

STUART FRANCIS- DUBOIS - SHELTER

Stuart briefly explained his background as a Director in Social Housing having worked in the sector for 35 years and had recently been appointed to lead Shelter's Plymouth office.

As well as supporting clients, in particular providing legal advice to those facing eviction, Shelter was increasingly focusing on influencing systematic change across the housing sector through special projects and, whilst a Devon and Cornwall wide body (largely Plymouth, Torbay, Bodmin and North Devon), it presently had only limited involvement with Exeter (although there had been a presence 15 years ago).

The focus on Plymouth was largely the result of the location of the office and a question of resources. Shelter did receive some Government support but relied on legal aid support as well as philanthropic and corporate backing.

The housing market was being driven by house prices which had doubled in the South West in the last 20 years, including the recent Covid induced surge by those seeking a changed lifestyle. In the last 10 years, the average monthly rent had increased by £200 and the cheapest two bed flat/house was now £800 to rent with the local housing allowance set at £679. The rental market had doubled in the last 20 years from 221,000 to 435,000 in Devon and Cornwall. Whilst there were large numbers of landlords with a small number of properties, institutional organisations were increasingly moving into the market.

Stuart referred to a recent case of a single mother with three children on a very low income and with a poor credit history evicted through a Section 21 Notice and moved initially to a Bed and Breakfast, then temporary accommodation in a single room with no window for nine months and now re-housed in a private rental but with the threat of another Section 21 notice being served. Moreover, further problems can emerge as a result of young children traumatised by the circumstances and leading to some of the underlying problems of homelessness being repeated. These were scenarios also evident from foster children leaving their foster homes - a County Council area. A further case was provided of two young people made homeless, one having to give up her college place.

As well as poor credit histories, issues around mental health, alcohol and substance abuse and domestic violence/abuse were other factors. Former prisoners who could not afford rentals would resort to crime as prison was a warmer option.

There was in effect a Rentquake with tenants facing unaffordable rents.

Social housing was unable to adequately address the problem with 108,000 currently on the social housing waiting list in Devon and Cornwall with 14-15,000 in Plymouth alone. Social housing providers were also able to "pick and choose", some undertaking assessments and rejecting those with high support needs or poor finances - it was estimated that three a week were refused social housing in Plymouth for finance reasons.

Not all elements of service charges such as window cleaning were covered by universal credit and it was a classic error to mistake those on universal credit as being unemployed. As a result of Grenfell, service charges were also increasing.

He anticipated that, without a revolution in house prices, the situation would worsen, certainly over the next two years with the squeeze on income and poor credit history. Some letting agents would not consider applicants for private sector rent unless income exceeded £30,000. A further problem was landlords asking for six months advance rental or unwilling or being awkward in releasing deposits which prevented move on to alternative rentals. Acknowledging the huge strain on resources, an option could be for local authorities to act as guarantors/under writers and for longer tenure to be secured. Whilst no longer relevant, some landlords were persisting in “no DSS” criteria.

Stuart advised that building additional social housing would be one way of alleviating the problem, although there was a view that new build was a means for social housing providers to increase their capital investment. New build by local authorities would be on a smaller scale. It was noted that the City Council was currently reviewing proposals for an Exeter Development Fund put forward by the One Public Estate. Another option would be to freeze temporary accommodation and supported housing by changing the allocation system in social housing, as providers were only taking those in more stable situations and excluding the most vulnerable through their risk assessments. Therefore it was not just private landlords adopting stringent criteria. Stigma from previous mental health issues, although some years in the past, was also a factor.

Changes in Government policy was always a risk when new initiatives were brought forward and there remained the reluctance to change the local housing allowance - currently there were no properties in Exeter affordable to rent with the existing rate of allowance and the percentile difference was even higher in some parts of Cornwall. The City Council's limited resources were targeted more at homelessness prevention.

In the whole, there were too many individual parts of the system broken and the only solution would be to build 100,000 homes in Devon and Cornwall.

There was a critical period following the service of a Section 21 notice for support to be available to help provide a home before the situation concludes in eviction via the courts. There was huge opposition to the Section 21 system hopefully to be addressed through the new Housing Bill.

Related to evictions/termination of tenure were conversions to Airbnb's/short term lets – there were 1,500 Airbnb's in South Hams and a significant problem in Cornwall because of the tourist influx, an issue also apparent in certain parts of the United States. They were not encumbered by the same restrictions and regulations as other rentals such as gas safety certificates and conversions back to rental properties was also not straight forward.

The Airbnb issue was an area Shelter could seek to become involved with. Similarly, it would look into “van living”, many who opted for this solution associated with the tourist industry and sometimes moving around the country to find work. Provision of shower blocks/toilet facilities, possibly in car parks, was an area of support required and would mirror the examples of portacabin accommodation provided in some areas.

Preponderance of student flats in both Exeter and Plymouth was often cited as exacerbating the homeless problems - some student flats for example in Plymouth remaining empty - students being exempt from Council Tax.

The national phone line was the avenue for those in Exeter wishing to contact Shelter although, because of the high demand, only 20% of calls could be

answered. Decisions have to be taken on which cases can be accepted, often reliant on legal aid.

Although house re-possession were tragic, at present because of positive equity, many were able to save some capital and if addressed early enough help from banks could be available.

Whilst previously, tenants could seek arbitration through the Inland Revenue when a landlord sought to increase rents, such a restriction no longer existed and, although the rent office still existed as part of the Inland Revenue, the Government was not looking to change the system. It could be argued that restrictions could lead to rentals drying up and there was also costs involved in a tribunal process.

Local authority homelessness services varied across Councils and Shelter was rolling out a training programme based on issues that had arisen with individual cases and which had led to appeals and potential legal action (Shelter always had at least one appeal on the go at any one time, although more cases had to be turned down). One Council was reorganising its system, changing to group evaluations of individual cases - a system already adopted at Exeter. Shelter could also offer training to City Council officers. Cartridges Solicitors were the main source of legal aid support with cases in Exeter.

He undertook to provide the Group with data on the rental market.

The Chair thanked Stuart for attending.

2022 Data supplied by Shelter on 11 January 2023

Here is the data for the Plymouth Hub for 2022.

No of cases – 610

No of distinct clients – 560

15% of clients were homeless

21% of clients were threatened by homelessness

55% of clients were in private rented accommodation

18% were in social housing

7% were owner occupiers

48% were threatened by eviction

18% applied as homeless and were refused by the local authority

12% needed to leave their home due to harassment or ASB

72% of clients were single

19% were families

6% were under 25

20% were aged 25 to 34

50% were aged 35 to 54

24% were aged 55 or over

What is happening in the South West

Affordability is a growing issue in the South West.

House prices and the cost of renting have grown sharply up to 2022, with house prices growing by 174% since 2002 and average rents increasing by 35% over the last ten years.

19,800 new houses were built in 2019/20 with 1,404 of that number being social homes.

In 2019 there were 108,239 households on the social housing waiting list.

Average monthly rent for a two bedroom property was £608 in 2011 increasing by 35% to £819 in 2021/22.

% of homes meeting the Government's decent homes standard is 82% with 18% non-decent.

The average house price in 2001 was £119,000 and in 2021 it was £326,000.

The number of households renting privately in 2000 was 221,417 and in 2020 it was 435,000.

The number of people in temporary accommodation in 2020 was 1,290.

The number of people sleeping rough on an average night in 2021 was 330.