Agenda Item 17i

Council 15 October 2019

AGENDA ITEM 17 (i) - Amendment to: Improving Private Rented Sector Standards Through Landlord Licensing

Licensing motion amendment:

- 1. In para 2, line 1, 22.1% becomes 22.3%
- 2. Delete the final sentence of para 2
- 3. In para 4, line 1, insert word 'some' after In
- 4. Replace sentence two in para five with: "Licensing of all HMOs in areas of significant concern with more than three unrelated people was introduced in 2013, but lapsed due to Government rules saying that continuing with it required the scheme to have failed, for which at that time there was no evidence."
- 5. In para 6, line 1, replace 'is' with 'can be'
- 6. In para 6, line 3, insert 'some' after 'have'
- 7. In para 6, please add at the end. "However, this type of licensing cannot deal with rent arrears a common cause of private tenancies in Portsmouth ending nor can poor property conditions be included on the licence.
- 8. Split the two sentences in Para 7, keeping both as stand-alone and insert in between these sentences two new Paras 8 and 9.

As a result, the Cabinet has, among other things, been tackling the problem by:

- Buying homes to house our homeless
- Using private rented properties to enable people to move into more sustainable accommodation
- Building 23 flats at the long-vacant Southsea Community Centre site
- Working with VIVID Homes to deliver 183 new homes at Kingston Prison at rent levels Portsmouth people can really afford
- Buying back empty council properties.

However, more must be done. That is why the Cabinet will:

- Expand the rent deposit scheme
- Make the Council a guarantor for people wanting to rent privately
- Buy more homes, including empty private properties
- Work with organisations such as Hope Into Action so they can provide homes for our homeless too.
- 9. Replace final para with:

"Council recognises the need to make the private sector easier and safer. It also agrees with the 2019 MHCLG report into selective licensing that states that, should it happen, it needs to be included alongside other community-based measures.

"On that basis, Council notes a report on ways to make renting privately easier and safer is coming to the Housing Decision meeting on 21 October. This will lead to a

strategy in early 2020 and, before then, an informal consultation with stakeholders on topics such as:

- Selective and additional licensing
- Proactive inspections of bad properties
- Compulsory registration
- More education about tenants' rights and responsibilities

"Council agrees that any future policy it produces on making renting privately easier and safer must include ways to tackle rent arrears and poor property conditions.

| Proposed by (Name) | Cllr Lee Hunt |
|----------------------|------------------|
| Signed | |
| Seconded by (Name) _ | Cllr Lynne Stagg |
| Signed | |

The motion will therefore read as:

The causes of the housing crisis are complex and varied but it is without doubt that a key contributory factor has been the deregulation of housing standards and weakening of local authority enforcement powers.

In Portsmouth 22.3% of households rent their properties from private landlords, compared with 16.3% across the whole of the South East. In a number of Portsmouth council wards that figure is over 40%.

Around the country councils are addressing these issues by implementing selective licensing schemes whereby all private landlords in particular areas are required to be licensed by the local authority. This differs from mandatory licensing which applies only to Houses in Multiple Occupancy (HMOs).

In some areas where such schemes have been implemented there have been improved standards in the private rented sector, reduced anti-social behaviour and a decline in the poor management of properties by rogue landlords. In Newham, selective licensing has been used to address poor standards across the private rented sector, to protect tenants and to tackle criminal landlords, resulting in 1,306 prosecutions since the scheme was introduced.

In Portsmouth large HMOs, consisting of 5 or more unrelated persons, are currently licensed in a similar way. Licensing of all HMOs in areas of significant concern with more than three unrelated people was introduced in 2013, but lapsed due to Government rules saying that continuing with it required the scheme to have failed, for which at that time there was no evidence."

Landlord licensing can be self-financing with income generated through licence application costs which can then be spent on the administration of the scheme. Authorities have some discretion to set the precise conditions of the licence. These can include conditions relating to the use and occupation of the house, and measures to deal with anti-social behaviour of the tenants or those visiting the property. However, this type of licensing cannot deal with rent arrears - a common cause of private tenancies in Portsmouth ending - nor can poor property conditions be a condition of the licence.

Our council's own statistics show the single highest cause of homelessness to be the ending of a private sector tenancy.

As a result, the Cabinet has, among other things, been tackling the problem by:

- Buying homes to house our homeless
- Using private rented properties to enable people to move into more sustainable accommodation
- Building 23 flats at the long-vacant Southsea Community Centre site
- Working with VIVID Homes to deliver 183 new homes at Kingston Prison at rent levels Portsmouth people can really afford
- Buying back empty council properties.

However, more must be done. That is why the Cabinet will:

- Expand the rent deposit scheme
- Make the Council a guarantor for people wanting to rent privately
- Buy more homes, including empty private properties
- Work with organisations such as Hope Into Action so they can provide homes for our homeless too.

Landlord licensing schemes can help to reduce evictions and homelessness approaches by forcing irresponsible landlords out of the sector and giving tenants greater protections.

Landlords who consistently meet their legal and ethical obligations to tenants should have nothing to fear from landlord licensing. It is their less scrupulous peers who will become subject to greater scrutiny and enforcement action.

Full Council therefore recognises the need to make the private rented sector easier and safer. It also agrees with the 2019 MHCLG report into selective licensing that states that, should it happen, it needs to be included alongside other community-based measures.

"On that basis, Council notes a report on making renting privately easier and safer is coming to the Housing Decision meeting on 21 October. This will lead to a strategy in early 2020 and, before then, an informal consultation with stakeholders on topics such as:

- Selective and additional licensing
- Proactive inspections of bad properties
- Compulsory registration
- More education about tenants' rights and responsibilities

"Council agrees that any future policy it produces on making renting privately easier and safer must include ways to tackle rent arrears and poor property conditions.

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