8%
You're facing eviction	30.8%
Starting a tenancy - problems with fees & deposits	21.0%
Letting agents	17.6%
Student housing	14.2%
Problems with landlord	9.7%

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