

Safer Renting Press Release

00:01 hrs April 24th 2024

Renters Reform Bill 3rd Reading 25th April 2024

“Amendment to scrap landlord licensing proposal ‘risk leaving tenants at the mercy of unscrupulous landlords’, say experts”

Safer Renting affirms our membership of the Renters Reform Coalition and supports its statement (attached) embargoed till 24th April. Following the recent amendments tabled by the Government, we do not believe that the Bill in its proposed form will deliver meaningful reform for renters, and we are concerned that many of the proposed amendments might make things worse.

The existing property licensing framework provides vital tools for local authorities to require landlords to improve property conditions for renters and to take enforcement action if standards are not met. In preparing the Renters Reform Bill, no work was undertaken to consider the importance of or need to strengthen the existing licensing framework for homes in the private rented sector; a missed opportunity.

Safer Renting’s recent report – ‘[Licensing Private Rented Homes](#)’ – therefore recommended that the government should fund and support the expansion of licensing and its enforcement, as a vital tool to ensure that the homes available to rent in the private sector meet the basic minimum standards for human habitation.

In summary, the key findings of the report were:

- Almost all private rented properties brought forward for licensing fail to meet the standards required for a licence to be granted;
- Many properties required multiple inspections before reaching the required standard; and
- Introducing a landlord register alone won’t be enough to tackle poor property conditions, unless supported by an inspection regime.

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We are disappointed to see an attempt at ‘hijacking’ this Bill as a vehicle for abolishing selective licensing entirely. We call on all MPs to reject the backbench amendment (NC1), on the grounds that:

- it has not been given full and proper consideration;
- the proposed Property Portal does not exist and will not exist for some time; and
- that such a move would fatally undermine the core means by which rental homes standards can be maintained.

Roz Spencer, Head of Service at Safer Renting, says:

“ Our Licensing Private Rented Homes study tells us Selective Licensing needs strengthening with enhanced programmes of inspection and enforcement. This report adds to the government’s own data (in ‘A Fairer PRS’), showing that even where licensing is in place, landlord non-compliance is the norm. The report recommends improving enforcement powers with measures such as annual property inspections and continuing schemes until there is evidence it is no longer required.

“Abolishing selective licensing risks undermining the entire stated purpose of Renters Reform Bill: improved security of tenure for renters isn’t really worth having if the homes they have the right to stay in aren’t Fit for Human Habitation.”

Notes to editors:

1. Safer Renting’s report [‘Licensing Private Rented Homes’](#) is based on case study work in five London boroughs: Camden, Ealing, Enfield, Waltham Forest and Westminster.
2. Currently, local authorities can set up a local landlord licensing scheme if approved by the Secretary of State. Without a licensing programme and resources to inspect, local authorities have very little data on property conditions in their local rental market.
3. Local authorities aiming to introduce discretionary (including selective) licensing regimes may find the process prohibitively expensive and time-consuming. Decision-making around securing Secretary of State approval for licensing demanded data, which is either unavailable or unreliable, requires a technical workforce that is in short supply nationally. In its application, the approval mechanism lacked transparency.
4. It took time for a licensing scheme to ‘bed in’: in early years, the scheme helped gather intelligence on non-compliance, which then enabled strategic decision-making about how hard-line enforcement should be targeted.

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5. The report recommended that, for licensing to be of value rather than a ‘tick box’ process, local authorities needed to be resourced to deliver annual inspections, and that licensing regimes should be in place unless and until no longer needed, a period of at least ten years.

Broader context

In London, the proportion of non-decent PRS dwellings in 2020 was 22.8 per cent, slightly higher than the national average of 21.1 per cent. Licensing often targets ‘houses in multiple occupation’, or shared properties. Surprisingly, little information is available on HMOs in the private rented sector. This kind of property is regarded as having a higher risk of fire; failure to meet property standards is equated to poor-quality conversion. London has the highest proportion of households living in households with other unrelated adults (6.2 per cent; the national figure is 2.8 per cent). This equates to around 550,000 individuals. Local authorities are often unaware of the number of HMOs in their area specifically, or indeed of the size and geographic dispersal of PRS properties more generally.

This research was undertaken by the Safer Renting tenancy rights advocacy service, which works across ten London boroughs. They find that 73 per cent of their clients whose landlord should have secured a property licence had not done so. Safer Renting routinely finds that where a property is not licenced, there is evidence of multiple contraventions including failure to secure gas safety inspections, and lack of adequate fire protection measures.

Further information

1. Media Enquires: Roz Spencer, 07539 326012 rspencer@ch1889.org
2. To find out more about Safer Renting please visit <https://ch1889.org/safer-renting>
3. Safer Renting is a service established by Cambridge House in 2015 to protect the rights of private rented sector tenants exploited and victimised by criminal Landlords. In 2020 it published the award-winning report “Journeys in the Shadow Private Rented Sector”.

Safer Renting:

- Works in partnership with local authorities and the police to intervene in illegal evictions and prevent homelessness.
 - Provides access to justice for victimised tenants.
 - Inform the development of public policy by undertaking research that exposes the activities of criminal landlords and the devastating impact on vulnerable families.
4. Cambridge House is an independent social action charity established in 1889 to create positive change in the lives of those most impacted by poverty, social injustice, and social inequity in our society. For more information about Cambridge House please visit <https://ch1889.org/>

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In its current form, the Renters (Reform) Bill will be a failure.

The 2019 Conservative Manifesto promised a ‘better deal for renters’ and the government’s White Paper promised a private rented sector “with affordability, security and quality at its heart.”

We have been clear from the outset that the Renters (Reform) Bill would have no chance of achieving these aims without significant changes.

Unfortunately, as groups representing and working alongside private tenants in England, our concerns have not been taken seriously. It is revealing that ministers have met with lobbyists for landlords and estate agents twice as often as they have met groups representing renters¹.

Instead of engaging with us, the bill has been watered down again and again by the government, with several rounds of damaging concessions to backbench MPs that have fundamentally weakened it. The amendments tabled recently by the government are just the final straw.

The result of all the government’s backtracking is that we now have a bill that abolishes section 21 in name only – there is no guarantee it would ever fully abolish section 21, and even then the new tenancy system set to replace it will be little better. This legislation is intended to give the impression of improving conditions for renters, but in fact it preserves the central power imbalance at the root of why renting in England is in crisis.

That crisis summarised: tenants face constant insecurity, with more than a quarter of all private renters having lived in three or more private rented homes in the previous five years², and average tenancy lengths well below other European countries. Poor conditions are also rife, with 22% of privately renting households reporting avoiding making complaints for fear of being evicted³. This fear is not unfounded, with a shocking 46% of those who complain about conditions receiving a section 21 notice within 6 months⁴. Meanwhile, a lack of affordability is plaguing renters, with large numbers of households on low incomes being charged rents they cannot afford, without access to alternative housing options. The result is record numbers of people being made homeless, and an increasingly untenable financial strain on local authorities due to the number of households trapped in temporary accommodation.

To the renters we represent and work alongside we say: in its current form this bill isn’t the change we have been promised, the change that might start to tackle this crisis in private renting.

It is not too late to fix it. We are calling on ministers to immediately table amendments that enact our proposals.

If we do not see a change in this government’s approach, it will fall to whoever forms the next government to introduce the change that renters demand and so desperately need.

The RRC sets out the following conditions to give our full support for a package of rental reforms:

- Reversing the concessions to the Bill made to backbench MPs which see the end of section 21 delayed indefinitely, trapping tenants into tenancy for 6 months, and reviewing selective licensing to reduce the burden on landlords.
- Giving tenants 4 months’ notice when they are evicted, rather than 2 months’ notice proposed at present (and which is the same as the status quo for section 21 evictions).

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- Protecting renters from eviction under the new landlord circumstances grounds for the first two years of a tenancy, rather than the 6 months proposed which offers no improvement on the status quo.
- Implementing strong safeguards to prevent unscrupulous landlords abusing the new grounds for eviction, which risk being used in essentially the same way as section 21 notices.
- Giving courts maximum discretion to identify if there are good reasons why an eviction should not take place.
- Limiting in-tenancy rent increases at the lowest of either inflation or wage growth, to prevent unaffordable rent increases being no-fault 'economic' evictions.

References:

1. <https://www.politicshome.com/news/article/ministers-met-landlords-twice-often-tenants-groups-renters-reform-bill>
2. https://england.shelter.org.uk/media/press_release/every_seven_minutes_a_private_renter_is_served_a_no-fault_eviction
3. <https://www.gov.uk/government/statistics/english-housing-survey-2021-to-2022-headline-report/english-housing-survey-2021-to-2022-headline-report>
4. <https://www.theguardian.com/money/2018/aug/23/uk-rent-groups-deliver-petition-calling-for-ban-on-unfair-evictions>

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