

Agenda item:

**Title of meeting:** Cabinet Member for Housing Decision Making

**Date of meeting:** 21<sup>st</sup> October 2019

**Subject:** Making the Private Rented Sector easier and safer

**Report by:** James Hill, Director of Housing, Neighbourhood and Building Services

**Wards affected:** All

**Key decision:** No

**Full Council decision:** No

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**1. Purpose of report**

1.1. To update members on the current issues in the Private Rented Sector, and outline some of the options available to tackle this.

**2. Recommendations**

2.1. The Cabinet Member for Housing notes the report on *Making the Private Rented Sector easier and safer* (Appendix 1).

2.2. That officers are tasked with developing a proposed Private Rented Sector Strategy for consideration by councillors in early 2020.

2.3. That officers undertake informal consultation with stakeholders, using this report as a basis for encouraging views and ideas on how to make the private rented sector safer and easier to access.

**3. Background**

3.1. It is estimated that there are approximately 20,000 residential properties in Portsmouth which are in the private rented sector (PRS). This is approximately 20% of all homes.

3.2. Private rented homes are those where a landlord, either directly or through a lettings agency, provides the use of a property at a level of rent which is determined by the market. The tenant usually has an assured shorthold tenancy (although other types do exist) and can provide flexible accommodation with predictable monthly costs where they will not need to pay large unexpected repair bills. However market rents are usually much higher than social or affordable rents, with the average three-bed property rent in Portsmouth being approximately £900pcm. Also the tenant usually has less security than in social rented properties.

3.3. Officers have produced a report which outlines the known national and local data surrounding the use of the PRS as well as methods used elsewhere to make PRS homes safer to live in and easier to access. This is Appendix 1.

#### 4. **Problems faced by those in the Private Rented Sector**

4.1. Problems for some living in the PRS can be broadly summarised by the following;

- 4.1.1. Poor living conditions
- 4.1.2. Rent affordability
- 4.1.3. Lack of security of tenure
- 4.1.4. Rent arrears and resulting evictions
- 4.1.5. Issues around the statutorily homeless and other vulnerable people

4.2. Problems faced by some PRS landlords can be broadly summarised as follows

- 4.2.1. Non-payment of rent
- 4.2.2. Attracting and keeping tenants at a level of rent which is economically viable.
- 4.2.3. Antisocial behaviour
- 4.2.4. Maintenance of the property structure and services
- 4.2.5. Maintaining flexibility over the use of a capital asset

#### 5. **Potential Options**

5.1. There are a range of potential options which have been previously used in Portsmouth, or used elsewhere, which could be adopted to deal with the problems outlined. These are illustrative only at this stage and all, some or none of them may be pursued depending upon the direction of travel outlined within the strategy.

5.2. **Additional Licensing of HMOs** in the city which do not currently fall under the mandatory HMO licensing criteria (of 5 or more occupants).

5.3. **Selective licensing of all private rented properties**, not just HMOs. Experience in other councils that have implemented this shows that this requires a significant amount of time to consult on and plan to deliver.

5.4. **Targeted proactive inspections** in certain areas of the city using the powers of entry for inspection given to councils under Part 1 of the Housing Act 2004.

5.5. **Use of an accreditation scheme**, rather than licencing, so as to promote good landlords. This could be the council's own existing scheme or one working with national and local landlord associations.

5.6. **Compulsory landlord registration**, which is not currently legislative in England, but is active in the rest of the UK, and therefore likely to be introduced nationally in the future.

5.7. **Educating tenants about their rights and responsibilities**, including routes of redress, and how to access support, and advice for neighbours.

5.8. **Help for Housing Associations** of social housing by outlining a protocol for dealing with disrepair complaints by their tenants, and when it would be appropriate for the council to intervene and the consequences of such intervention.

## 6. **Private Rented Sector Strategy**

6.1. All of the above options are complex and, if not carefully introduced with the correct knowledge, resources and/or enforcement regimes, could lead to significant problems for individuals and the PRS market across Portsmouth.

6.2. Whilst options used in other areas may be of interest, the PRS market in Portsmouth, as in all areas, is unique. The nature of the properties, geography, demographics, large student population and local housing market will all play a factor in meaning that simply adopting what has been used elsewhere may well result in unintended consequences.

6.3. Through the research for this report it has become clear that there needs to be a clear strategy that makes the PRS easier and safer. This should do the following:

6.3.1. Build upon Appendix 1 to find the data and case studies which can be used as an evidence to create a strategy.

6.3.2. In conjunction with legislation and national strategies, outline the council's approach to the PRS in Portsmouth in a strategic document.

6.4. Upon adoption of the strategy, officers will subsequently develop a high level action plan, with a clear timetable and milestones, to deliver changes.

6.5. Development of this strategy will be undertaken by the current Private Sector Housing Service using existing resources. However the subsequent work to develop and deliver the action plan may require additional resources not currently within the relevant budgets. An overview of the resources needed will be outlined alongside the strategy.

## 7. **Reasons for the Recommendation**

7.1. The number of people involved in the PRS in Portsmouth, either as tenants or as landlords, is significant. Therefore it is vital that the city has a successful private rented sector for all involved.

7.2. It is important that any change is made carefully to avoid unintended detrimental impacts upon tenants or landlords. Change must be carefully considered and properly consulted upon. Therefore a well-researched and evidenced strategy is needed upon which actions can be based.

7.3. Until a formal strategy is adopted, there are no proposals upon which a formal consultation can take place. However officers will use this report, and Appendix 1, as a basis to gather any general comments about the PRS. These can be sent to the email address [housingstrategy@portsmouthcc.gov.uk](mailto:housingstrategy@portsmouthcc.gov.uk) until 1<sup>st</sup> December 2019.

**8. Equalities Impact Assessment**

8.1. The main body of this report regards information to councillors. Therefore an EIA is not required at this stage, as confirmed by the council's Access & Equality Advisor. However an Equalities Impact Assessment will be needed for any future PRS Strategy and Action Plan.

**9. Legal**

9.1. The recommendations in this report do not, at this stage, have any legal implications and it is within the Cabinet Member's powers to approve these. The actions being proposed will assist the council to comply with the recommendations set out in the Ministry of Housing, Communities and Local Government's "Rogue Landlord Enforcement - Guidance for Local Authorities" published April 2019.

**10. Finance**

10.1 There are no financial implications to the Council as a result of the recommendations within this report.

Signed by:

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James Hill, Director of Housing, Neighbourhood and Building Services

**Appendices:**

Appendix 1 - Making the Private Rented Sector safer and easier

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
MHCLG - Rogue Landlord Enforcement (April 2019)	<a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/808059/Rogue_Landlord_Enforcement_-_Guidance_for_LAs.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/808059/Rogue_Landlord_Enforcement_-_Guidance_for_LAs.pdf</a>
UK Collaborative Centre for Housing Evidence - The Private Rented Sector in the UK (July 2019)	<a href="https://housingevidence.ac.uk/wp-content/uploads/2019/07/TDS-Overview-paper_final.pdf">https://housingevidence.ac.uk/wp-content/uploads/2019/07/TDS-Overview-paper_final.pdf</a>
Office of National Statistics - Dwelling stock by tenure (Jan 2019)	<a href="https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/subnationaldwellingstockbytenureestimates">https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/subnationaldwellingstockbytenureestimates</a>
MHCLG - Open Data on dwelling stock	<a href="http://opendatacommunities.org/data/housing-market/dwelling-stock/tenure">http://opendatacommunities.org/data/housing-market/dwelling-stock/tenure</a>
Chartered Institution of Housing - UK Housing Review	<a href="https://www.ukhousingreview.org.uk/">https://www.ukhousingreview.org.uk/</a>
MHCLG - National Planning Policy Framework	<a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810197/NPPF_Feb_2019_revised.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810197/NPPF_Feb_2019_revised.pdf</a>
MHCLG - English Private Landlord Survey (2018)	<a href="https://www.gov.uk/government/collections/english-private-landlord-survey">https://www.gov.uk/government/collections/english-private-landlord-survey</a>
The Centre for Housing Policy - The Evolving Private Rented Sector	<a href="http://www.nationwidefoundation.org.uk/wp-content/uploads/2018/09/Private-Rented-Sector-report.pdf">http://www.nationwidefoundation.org.uk/wp-content/uploads/2018/09/Private-Rented-Sector-report.pdf</a>
MHCLG - English Housing survey 2016-2017	<a href="https://www.gov.uk/government/statistics/english-housing-survey-2016-to-2017-private-rented-sector">https://www.gov.uk/government/statistics/english-housing-survey-2016-to-2017-private-rented-sector</a>

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

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Signed by:  
Councillor Sanders  
Cabinet Member for Housing