



Ministry of Housing,
Communities &
Local Government

Melanie Onn MP
House of Commons
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Mrs Heather Wheeler MP
Minister for Housing and Homelessness

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Dear Melanie

During the Westminster Hall debate on 6 December about the use of Section 21 evictions in the private rented sector, you asked about the position of local authorities that do not have a Housing Revenue Account (HRA). Such authorities had divested their housing stock to a housing association, and you were interested in how they could build council housing. I promised to write to you to clarify the answer that I provided during the debate.

Local authorities that do not have a HRA can borrow in line with the Prudential Code to build up to 200 homes without opening a HRA, subject to requesting a direction not to account for those homes in a HRA from the Secretary of State. Once an authority has built 200 homes, they must open a HRA.

Therefore, local authorities without a HRA at present can get on and build if they wish, and will be subject to the same rules as other local authorities once they have built more than 200 homes and opened a HRA.

You also raised a point at the debate relating to local authorities assisting those who have left the property early- that is, having been issued with a court order to leave the property, but before being evicted by bailiffs.

The statutory Homelessness Code of Guidance, which local authorities are required by law to have regard to, is clear on this matter. It contains guidance on how local authorities should treat homelessness applications in circumstances where a tenant has received a valid s21 notice. It says that housing authorities should not, in every case, insist upon a court order for possession and that no local authority should adopt a blanket policy in this respect. The guidance states that if the landlord intends to seek possession, and there would be no defence to an application for a possession order, then it is unlikely that it would be reasonable for the applicant to continue to occupy the

accommodation. It is not, therefore, reasonable for a local authority to require tenants to remain in the property or to find them intentionally homeless for leaving it.

Furthermore, I can confirm that the Homelessness Reduction Act brought in a new prevention duty, which requires local authorities to take a homeless application and accept a duty to prevent homelessness when a tenant has been served with a valid Section 21 notice, which is due to expire within 56 days. This will mean tenants will receive support earlier and for longer, and cannot be told to come back for assistance when they are actually homeless.

The Ministry of Housing, Communities and Local Government has a dedicated Homelessness Advice and Support team in place which works with Local Authorities to support implementation of the Homelessness Reduction Act and provide challenge and advice to improve their performance.

I am copying this letter to Karen Buck MP, who secured the debate.

I will place a copy of this letter in the Library of the House.

A handwritten signature in black ink, appearing to read "Heather Wheeler". The signature is written in a cursive, flowing style with a long horizontal stroke extending to the right.

MRS HEATHER WHEELER MP