

# Citizens Advice Scotland response to the COVID-19 Committee's call for views on COVID-19 legislation: next steps

## February 2021

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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 views on next steps for COVID-19 legislation. Our response will focus on the provisions in Part 1 of the Acts relating to housing.

### Response to Questions

- Should Part 1 of the Coronavirus (Scotland) Acts be extended to September 2021?

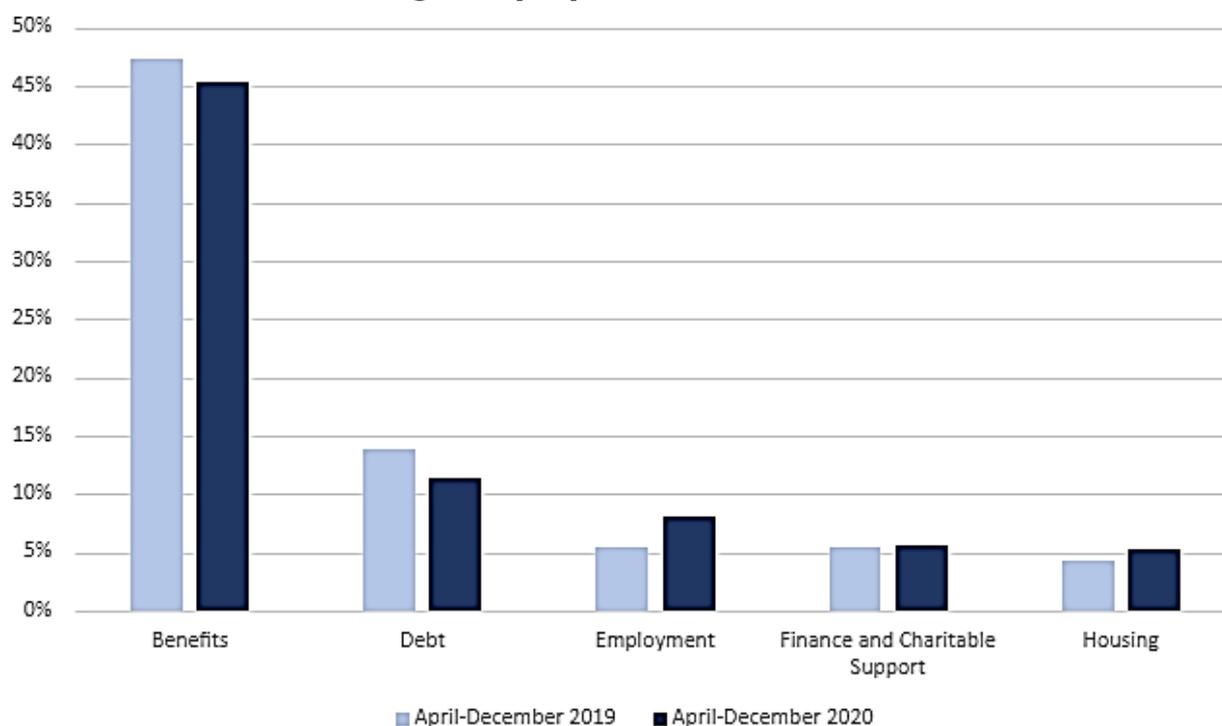
Yes, CAS believes that Part 1 of the Coronavirus (Scotland) Acts should be extended, specifically the provisions regarding eviction from dwelling-houses in the first Act, and protection of the individual in the second Act, until at least September 2021. We base our position on our statistics which have shown that many people in Scotland are still struggling with housing costs, particularly in the private rented sector and we expect this to continue for the foreseeable future. We believe that Scotland is still in a very unpredictable time with the Bank of England recently cutting its growth forecasts for the UK and suggesting that unemployment may not even peak until summer 2021.<sup>1</sup> However, this projection is based on current rates of vaccine rollout and if anything such as a shortage or a delay were to occur, it may be much longer until the economy has sufficiently recovered to support people back into jobs in the hardest hit industries.

Below, we have provided some statistics which give an insight into the challenges and concerns many people in Scotland are facing in terms of affording their housing. Chart 1 indicates the most frequent types of advice the network of Citizens Advice bureaux in Scotland gave out between April and December 2020, compared to the same period in 2019. The chart shows that housing as a proportion of all advice has increased slightly from 4% in 2019 to 5% in the same period in 2020 and while this seems a small change, this represents a 24% increase between these periods which in practice is a jump of thousands of pieces of advice. We can also expect the slightly bigger proportionate increase in employment advice to have a knock-on effect on housing issues.

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<sup>1</sup> <https://www.bankofengland.co.uk/-/media/boe/files/monetary-policy-report/2021/february/monetary-policy-report-february-2021.pdf>

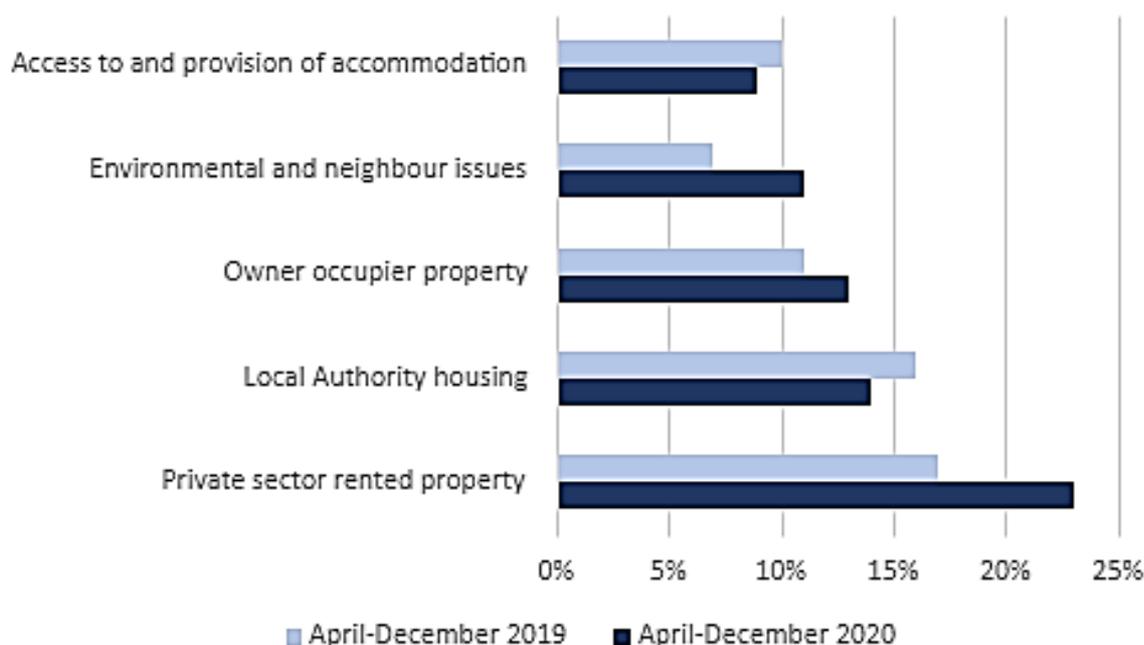
**Chart 1. Advice on housing as a proportion of all advice**



	Benefits	Debt	Employment	Finance and Charitable Support	Housing
<b>April-December 2019</b>	47%	14%	5%	5%	4%
<b>April-December 2020</b>	45%	11%	8%	6%	5%

Delving deeper, Chart 2 shows the common types of housing advice given by bureaux, which indicates an interesting shift in the most common types of housing advice provided in the space of a year, suggesting that a different type of housing advice need has arisen during the COVID pandemic. Advice on private renting and local authority housing were similar in the first three quarters of 2019, but have diverged quite significantly over the same period in 2020, with a much higher proportion of advice being given on private renting in 2020.

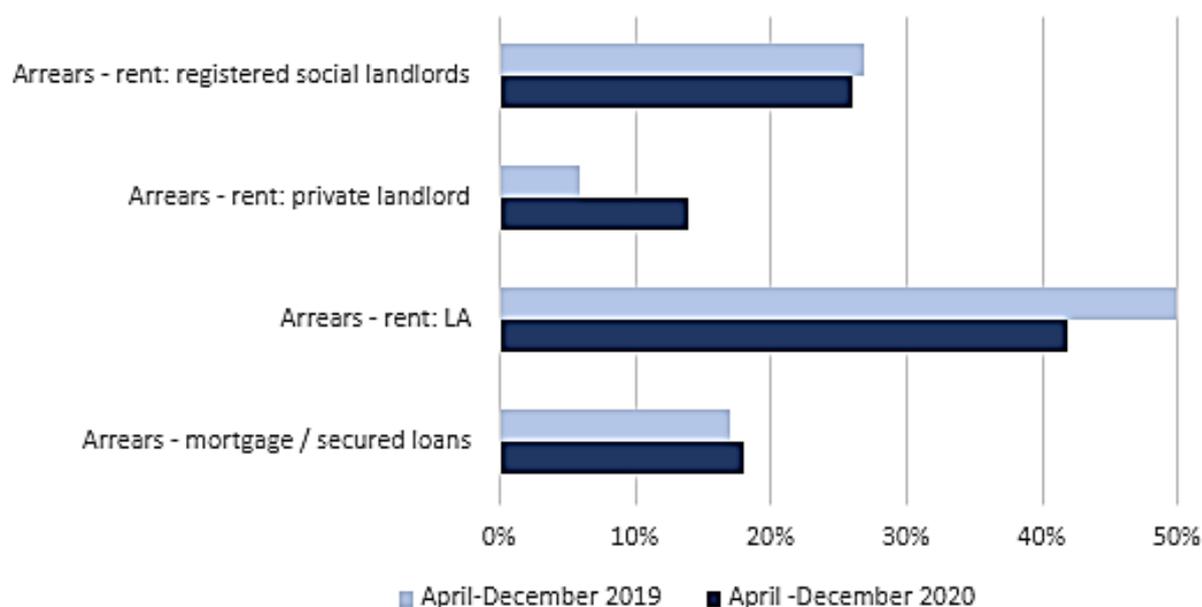
**Chart 2. Most common types of housing advice (as a proportion of all housing advice)**



<b>Most common types of housing advice as a proportion of all housing advice</b>	<b>April-December 2019</b>	<b>April-December 2020</b>
Private sector rented property	17%	23%
Local Authority housing	16%	14%
Owner occupier property	11%	13%
Environmental and neighbour issues	7%	11%
Access to and provision of accommodation	10%	9%

Our data also indicates that many households are struggling with rent arrears, and we want to avoid a cliff-edge scenario happening when protections from evictions are lifted, and risking a wave of evictions. As Chart 3 indicates, whilst advice relating to arrears in the social rented sector (registered social landlord and local authority housing) remain the highest proportion of housing cost arrears advice, it is lower in 2020 than in 2019. Advice given about private sector arrears has increased significantly from 6% to 14% in the past year.

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



Types of arrears as a proportion of all housing arrears	April-December 2019	April-December 2020
Arrears - mortgage / secured loans	17%	18%
Arrears - rent: LA	50%	42%
Arrears - rent: private landlord	6%	14%
Arrears - rent: registered social landlords	27%	26%

We anticipate that this jump in advice about private rented sector arrears, and fall in social rented sector arrears may be attributed to a number of factors. Firstly, the demographic of the PRS may be a factor – most PRS tenants are in the 25-34 age bracket<sup>2</sup> and perhaps more likely to have been working in the industries hardest hit by the pandemic<sup>3</sup>, such as tourism and hospitality. Rents are also generally higher in the PRS, which may lead to scenarios where even if a person has successfully applied for Universal Credit, there may be a shortfall between their housing element and their actual rent. Tenants in the social rented sector are also more likely to have access to support when they get into the arrears, due to the presence of housing officers and other support infrastructure from social landlords.

As such, the protections contained within the Coronavirus (Scotland) Act are likely to be the minimum action required beyond March 31<sup>st</sup>, when they are currently due to expire. Extended notice periods, pre-action requirements and maintaining the discretionary nature of eviction

<sup>2</sup> <https://www.ons.gov.uk/economy/inflationandpriceindices/articles/ukprivaterentedsector/2018>

<sup>3</sup> <https://www.theguardian.com/business/2020/oct/26/covid-job-losses-hitting-young-people-hardest-in-uk-study-finds>

grounds will support tenants in all sectors to access the assistance they need to stay in their homes and avoid the risk of homelessness and destitution brought about by evictions.

CAS therefore supports the extension of these provisions as a crucial foundation to avoiding evictions, and the risk they pose to individual and public health. However, further measures to support tenants are required to prevent evictions when these powers eventually do lapse. The hardship faced by those facing eviction is devastating and public services cannot contribute to an effective recovery if they are under increased strain caused by a rise in homelessness.

Beyond the existing emergency legislation, we call on the Scottish Government to help avoid this crisis by considering where they can most effectively intervene. We believe one solution to this is increasing funding for Discretionary Housing Payments and enabling greater flexibility in their use, which would ensure that landlords still get paid, and are therefore less likely to evict tenants. We are also aware of tenants who cannot access existing support at all due to not being eligible for Universal Credit or Housing Benefit.

We acknowledge the other steps that the Scottish Government has introduced to try and support tenants such as the Tenant Hardship Loan Fund but so far, successful applications have been low and CAS are concerned about households taking on more debt. We suggest that a new grant scheme to help pay off arrears accumulated during the pandemic would help more people avoid eviction, provide a more stable foundation for recovery and prevent greater spending being required at a later date. This fund should be available to those who otherwise are usually able to meet their housing costs, but whose income has been temporarily affected and who may not qualify for Universal Credit and by extension, DHP.

- Are sufficient equality and human rights safeguards in place to extend the powers?

No answer.

- What impact might the pre-election recess period have on the governance and scrutiny of Scotland's Covid-19 response? How can this be addressed?

We are mindful that there is only limited time before the Scottish Parliament enters the pre-election recess and so time to pass legislation is also limited. We are concerned that if these measures are not passed now, and the COVID situation escalates again during the pre-election period, there will not be the opportunity to put measures into place and this will be to the detriment of communities in Scotland. We say this as many of these measures and regulations are designed to physically help limit the spread of COVID, for example, by not requiring a person to move home due to an eviction. We therefore believe that extending Part 1 of the Acts is a proportionate and appropriately cautious response, even if the COVID situation remains the same or improves over the pre-election period.

- What can be done to support the public to understand and comply with the public health restrictions in 2021?

No answer.

- What priorities should inform the Scottish Government’s strategy and response to Covid-19 in 2021?

The Scottish Government should prioritise ensuring that everyone in Scotland has a safe and secure home. Despite encouraging developments with the vaccine roll-out, it is not clear when the emergency period will come to an end and it is very likely that the adverse effects will still be felt for a long time. As outlined in our response to Question 1, it appears that many people in Scotland are now struggling to keep their homes. We are particularly seeing an increase proportion of advice sought on PRS arrears, which indicates that they may be at risk of eviction when the protections relating to housing under Part 1 of the Coronavirus (Scotland) Act 2020 expire.

As above, while we acknowledge and welcome the measures that the Scottish Government has implemented thus far, gaps remain which put several groups at risk of eviction and resultant homelessness. We therefore call on the Scottish Government to prioritise the following three specific areas:

- 1) Helping people financially to deal with arrears accumulated during the pandemic. This should include the consideration of a new temporary grant fund and temporarily expanding DHP guidance to help repay rent arrears accrued during and because of the pandemic.
- 2) Filling the gaps in current assistance i.e. offering better support to groups who do not qualify for help through Discretionary Housing Payments or the Tenant Hardship Loan Fund, such as people with NRPF<sup>4</sup>, students and those who otherwise do not qualify for Universal Credit.
- 3) Looking ahead to how people will manage during and beyond the recovery, including managing the cost of living with decreased income while the economy is subdued and employment opportunities are limited.

We believe these three areas will help the Scottish Government fulfill its Fairer Scotland duties by ensuring that those worst hit by the pandemic will not be locked out of our recovery. If provision isn’t made to sustain tenancies and keep people in their homes, Scotland could face a homelessness crisis. This will be devastating for those facing homelessness, for public services struggling to cope, and for Scotland’s aim to build back better. We also strongly believe that the Scottish Government should be working with the UK Government to temporarily lift the restrictions on NRPF households and allow them to access public funding in order to access help to prevent them from losing their home.

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<sup>4</sup>We are aware that discretion to lift NRPF conditions remains with the UK Government, and have written to the UK Government as chair of the PRS resilience group to make this ask. However, some exemptions in relation to social care do exist that are at the discretion of local authorities and dependent on individual circumstances.

- If a similar emergency happens again, what powers should be re-used? What powers should be modified?

In the event a similar emergency happens again, we believe that it is appropriate to introduce the same measures as in Part 1 of the Act, with increased and expanded temporary funding options to help tenants avoid building up rent arrears and risking eviction. Additionally, through our CAB network, we are aware that more advice was sought during the pandemic in relation to PRS landlords attempting to harass and illegally evict tenants. We would therefore call for strengthened enforcement against such illegal activity. The table below shows the number of pieces of advice given for the relevant advice codes and makes for concerning reading. In line with the proportionate increases we referred to in question one, there has been an absolute rise in the number of pieces of housing advice and specifically PRS advice issued between comparable periods in 2019 and 2020. While advice related to “complaints / harassment” has risen at roughly the same rate as PRS advice in general, there is a much larger increase in the advice on “harassment / illegal evictions”. Both metrics have seen quite a significant jump between 2019 and 2020, despite the new measures put in place at the beginning of the pandemic to protect tenants from unnecessary eviction. These statistics may be reflective of a lack of awareness concerning the new extended protections, in which case Police Scotland, the Scottish Government and landlord organisations could do more to promote understanding of the changes.

	Apr-Dec 2019	Apr-Dec 2020	% difference
<b>Harassment / illegal evictions</b>	166	286	+72%
<b>Complaints / harassment by landlord</b>	314	457	+46%
<b>All PRS advice</b>	6545	9657	+48%
<b>All housing advice</b>	21,639	22,862	+5.6%

**For more information please contact:**

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