

TO: The Rt Hon Angela Rayner Secretary of State for Housing, Communities and Local Government, House of Commons, London, SW1A 0AA

9th September 2024

Dear Angela Rayner,

Re: Urgent action required to improve and enable move-on from homelessness services for single people in to the Private Rented Sector (PRS)

I am pleased to enclose a copy of **No Access, No Way Out**, a new report by independent researcher Becky Rice on behalf of social justice charity Commonweal Housing. This report reveals the shocking state and scarcity of private rented housing options for single homeless people. It comes following a <u>record surge</u> in rent prices, falling supply at the bottom-end of the market, and a rapid increase in the number of homeless people in need of low-cost housing.

I am writing to you on behalf of 25 organisations and individuals across the housing sector and those that work with individuals facing the injustices highlighted in this report.

With no route to the private rented sector (PRS) and systemic barriers to work, homeless but stable individuals are stuck in limbo as they cannot afford to leave their current, often high-cost transitional support services. This lack of move-on runs the significant risk of derailing other Government actions and priorities to address street homelessness and rough sleeping as front-line services and accommodation options remain silted up; as well as stymieing efforts from DWP and others across Government to get people back into employment and also significantly impinging upon wider ambitions on health and wellbeing metrics as people are trapped in more institutional homelessness services.

<u>A 2022 survey</u> by the homelessness membership charity Homeless Link showed that more than 40 percent of people living in services were ready but unable to move on from their current provision. In the two years since this data was collected, however, <u>new tenancy prices have risen by nearly a fifth</u>, meaning that this figure is likely even higher.

This is compounded by the fact that when people start working, their housing benefit is reduced, and so clients of homelessness services often must stay on Universal Credit as they cannot access a high enough income to cover their rent. This creates a poverty trap combined with the reluctance of many landlords at the lower end of the market to rent to those in employment, which – rightly or wrongly – they consider puts their income collection at greater risk where they are having to chase the tenants for some or all of the rent rather than relying upon stable benefit payments. Whether that should ever be the case is to some extent irrelevant as highlighted in **No Access, No Way Out** this <u>is</u> the reality faced by too many individuals caught in this system and witnessed by those organisations seeking to help and support them.

The report contains a range of recommendations as to how this system and this overlooked and too often ignored part of the market can be improved; some are for your department to enact; others your colleagues across Government and yet more for other bodies such as local government as well as the social and charitable sectors too; which Commonweal will be promoting with the sector.



Across Government: recommendations for a bold new approach to tackling injustice in the PRS

- Increase the delivery of new homes at scale as an urgent priority to prevent and relieve homelessness and ease market pressure. Create a realistic plan to deliver the promised new social rented homes.
- Take urgent action on the injustices facing private renters and ensure that the growing number of single homeless households, and those who have experienced rough sleeping, are included at the heart of this work.
- Ensure that a fairer, more equitable PRS is central to policy and strategy on ending rough sleeping, both in terms of preventing homelessness and facilitating move-on from homelessness.
- Create a new vision of ensuring safe and secure housing for all, taking a whole system
 approach across all tenures. Delivery of a fairer and more accessible PRS is critical to
 achieving this.
- Ensure that the direct input of people who have experienced homelessness is central to the development of plans for a fairer housing system.

Central Government: recommendations for specific departments

Ministry for Housing, Communities and Local Government

- Ensure that the new Renters' Rights Bill is robust enough to increase the rights of those who are accessing the cheapest end of the market including those who have experienced homelessness. The new Renters' Rights Bill must deliver:
 - a more secure PRS, with an end to no-fault evictions and a credible approach to enforcing this
 - duties and support for local authorities to deliver a stronger approach on the enforcement of poor housing conditions and illegal practices
 - an end to landlord discrimination when advertising for and selecting new tenants;
 current measures to prevent landlords specifying people not reliant on benefits are completely ineffective.
- Ensure that the short-term, negative impact of legislative change on those who are most
 disadvantaged in the market is foreseen and minimised. For example, landlords are likely to
 become more selective and cautious as no-fault evictions are removed, impacting those
 who need to move into lower-cost PRS to end their homelessness.
- Create a plan to maximise the use of existing buildings and housing stock, for example, through action on empty properties and action on voids in social housing.
- Address the imbalance between supported options in 'exempt accommodation' and more affordable, fully independent options through the implementation of the Supported Housing Regulatory Oversight Act 2023, which obligates local authorities to develop strategic supported housing plans, including quantifying existing supply and local need, and will create licensing requirements and National Supported Housing Standards.



- Ensure extended provision of high-quality commissioned supported housing (or other move-on options such as supported living approaches) for people who need support to move on from homelessness accommodation and are at risk of repeat homelessness or other adverse outcomes from living in the PRS.
- Investigate the proliferation of tiny studios being provided in London and enable local councils and regional governments to create some minimum standards for this type of accommodation, while retaining some flexibility to reflect stock in the local area.
- Work with HM Treasury to explore new mechanisms for incentivising landlords, delivered through the tax system, to create a more transparent, long-term approach, which moves the burden away from local authorities providing cash offers at the point of tenancy signups.

Department for Work and Pensions

- Evaluate the impact of the increases in the LHA on people subject to the benefit cap, and consider linking future increases to changes in the cap.
- Expand and evaluate programmes that provide a bridge from supported accommodation to employment, helping people to save for a deposit and access PRS on the open market.
- Consider removing the shared accommodation rate to address the additional challenges facing renters or potential renters aged under 35.

Home Office and MHCLG

Create a programme where housing advice is systematically provided to people before they
leave asylum support accommodation, to alleviate the huge numbers of people
approaching local authorities and homelessness charities for assistance, most of whom are
reliant on the PRS.

This is an absolutely urgent issue for the Ministry of Housing, Communities and Local Government and the whole of Government and requires your attention. We hope you and your colleagues at MHCLG will wish to explore the findings of this report, with Commonweal, the author or those frontline organisations who took the time to share their voice for this research.

Yours sincerely,

Ashley Horsey, Chief Executive at Commonweal Housing ashleyh@commonweal.org.uk and on behalf of those organisations and individuals noted below:



Homeless Link, Rick Henderson,

Chief Executive

Housing Justice, Bonnie Williams,

Chief Executive

Single Homeless Project, Liz Rutherfoord,

Chief Executive

Glass Door, Jo Carter,

CEO

St Mungo's, Dr Emma Haddad,

Chief Executive

HOPE *worldwide*, Rob Payne, Director of Homeless Services

Just Life Brighton, Simon Gale, CEO

Becky Rice, Independent Researcher and

Consultant

999 Club, Tom Neumark,

CEO

Bridges Outcomes Partnerships, Mila Lukic,

CEC

Porchlight, Adam Colthorpe,

Director of Communications

The Passage, Mick Clarke,

CEO

Hastings Borough Council, Cllr Glenn Haffenden, Deputy Leader of the Council and Portfolio Holder for Housing and

Community Wellbeing

London Housing Foundation, Ian Brady,

Executive Chair

Servol Community Services, Philip Gayle,

Chief Executive Office

P3 – People Potential Possibilities, Mark

Simms, Chief Executive

Quaker Social Action, Judith Moran,

Director

1625 Independent People, Dom Wood DL,

CEO

Nacro, Campbell Robb,

Chief Executive

Newham Community Renewal Programme,

Peter Laing, CEO

Fat Macy's, Victoria Western,

Impact & Learning Lead

RHP Group, Sarah Thomas,

Chief Executive

Fairer Housing, Jacky Peacock OBE,

Facilitator

Helen Bamber Foundation,

Zoe Dexter, Housing and Welfare Manager

Hackney Doorways, Kaaren Morris,

Acting Director

Thames Reach, Bill Tidnam,

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