

Families face bleak Christmas under threat of eviction due to Universal Credit rollout – Corbyn

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Universal Credit is so likely to lead to rent arrears, a lettings agent has taken the “extraordinary” step of issuing notices of eviction to its tenants, Labour reveals today.

Hundreds of families in North East Lincolnshire are thought to have received the ‘section 21’ notices from GAP Property ahead of next month’s rollout of Universal Credit (UC) in the area.

Section 21 notices give a tenant two months’ notice that they may be evicted and lasts for six months, during which time possession proceedings can be issued without further notice and without fault on the part of the tenant.

It comes after the National Landlords Association found just two in 10 of their members would let to a tenant who receives UC or housing benefit, and a major housing association reporting the arrears rate for those claiming UC is around three times higher than for other tenants.

An investigation by The Observer newspaper recently found half of all council tenants on UC across 105 local authorities are at least one month behind on their rent, compared to less than 10% who remain on housing benefit.

In the letter, GAP Property tells tenants UC is being rolled out in North East Lincolnshire from 13 December and states it “cannot sustain arrears at the potential levels Universal Credit could create (this affects the vast majority of our tenants)”.

The letter concludes: “This is an extraordinary event that requires both you and us to take extraordinary measures.”

Labour Leader Jeremy Corbyn, who raised the issue with Theresa May at Prime Minister’s Questions, said:

“Blanket notices of eviction handed to tenants because of Universal Credit are totally unacceptable, should shock us all and bring shame on this Conservative Government.

“Ministers have been told over and over again that the rollout of their flagship social security policy is causing debt, hardship and homelessness, and this is further proof of the devastating impact it is having. The Tories must immediately pause the rollout and fix these problems that are turning people’s lives upside down.”

John Healey MP, Shadow Housing Secretary, said:

“This letter shows that the Government’s Universal Credit chaos is leading directly to threats of eviction. People on ordinary incomes, both in and out of work, are paying the price for ministers’ ideology and incompetence.

“The actions of the letting agent are shocking, but the buck stops with ministers. During seven years of failure on housing, this Government has ignored renters with no protection against poor standards, no control of rising rents and no action on constant insecurity.

“Ministers must pause universal credit and fix the problems, and act on Labour’s plans to give renters the consumer rights they deserve.”