

Improving regulation and accountability in the private rented sector

Cecil Sagoe, Policy Officer, Shelter

Shelter's private rented sector work

Our purpose

- To campaign for everyone to have access to a safe, secure and affordable home.

Overarching issues we are tackling within the private rented sector

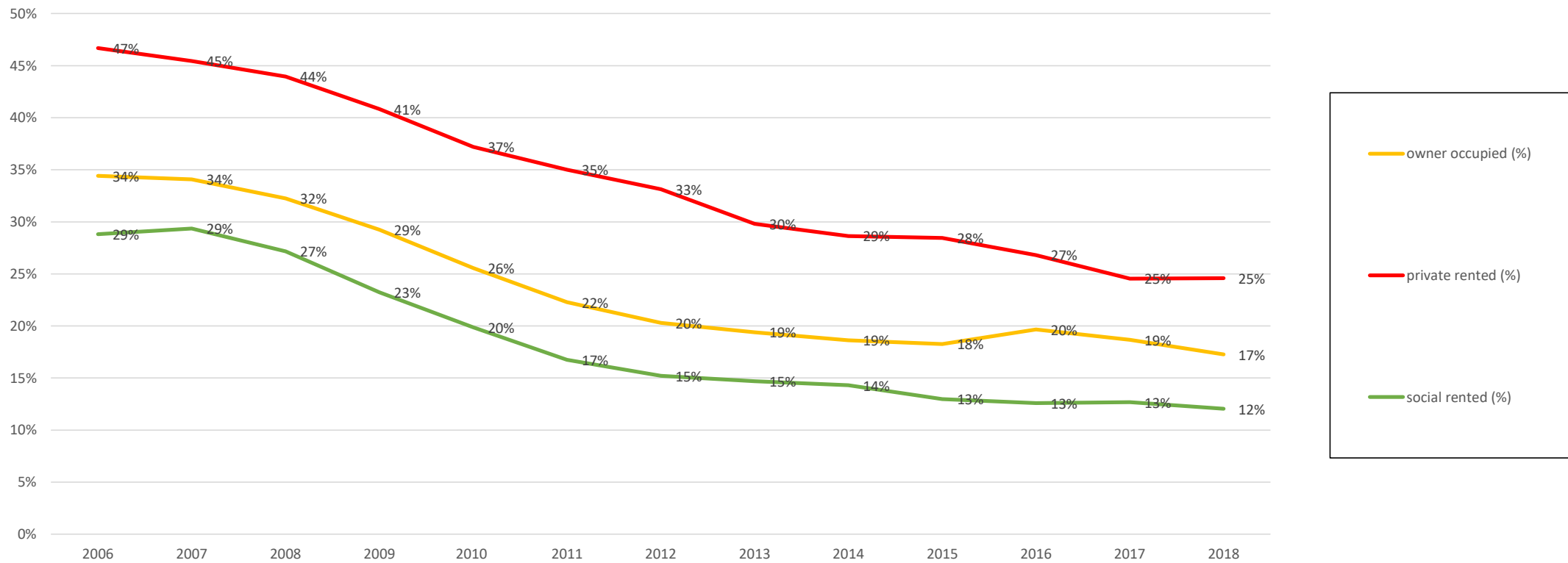
- Lack of accountability
- Discrimination in the sector
- Lack of security for renters
- Housing unaffordability

Presentation themes

1. Issues with property conditions that private renters experience
2. Problems with landlord and agent practice that private renters experience
3. Discrimination in the sector
4. Problems with the current regulatory framework for holding landlords and agents to account
5. Solutions that are needed
6. Political opportunities for change

Problems with property conditions

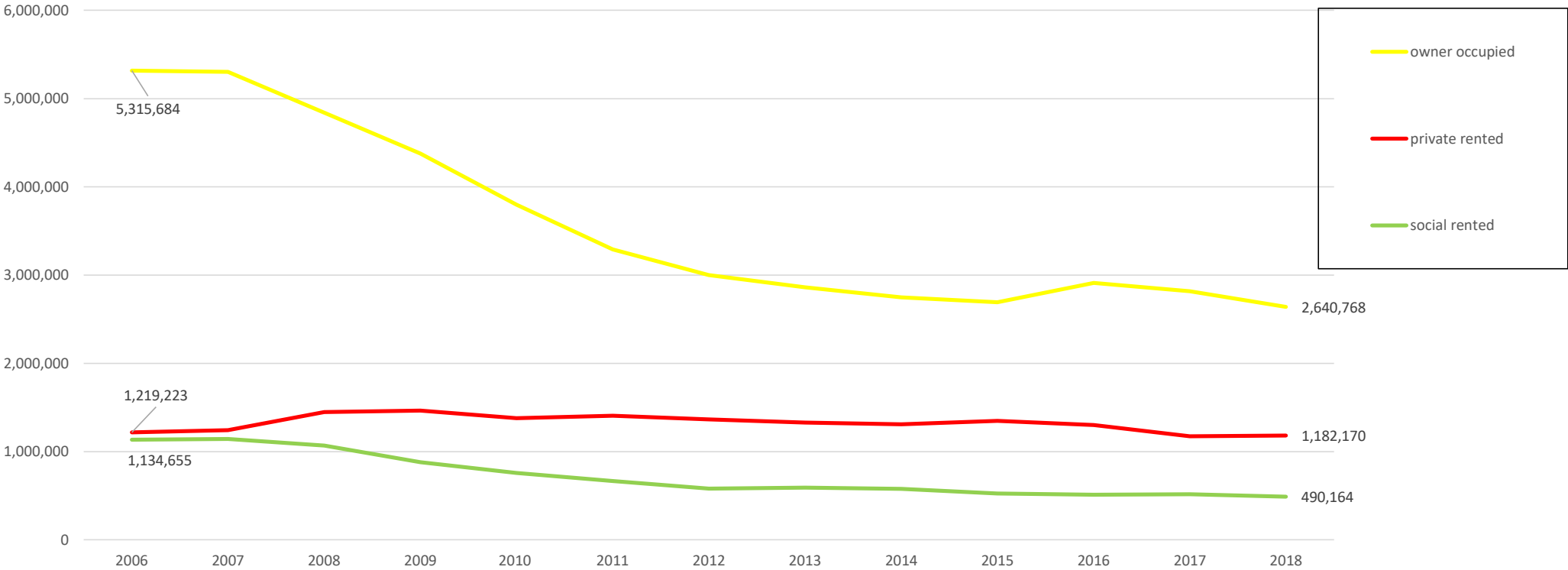
% of homes failing Decent Homes Standard



Source: English Housing Survey, MHCLG, 2018/19, Annex table 2.2

Problems with property conditions

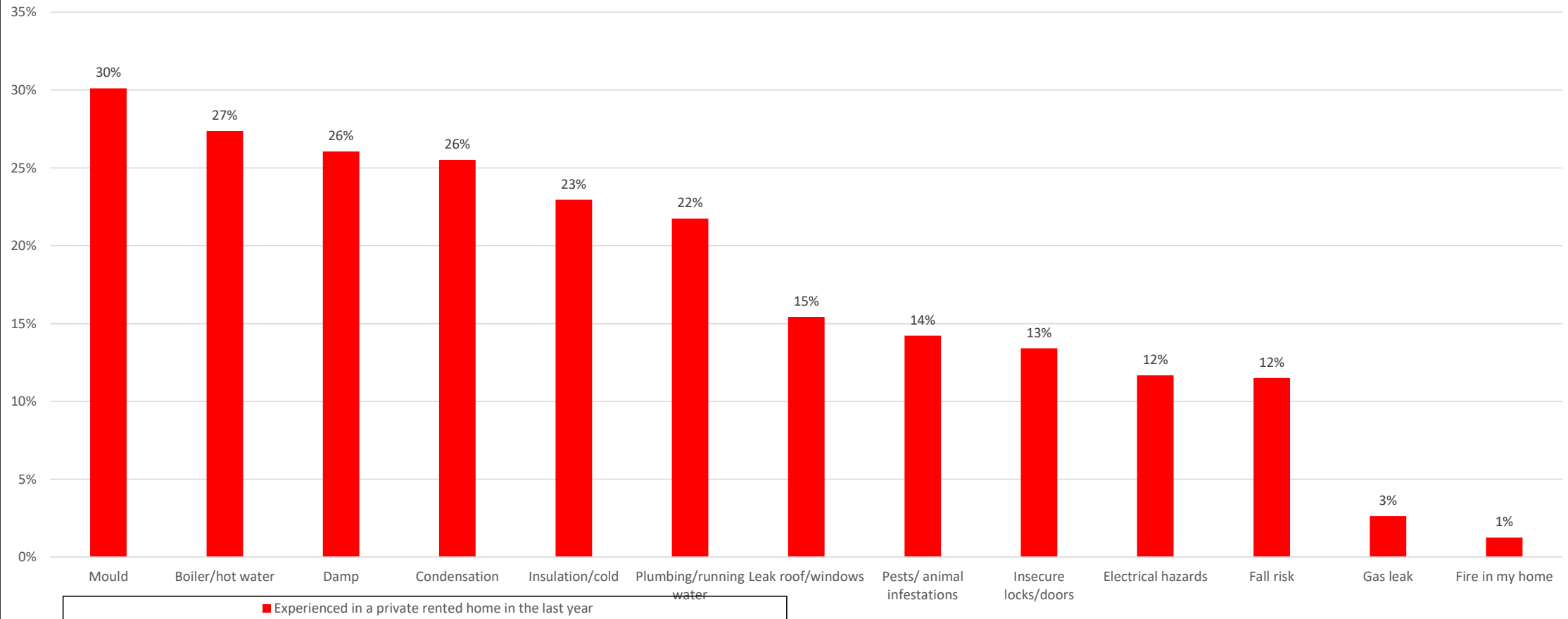
Number of homes failing Decent Homes Standard



Source: English Housing Survey, MHCLG, 2018/19, Annex table 2.2

Types of problems with property conditions that renters experience

....When, if at all, was the last time that you experienced each of the following..... In the last year



Problems with landlord and agent practice

	In the last year: (%)	In the last year: (estimated number of adults)	In the last year: (estimated number of homes)
A landlord/ agent has entered my home without me being given any notice/ chance to give permission	9.1%	785,049	411,941
My landlord, agent or someone acting on their behalf has spoken or written to me in a rude/ unfriendly/ threatening way	8.4%	727,796	381,899
I have paid a tenancy/ damage deposit to a landlord or agent and they have not placed the deposit with any of the approved government protection schemes	5.1%	443,271	232,599
I have rented a property from a rogue landlord	5.0%	433,729	227,592
My Landlord/ letting agent unfairly kept my deposit/ part of my deposit	4.1%	359,127	188,446
My Landlord/ letting agent threatened/ harassed/ assaulted me	2.6%	221,202	116,072
I have been treated unfairly by a landlord/ letting agent due to my race/ age/ nationality/ gender/ sexual orientation/ disability	2.1%	184,768	96,954
My landlord/ agent has stolen or damaged my property	1.4%	124,914	65,546
I have experienced sexual harassment/ unwanted attention from my landlord, agent or someone acting on their behalf	1.3%	112,769	59,174
My Landlord/ letting agent cut off my electricity/ gas/ water for no good reason	1.1%	96,288	50,525
A landlord/ letting agent has thrown my belongings out and changed the locks	0.3%	29,494	15,476

YouGov survey of 3,995 private renters in England, online, weighted, 18+, Aug-Sept 2019.

Renters who are most likely to experience problems

Social groups most likely to encounter worst problems

- low income households
- people of colour
- young renters
- women
- households with children
- households receiving a type of housing benefit

Discrimination

Housing benefit discrimination

- 20% of all private renters, and 54% amongst private renters currently claiming housing benefit, say that they have not been able to rent a home they wanted because of 'No DSS' adverts.
- Disproportionate impacts:
 - Women are 1.5 times more to be in receipt of housing benefit than men.
 - Disabled people are three times more likely to be in receipt of benefit than those without disabilities.
 - Bangladeshi and Black families respectively have rates of 25% and 24% of families receiving housing benefit, compared to an average rate of 12%.
- York County Court declared that 'No DSS' discrimination was unlawful.
- Despite ruling, we still hear cases of discrimination against housing benefit recipients.

Discrimination

'Right to rent' and racial discrimination

- Landlords required to check the immigration status of prospective renters.
- Landlords can face a fine of or a criminal sentence if they let a property out to someone without a 'right to rent'.
- Survey research from Joint Council for the Welfare of Immigrants has found that this policy leads to racial discrimination and discrimination against migrants:
 - 51% of surveyed landlords felt that the right to rent scheme would make them less likely to consider renting to foreign nationals; and
 - 42% of surveyed landlords would be less likely to rent to someone without a British passport as a result of the scheme.
- Additionally, survey research by YouGov on behalf of Shelter has found that:
 - Almost half of landlords who make letting decisions said that the 'right to rent' checks would make them less likely to consider letting to people who didn't hold a British passport or who "appeared to be immigrants".

Problems with regulatory, resourcing and legislative framework

- **Inadequate national regulatory framework**
 - Lack of a national requirement for landlords and agents to be registered and regulated.
 - Absence of a national body to help oversee adherence to standards.
- **Under-resourced local authorities**
 - Spending on housing fell by 52% per person between 2009/10 and 2019/20. Spending on the regulation and regeneration of private sector housing decreased by 70% per person.
 - Net expenditure on the enforcement of private sector housing standards in England decreased from £12.58 per household in 2009/10 to £7.02 per household in 2018/19.
- **Issues with the legislative framework**
 - Limitations of selective licensing
 - 'Right to rent' policy

Solutions

National landlord register

- Register of landlords, properties they manage and agents they work with.
- Upload basic, essential safety information, e.g. gas safety certificate, electrical safety certificate, EPC.
- Link with rogue landlord database.
- Overseen by a regulator.

Impacts

- Enhance knowledge of landlords and agents.
- Regulatory body can proactively engage with them.
- More informed decision-making process for renters.
- Platform for delivering other important systems and information.

Solutions

Regulation of letting agents

- All agents regulated, with regulation overseen by a regulator.
- All agents adhere to a high-level code of practice.
- All agents need to be licensed.
- All agents trained to an appropriate level.

Impacts

- Clear standards that agents need to meet.
- Regulator can proactively engage with agents.
- Can play an important role in tackling discrimination against housing benefit recipients.

Solutions

Enhancing local authority resourcing

- To develop well resourced environmental health teams.
- To develop a well resourced tenancy relations service.

Impacts

- Improves local authority capacity to tackle:
 - poor property conditions
 - harassment and illegal evictions

Solutions

Improving selective licensing

- Allow for standardised license conditions on property standards
- Reducing administrative and political barriers to the development of larger licensing schemes.

Impacts

- Improves local authorities' ability to:
 - enforce directly and more quickly against poor property standards.
 - hold a wider number of landlords to account over standards and practice.

Solutions

Abolish 'Right to Rent' checks

- So that prospective renters do not face immigration checks and racial discrimination when they are looking for a home.

Impacts

- Directly addresses potential barrier to accessing housing for people of colour without British passports, migrants and people perceived to be migrants.
- Addressing policy that may put people within these groups at risk of homelessness.

Political opportunities for change

1. Renters' Reform Bill

- “Introduce a package of reforms to deliver a fairer and more effective rental market.”

2. Review of hostile environment policy

- Home Office officials have been asked to evaluate policy

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