

Rt Hon Robert Jenrick MP  
Secretary of State for Housing, Communities and Local Government  
Ministry of Housing, Communities and Local Government  
2 Marsham Street  
London  
SW1P 4DF

14 September 2020

Dear Secretary of State,

**Re: Evictions ban and courts reform**

ARLA Propertymark welcomes your recent announcement that from 21 September 2020 the courts in England and Wales will start to hear possession hearings again. We urge you to stick to the timetable for courts reopening but also reflect on the implications of Covid-19 and look to adequately resource and amend the existing courts system.

ARLA Propertymark represents nearly 10,000 letting agents across the UK. Throughout the pandemic we have advised and encouraged all our members to work with tenants and landlords in order that they show flexibility and avoid any tenants being evicted because of Covid-19. The vast majority of agents and landlords are doing all that they can to help tenants who are facing financial difficulties because of job losses or furlough.

To this end, it is vital that the courts begin hearing cases again as soon as possible so that those who choose not to pay or are guilty of unacceptable behaviour face justice. We are concerned that tenant arrears prior to the Coronavirus pandemic are unrelated to the outbreak and should be treated separately. In addition, further last-minute announcements delaying the courts from reopening and extending notice periods, fail to consider the practical implications and knock-on effects for agents as businesses who manage multiple tenancies.

Importantly, when the stay on evictions was announced, thousands of cases which were non Covid-19 related became stuck in the court system, often cases of anti-social behaviour and refusal to pay. For example, there is a case in North London of a woman who incurred £22,000 in rent arrears prior to Covid-19 and was due to appear in court w/c 30 March 2020 just as evictions were banned. This meant that she no longer had to face court and now owes arrears close to £30,000, which has caused the landlord extreme financial hardship. It is vital that when the courts reopen, they prioritise cases involving anti-social behaviour and cases where landlords have received no rent for over a year and face unmanageable debts.

Looking forward, long-term confidence and investment in the private rented sector are vital as the sector continues to house the nation. However, unfortunately, tenants already in arrears have now been given additional cover by the UK Government to continue to stay at properties for many more months without paying rent. We are concerned that the UK Government has not formulated a plan to deal with a huge backlog of cases expected as soon as the courts start hearing cases again. We estimate that when the stay on possession claims expires, there will be a potential backlog of over 62,000 "business as usual" landlord possession claims to be processed across England and Wales, this figure excludes any claims for possession that may have arisen as a result of Covid-19.

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We are aware of the introduction of ten 'Nightingale courts', which may be able to hear housing cases. However, we do not think that ten courts are enough. Our calculations show that, on average, landlords who issued a claim on the day the evictions started face a loss in rental income of £8,549 or in total £530 million. Every week a landlord must wait to regain possession of their property is a week of lost income, particularly affecting private landlords and agents who may be relying on rental income to pay their own mortgages and bills. We are aware of many older landlords, especially those with only one or two properties, who face extreme financial hardship as a result of the courts not reopening. Most landlords are not millionaires and are extremely susceptible to financial difficulties once the payment of rent ceases.

The UK Government has announced a Renters' Reform Bill that will abolish the use of 'no fault' evictions by removing Section 21 of the Housing Act 1988 and reforming the grounds for possession. However, in the absence of any meaningful plan to boost the level of social housing, the removal of Section 21 from the Housing Act 1988 will impact good landlords in the private rented sector who house the nation. If Section 21 is removed, Section 8 must be reformed, and a new specialist housing tribunal created. All grounds for possession both existing and new, should be made mandatory in order to effectively compensate for the removal of Section 21. Without this, supply will almost certainly fall which will have the consequential effect of raising rents and will further discourage new landlords from investing in the sector. Easier access to justice would reduce the risks for landlords. For a landlord who is receiving no rent, still has a mortgage to pay and remains obligated to maintain the property, the costs are unsustainable.

ARLA Propertymark is willing to engage positively with the UK Government to ensure everyone fully understands the consequences of any changes and to use the collective resource and evidence from our membership to ensure any reforms are workable.

I look forward to hearing from you.

Best wishes,



**Timothy Douglas**  
**Policy and Campaigns Manager**  
**ARLA Propertymark**