



# Private Rental Sector Strategy for Portsmouth 2020-2025

## *Part 1*

To achieve an active and well-functioning Private Rental  
Sector which works fairly for all.

## Executive Introduction by Councillor Sanders, Cabinet Member for Housing

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Renting privately is, for many people in Portsmouth, the only way they can get a place to stay. Only recently has council house building increased significantly after years of stasis, yet the fact Portsmouth is so densely populated and the time it takes to build new homes means it can only ever be part of the solution.

Therefore, the private rented sector (PRS) must play a significant role in housing people in this city. Yet many people see barriers. As part of this strategy, the Council conducted the most comprehensive survey of private tenants and landlords this city has ever seen. I want to thank the nearly one thousand people who took part. What they say is interesting.

70% of private tenants feel trapped, with no plan or ability to move from where they are. They want a safe, secure and affordable place to live, tough action on criminal tenants and landlords and access to rent deposits and guarantees that help them move (the latter is something the Council is now piloting). Anecdotally, many people on the Council's housing waiting list say the absence of those things - rightly or not - makes them want to stay on that list rather than rent privately.

The vast majority of landlords are not commercial organisations, but people who see being a landlord as a way to supplement income or investment. More than one in six fell into it by accident. Yet what they want overlaps with tenants' desires in many ways. They want secure tenants living in a safe property that is not empty for long periods. They also want criminal landlords and tenants dealt with. They are in it for the long-term and want a low risk, low return investment.

Alongside this is the fact that many people living near these properties - especially shared houses (HMOs in the jargon) - fear rubbish in the forecourts or on the streets, noise late at night or 'the wrong sort of person' residing at the property.

What this strategy aims to do is find ways to overcome these barriers to a PRS that is attractive to current and potential tenants and landlords and respectful of their neighbours. This cannot be done overnight and this strategy does not pretend to do that. Instead, it puts forward an integrated, long-term, ambitious and radical package of measures that covers extra advice and support - including financial support - for tenants and landlords and tougher enforcement measures,

including consulting on additional licensing for smaller HMOs, where there are a significant number of complaints, and a comprehensive mediation service for tenant/landlord disputes, backed up by Britain's first 'housing court'.

Doing nothing is easy, but not an option. Believing that one silver bullet of a policy will solve a complex, interacting range of issues sounds great, but does not offer the integrated solution required to deliver a PRS that works for Portsmouth. The Council cannot achieve that goal by itself and this strategy does not pretend it can. It must - and will - work with tenants, landlords, Government and other statutory bodies to overcome the barriers to renting privately. This strategy allows the Council to do that. That is why it is important that we get everyone's views on its suggestions.

What is clear already is that overcoming the barriers to renting privately in Portsmouth requires carrots and sticks that help free tenants from the trap they feel they are in, help landlords get the low risk, low return investment they want and punish tenants and landlords that deserve it in a way that does not harm the many in pursuit of the few.

I am delighted to offer up this ambitious, comprehensive and radical package of measures for the next five years for the thoughts of the people of this city. Only by working together can we make renting privately work in Portsmouth now and in the future.



**Councillor Darren Sanders**

**Cabinet Member for Housing**

## Executive summary

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The private rental sector (PRS) is an important part of the provision of housing in Portsmouth, as it is across England. It is not only vital in providing a home for some 30,000 people that live in it, and a living for those that are landlords, but also has a wider impact upon the economy and community of the city.

The legislative and policy framework which surrounds the renting of private homes is complex and has developed over a number of years, with a focus on health and safety, home standards and the requirements surrounding tenancies. The signal from the government at the end of 2019 was that more legislation can be expected, particularly around the ending of 'no fault' evictions. The impact of this change upon the PRS market is unclear but could bring major changes to the market.

The licencing of Houses in Multiple Occupation (HMOs) has been a major change in recent years but only covers a part of the HMO sector and whilst licencing has focussed the council on the standards within properties, it has not been fully utilised to deal with the proven impacts that they can have on the local community. The impact of HMOs on waste and antisocial behaviour is disproportionate to their number and this should be addressed.

It is also clear that the supply and demand market for private renting in Portsmouth is biased towards the suppliers, with demand having risen in

recent years due to a growth in student numbers; increasing numbers not able to own their own home and the slow shrinkage of the social rented sector. In many cases market rents are significantly above what those on benefits can reasonably be expected to afford, and access often requires a significant deposit, rent in advance or a guarantor.

An assessment of the tenants of Portsmouth shows that whilst the largest single group of renters are those under 35 years old, an increasing number of people are renting for the long-term, with the number of tenants over 45 years old on the increase. This use of the PRS as a long-term solution for housing is something that needs to be at the heart of a strategy which makes the sector work for all. Tenants in Portsmouth have shown that they want a safe and secure place to live, which is affordable and can be rented for as long as needed and this strategy proposes that Good tenants do the following:

- **pay their rent on time,**
- **Communicate well with landlords and neighbours**
- **take care of their home even though they don't own it**
- **Understand and follow the tenancy agreement**

The integration of private tenancies into the rest of the community has been shown to need improvement to meet the needs of both users of the sector but also neighbours and other stakeholders.



Many of the landlords with properties in the city will be individuals with one or a few places to rent, and are doing so either as an investment or have obtained property unintentionally. Many landlords feel that issues such as taxation and regulation have made being a landlord harder, and are focussing on the security of their property and consistent payment of rent are top priorities.

The nature of how someone became a landlord does not necessarily indicate how good they are at managing a property, although those with less experience and time to understand the complex regulations and local policies are more likely to fall foul of them. Driving up the standards of landlords, and the properties they provide, is vital and the opportunity for improvement should be given to those who are well intentioned but need clear advice and training. Conversely the council should be making every effort to find and root out those landlords who, either deliberately or through ignorance, put the lives of people at risk through dangerous homes, or exploiting those who are vulnerable. Focusing on the creation and support of more Good landlords who do the following will drive up standards.



- **Act in a fair, considerate and just way towards tenants**
- **Create a good tenancy**
- **Maintain a good tenancy**
- **Work in good faith with tenants and regulators to resolve problems**
- **Ending a tenancy in a good way**

The evidence leads to six themes which make a well-functioning private rental sector, and if these can be improved then it is highly likely that the lives of tenants, landlords, neighbours and other stakeholders will also improve. These are:

- **Affordability**
- **Safety**
- **Security of tenure**
- **Ease to enter and leave the sector**
- **Ability to work well with other tenures and is part of the community**
- **Regulation**

All of the local and national evidence leads to a conclusion that the private rental sector works for many but does not work as well as it could in all instances and therefore there are two aims that should be set

**To achieve an active and well-functioning Private Rental Sector which works fairly for all.**

**For the Private Rental Sector to be seen as a desirable type of tenure which meets the needs of those who use it, with support being focussed on those who need it most.**

From this there are nine proposed strategic objectives which

1. **Good landlords will be welcomed, supported and promoted through the use of accreditation.**
2. **Information and guidance for landlords and tenants will be clear, easy to access to enable them to make fully informed choices when entering and moving around the PRS.**
3. **More tenants can afford a sustainable rent level. More tenants will also receive support in overcoming financial access barriers such as deposits and bonds.**
4. **The maintenance of tenancies will be supported, as far as possible, using a range of routes to try to resolve problems without the need for eviction.**
5. **Users of the PRS will be a stronger part of, and more integrated with, their local community. This will increase inclusion and cohesion with other tenures.**
6. **A wide range of stakeholders and user groups will work together to provide a focal point for the delivery of outcomes.**
7. **Tenants and landlords will be considered when significant decision-making within the city occurs, and that the benefits of economic regeneration will be felt equitably by those within the PRS.**
8. **Fair, transparent and professional regulatory functions will provide reassurance and support to all that request it and not adversely affect those that need help by adding disproportionate burden.**
9. **Strong regulators will use all of their powers, working with partner agencies and stakeholders, to tackle and remove criminal and antisocial behaviour.**

The role of Portsmouth City Council is varied but not without limits. It is not aiming to take management responsibility for a land number of rental properties, nor can it mandatorily control rent levels.

But there is more that it can do, both in the short term and over the next few years to improve the private rental sector in Portsmouth. Improvement needs to be measured, and overseen not only by the council but also by the network of stakeholder groups that it works with.



The following 14 actions can be progressed immediately within the existing resources available to officers

and the permissions agreed by the council.

1. **Expand on the current website information on what makes a good tenant and include different situations. (For example someone living in a shared house will have different expectations put on them than someone who lives alone.)**
2. **Provide more information for tenants, such as average market rents across property sizes. This will help tenants to make an informed choice.**
3. **Develop the current HMO governance board into a multi-agency partnership group which oversee this strategy. Review the stakeholders to ensure that all voices are covered.**
4. **Investigate with third party stakeholders the feasibility for closer partnership working on a single communications and web strategy.**
5. **Work more closely with stakeholders to increase the understanding of the services that could be provided across Portsmouth to support the PRS.**
6. **Continue to deal proactively when an unlicensed HMO is reported.**
7. **Work with other local authorities to find new ideas to support the PRS.**
8. **Ensure that data sharing, both within the council and with external partners is maximised, within the legal boundaries of relevant legislation.**
9. **Review of all relevant enforcement policies to make them more transparent.**
10. **Implement the revised supplementary planning document for HMOs.**
11. **Ensure that officers responsible for regulating the PRS are trained to a professional standard and capable of meeting the needs of this strategy.**
12. **Working with stakeholders, approach the MHCLG to look for support in the development and implementation of this strategy, with a particular request to pilot some of the changes identified in actions 15-23.**
13. **Undertake a pilot of the rent deposit and bond scheme.**
14. **Be more proactive in promoting where enforcement and prosecution has been successful**

A further nine actions (15-23) require additional investigation and resources. Officers will be required to bring further, more detailed, reports to councillors for approval before any can be permanently implemented. These will outline costs, timescales, risks, impacts and an operational delivery plan. The aim is that, subject to the feedback on the consultation of this draft strategy, all of these actions will be reviewed and a more detailed plan for timescales will be established, with an overarching aim that all agreed actions within the final strategy will be completed within the five year period. Progress of this will be monitored by the cabinet member for Housing.

**15. Work with tenancy groups to provide workshops on how to be a good tenant, aimed at helping a tenant to maintain a tenancy**

- **Money management**
- **Good behaviour**
- **How to work with the landlord.**

**16. Expand the Rent It Right model to help more tenants access the PRS**

**17. Create a mediation service between landlords and tenants to help improve security of tenure. This may include a 'private sector housing court'**

**18. Work with landlord groups to provide workshops on how to be a good landlord.**

It is proposed that this strategy is open for consultation with the public and with stakeholder groups to establish if the aims and objectives are correct and how actions to deliver these can be made a reality.

- **how to choose appropriate tenants**
- **carrying out their own HHSRS assessment on their property.**

**19. Provide bonds to help those who are eligible to gain access to the PRS.**

**20. Provide low interest loans for those who are eligible to be able to access the private rental sector. The loan will cover the rent deposit and any additional fees required to be paid to enter the Private Rental Sector.**

**21. Provide loans for good, accredited landlords to improve the quality of their property. By creating such a loan a landlord would be able to make improvements to their property and the local authority would be able to provide positive instruction on what those works should be.**

**22. Consult on reintroducing additional licencing for HMOs to help in the better management of them and understand how they interact with the local community.**

**23. Working with multi agency partners, develop the council's accreditation scheme to offer benefits to good landlords.**

This strategy presents an ambitious opportunity for Portsmouth to make real improvement in the lives of many that call it home, but don't have the security offered in the owner occupier or social rented sectors. By making it a housing solution for the short and long term it can have great benefits for the whole city.



## Consultation

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Consultation on this strategy will begin in March 2020. The Council would like to hear from anyone who has an interest in the issues surrounding the private rental sector in the city, either in response to this draft strategy, or with other constructive information which could be used to form the final strategy and action plan.

Full details of the consultation, and how to respond, will follow the approval of this draft strategy but it will be available in a range of ways including the council's website, social media, Your City Your Say email, housing offices and local media.

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# Part 1 Making the Private Rental Sector work in Portsmouth

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## Section 1: Helping those for whom the PRS does not work

For many people the PRS (Private Rental Sector) meets their needs, whether for short-term renting whilst they find the right location to live, or whilst they pass through into either owning their own home or into social rent. It has also been shown that only a small proportion of PRS properties in the city are complained about to the council, either by tenants or by neighbours.

However, these statements lead to further questions which need to be addressed

- 1. Can the satisfaction of the main user groups with the PRS be solely based upon the demand they place upon the council?**
- 2. What about the groups, and individuals, for whom the PRS does not work?**

The PRS market in Portsmouth is driven by the lack of supply compared to the level of demand. With a large student population and areas of deprivation these factors suggest that it is possible, in some situations, that tenants are being exploited either by paying high rents or living in non-decent conditions. If such exploitation is occurring it is also possible that some tenants are not approaching the council, or other organisations, for help for fear of the consequences that this may have.

Helping those groups of main users who are not in the situation they would

chose to be in should be the focus of this strategy for the following reasons.

- **Exploitation.** Even where the initial access can be afforded, tenants on the lowest incomes often have to choose a PRS property based upon ongoing affordability (i.e. where they can keep up the rent payments), and may accept the property being in a poor condition or being unsuitable for their needs in terms of location, size or amenities. These tenants are the less likely to complain about their living conditions for fear of retaliatory eviction, or rental increase if their landlord did carry out repairs or improvements to the property. Equally, a landlord, who may not be aware of all of the requirements, is at risk of exploitation from disreputable tenants
- **Consistency of living.** For those who are living in the PRS long-term, especially those with families, they need to be able to feel that they are making a home. They need to feel confident that, providing they are acting as reasonable tenants, they can continue to live in their property for as long as possible. Where landlords wish to reclaim the property, tenants should be able to be aware of their rights, and expect as much notice as possible from the landlord

- The supply and demand imbalance mean that some landlords may not have the knowledge or inclination to act as good landlords. This in turn could put them, their properties, their tenants and their neighbours at risk. By supporting this group it will enable a landlord for whom it is not working to either exit the industry or gain the skills to become a good landlord.

This means that this strategy should be focussed on helping are tenants who are stuck in the PRS and landlords who either need help to become a good landlord, or want to leave the sector.

In addition this strategy proposes that it should be tougher on those landlords that deliberately choose not to be good landlords for the following reasons.

- **This groups has a negative effect on other stakeholders in the PRS, including neighbours, local authority etc.**
- **For everyone to have confidence in a well-functioning PRS in Portsmouth, there needs to be a strong enforcement.**

Whilst this strategy acknowledges that tenants should behave in a reasonable manner, legislation already exists to allow landlords to deal with poor tenant behaviour, and the demand-led market is the landlords favour in this respect.

There are a number of changes to the PRS which would help these groups, not all of which do the council have the ability or responsibility.

### **Increase supply of properties to use as homes**

"A consumerist regulatory model works best when a buyer is able to choose between competing sellers, while sellers have to provide quality of product in order to attract a buyer." (Marsh and Gibb <sup>26</sup>)

Currently the supply and demand model in Portsmouth is skewed in favour of landlords and sellers of properties as the amount of people

looking for housing is significantly greater than the amount of housing stock available. Therefore the number of homes in all tenures needs to rise, although it is important that they are the right size and mix of property types to ensure that. A development programme which focusses solely on one tenure type, or does not provide properties for different tenants and families, is likely to fail.



### More social housing available for those who need it

If more property was available at social or affordable rents then tenants who cannot sustain a PRS tenancy will have more and better choices.

However it should be recognised that the notion that social housing providers must continue to grow the number of

properties they provide to meet this demand. By having tenures and policies that also encourage those that can leave the social sector to do so, it will help to recycle social and affordable properties back for those who need it the most.

### More owner/occupier homes

By increasing the amount of owner occupiers in the market you reduce the reliance on the PRS being the stop gap

for both first time buyers and owner occupiers who cannot move effectively as they would have done 20 years ago.

### More homes for private rent

As this report will show, an increasing number of people are using the PRS as permanent accommodation, and therefore it is important that supply can meet this demand. It is also as important that the properties are good quality and free from health and safety hazards, so that the tenant is paying for a home that is not going to cause them ill health and is value for money.

The following models have been suggested to ensure that the housing stock in the private rental sector continues to grow.

- **Build new stock specifically for market rental.**
- **Re-designate existing social rented stock.**
- **Purchase housing from the open market for use as rental stock.**
- **Managing property on behalf of existing private landlords.**

### More financial support to enter / move around in the PRS

A significant problem for those on the lowest levels of household incomes (and those on benefits) benefits is gaining access to the PRS. Landlords may have concerns about the ability to sustain the rent and often require additional security, such as a guarantor or bond, or significant upfront rent (usually at least one month in advance) before they will be accept a tenant, and

this is particularly difficult for those who cannot afford it.

In January 2020 the council reviewed a number of options to pilot which may address this issue, and agreed a trial to offer improved bonds, and access to 0% interest loans for those who met the agreed eligibility criteria.

### **More financial support to stay in the PRS**

The gap between the Local Housing Allowance (LHA) rate and market rent means those on benefits will, in many cases, need to use other benefits to top up the rent, which mean they have less disposable income to spend on other essentials such as fuel, food, transport etc.

If the money available for those on benefits met the mean average rent this would enable tenants to have a realistic choice about the type of property they wish to stay in. This would require either the government to raise LHA rate, or for the local authority to offer rent top ups to meet this.

### **Maximise the efficiency of the stock**

It is a choice for those that can afford to pay to rent a property that is larger than their family needs, and the city council has neither the power to force people to move out of their homes, into something smaller, simply to create capacity. However it must be acknowledged that, as in all housing tenures, whilst there is a great deal of over occupation, there will also be some under occupation which if

resolved, would create more capacity overall.

The role of the council should be to provide advice and support for tenants and landlords about how to get the most from their tenancy, and the benefits and impacts of moving, either to a larger or smaller property.

### **Economic Growth**

The council have an economic growth strategy which aims to deliver more, better paid jobs within the city.

It is therefore an important part of this strategy, and the economic regeneration strategy, that these benefits are seen by those who are in

the PRS, and particularly those who feel that they are trapped. An increase in wages and opportunities for this group is likely to enable them to have more choice about where to live, and be more likely to afford the rent on a sustainable basis.



## Section 2: Defining a well-function private rental sector in Portsmouth

From the supporting evidence that has been shown in Part 2 of this strategy, it is possible to outline what a well function PRS would look like in Portsmouth, focussing on six key areas.

- **Affordability**
- **Safety**
- **Security of tenure**
- **Ease to enter and leave the sector**
- **Ability to work well with other tenures and is part of the community**
- **Regulation**

### Affordability

There would be a normal distribution of market rent levels in all areas with the mean average rent being at the relevant Local Housing Allowance rate, meaning that those on benefits could access a reasonable section of the PRS market.

Those in social rented sector would see the PRS as a possible place to move to if they wished to change to a property size, type or location that was

not available within the social sector. These people would be helped to make this move.

Bonds and guarantees would be easy to access in the event of a problem, and low cost deposits would be available for those that need them. Deposits could be easily moved from landlord to landlord as a tenant moves property.

### Safety

Properties would be maintained so that no properties were considered non-decent by the Decent Homes standards.

Landlords and tenants would work together to maintain the standard of the properties, each trusting the other that any problems would be resolved quickly and without hassle.

The number of deliberate problems in the fabric of a property, either as a

result of neglect by the landlord or deliberate action by the tenant would be very low. If such an issue did occur, it would be handled through an agreed process and all parties would abide by the decision.

### **Security of tenure**

No main user of the PRS would feel an overt power imbalance between tenants and landlords, and that both groups would feel the benefits of being in the sector for as long as desired.

For those who see the PRS as their long-term tenure of choice, they will feel confident that they can remain in a property for as long as the landlord is renting, and providing they remain a good tenant

Landlords and tenants would happily discuss their plans of tenure, with the aim of reaching agreement about when it may come to an end.

Where short-term problems occur, for either the landlord (e.g. maintenance issues) or tenant (e.g. paying of rent), they will be honest with each other and clear about the plans and timescale to resolution.

### **Easy to enter and leave the sector**

Tenants would be able to find accredited, good landlords through a trusted and easy to use mechanism. They would have clarity about the rent levels and how this compares to others in the local area.

Tenants would understand the responsibilities of taking on a tenancy and start a new tenancy at a timescale that meets their needs. When leaving a tenancy, tenants would give fair notice, have any outstanding deposits returned to them excepting any fair and reasonable charges which are fully understood

Landlords would be able to find suitable information and support to buy a property, set it up for rent (adhering to all relevant legislation) and meet any licencing conditions of the local area.

Landlords would find it easy to find new tenants, especially if they are considered a good and accredited landlord. When it comes to leaving the sector landlords would be able to end any existing tenancies in an orderly fashion within a reasonable timescale and pass on or sell the property. Ideally this would be to another good landlord.

### **Works well with other tenures and is part of the community**

Those who live in the PRS, especially those in (HMO) House of Multiple Occupation, would be respectful of neighbours who may be in other tenures.

All users of the PRS would feel that they are part of their local community and have a responsibility to play their part in maintaining local environmental standards and a reasonable behaviour.

All stakeholders (such as the council, University, landlords etc.) would work together to promote community engagement.

Eventually it would be difficult to identify a PRS property from any other type of tenure.



### **Regulation**

All who were in the PRS would have clear access to information which explained what was expected from them, the national legislation, local policy and the enforcement regime.

The council would only introduce policy changes or local regulation after providing suitable evidence. Where schemes are introduced, it should be at the aim of helping those who need it most.

Good behaviour by tenants and landlords would be supported and encouraged through appropriate accreditation schemes and the provision of information and education. Local and national bodies who

represent landlords and tenants would be visible.

Victims of crime within the PRS would be able to quickly and easily report it to the council, where it would be handled by professional officers who would provide the appropriate support and advice to help determine the best course of action.

Where investigations are undertaken, all would be clear of the reasons and the outcome, and any formal action that would be taken. The council would look to take all possible steps to remove criminal activity and wherever possible prevent individuals returning to the sector.



### Section 3: Strategic aim and objectives

The previous section of this strategy has identified what an ideal well-functioning PRS would look like in Portsmouth. These behaviours are seen on many occasions, but this strategy should be more ambitious about what can be done to make it a reality for more users. Therefore it proposes the following strategic aims and objectives.

#### Aims

**To achieve an active and well-functioning PRS which works fairly for all.**

**For the PRS to be seen as a desirable type of tenure which meets the needs of those who use it, with support being focussed on those who need it most.**

#### Objectives

1. **Good landlords will be welcomed, supported and promoted through the use of accreditation.**
2. **Information and guidance for landlords and tenants will be clear, easy to access to enable them to make fully informed choices when entering and moving around the PRS.**
3. **More tenants can afford a sustainable rent level. More tenants will also receive support in overcoming financial access barriers such as deposits and bonds.**
4. **The maintenance of tenancies will be supported, as far as possible, using a range of routes to try to resolve problems without the need for eviction.**
5. **Users of the PRS will be a stronger part of, and more integrated with, their local community. This will increase inclusion and cohesion with other tenures.**
6. **A wide range of stakeholders and user groups will work together to provide a focal point for the delivery of outcomes.**
7. **Tenants and landlords will be considered when significant decision-making within the city occurs, and that the benefits of economic regeneration will be felt equitably by those within the PRS.**
8. **Fair, transparent and professional regulatory functions will provide reassurance and support to all that request it and not adversely affect those that need help by adding disproportionate burden.**
9. **Strong regulators will use all of their powers, working with partner agencies and stakeholders, to tackle and remove criminal and antisocial behaviour.**

Strategic objective	Affordability	Safety	Security	Easy to enter and leave	Works well with the community	Regulation
1. Good landlords will welcomed, supported and promoted through the use of accreditation	Y	y	Y	y		
2. Information and guidance for landlords and tenants will be clear, easy to access to enable them to make fully informed choices when entering and moving around the PRS		y	Y	y		
3. More tenants who can sustainably afford rent will be encouraged. More tenants will also receive support in overcoming financial access barriers such as deposits and bonds	Y					
4. The maintenance of tenancies will be supported, as far as possible, using a range of routes to try to resolve problems without the need for eviction		y	Y			
5. Users of the PRS will be a stronger part of, and more integrated with, their local community. This will increase inclusion and cohesion with other tenures.					y	
6. A wide range of stakeholders and user groups will work together to provide a focal point for the delivery of outcomes.			Y		y	
7. Tenants and landlords will be considered when significant decision-making within the city occurs, and that the benefits of economic regeneration will be felt equitably by those within the PRS						y
8. Fair and transparent and professional regulatory functions will provide reassurance and support to all that request it, and not adversely affect those that need help by adding disproportionate burden.		y				y
9. Strong regulators will use all of their powers, working with partner agencies and stakeholders, to tackle and remove criminal and antisocial behaviour.				y	y	y

## Section 4: The roles currently undertaken by Portsmouth City Council in support of the Private Rental Sector.

The council currently undertake a number of roles, deliver a number of services and support in a number of ways with regard to the PRS, and this part of the strategy aims to outline those. It also considers the strategic aims and objectives of Section 3 outlines what further actions could be

taken by the council, many of which are complimentary.

By providing clarity on its role it gives a clear direction on the direction it is taking and the actions it should take. Also, in a time of restricted resources, it gives clear guidance on the prioritisation of resources.

### **Advise, Educate and Signpost**

#### Advise

A significant role for the council is that of providing specific advice for PRS tenants, landlords and neighbours. It does this through a number of channels, including the council website, city help desk and direct to the Private Sector Housing Service, Planning service and others. Areas of advice include

- **Housing Standards and Health & Safety in the home.**
- **How to apply for a licence to manage an HMO.**
- **How to save money in the home**
- **Waste collection dates.**

However this information has been organically created over a number of years and it is unknown if this reflects the needs of the customer.

#### Educate

In many instances the council goes beyond simple advice and offers more in-depth support and education to stakeholders

##### Being a good tenant

The council's website has helpful information on how people can look after their finances to ensure that they are successfully managing to pay their rent and other bills. There is online support on how to apply for benefits and to ensure that the user has applied for everything that they are entitled to. However this short of the support that tenants within council-owned stock receive, who have access to money

advisors who can meet face to face and help tenants to understand their finances in consequences of choices and places to receive help.

The council's Housing Needs, Advise and Support service advise tenants who are faced with homelessness, working with them and landlords to try to prevent an eviction wherever possible.

In cases where further support is required tenants are referred to third sector organisations who run various schemes to support tenants who could be at risk of losing their tenancy (including local authority tenants). The



schemes aim to educate them on how to be a better tenant by managing budgets, applying for the right benefits, managing the household and sometimes working to prevent anti-social behaviour.

The council will provide advice to a tenant on what their responsibilities are to the property that they are living in. This is especially important if the tenant's lifestyle is contributing towards the disrepair.

The Private Sector Housing service currently educates students in how to be good tenants and integrate into the community. They will also work with tenants, when there are concerns raised by neighbours, with the aim of creating a more integrated community.

#### Being a good landlord

The housing standards and licensing team work with landlords to ensure that they understand what their responsibilities are to their tenants. This will include; ensuring that the house that they are renting is safe and free from health and safety hazards; they provide the correct paperwork to their tenant (e.g. a gas safe certificate and

an Energy Performance Certificate) and how to evict a tenant legally.

Housing Needs Advise and Support will contact a landlord should a tenant come to them with a potential eviction concern. They will also discuss the eviction process with a landlord. If the landlord appears to have served eviction paperwork incorrectly they will be advised of this.

The council website provides landlords with information about how to apply for planning permission to own a Housing in Multiple Occupation. It also provides information on how all properties should be kept free from hazards that can cause harm to the occupier. There is information on how to carry out your own risk assessment for your property as well as who to contact if you need further support.

The Rent it Right Website provides a comprehensive guide for landlords to learn about all areas of the rented sector and what is expected of them. The website includes links to the planning portal to make an application to create a Housing in Multiple Occupation to being an accredited landlord through the Rent it Right Scheme.

#### Signpost

The council also undertakes a role to direct stakeholders in the direction of non-council services which can provide services and further assistance

Currently the council signpost to a range of organisations third parties who may be better placed, and or have a statutory or contractual duty to provide such support. These include:

- **Citizens Advice Bureau,**
- **Advice Portsmouth (through a contract funded by the council),**
- **Roberts Centre,**
- **Age UK,**
- **Shelter,**
- **HM Police,**
- **Hampshire Fire and Rescue Service,**
- **Coroner's Office and**
- **The Land Registry.**
- **The University of Portsmouth**
- **Portsmouth & District Private Landlords Association**

It is vital that the city retains, and possibly expands, the number of external stakeholders who can provide and support to those within the PRS.

This is because each organisation has a different role, with different knowledge, powers and focus which will ensure that

### **Protect, regulate and enforce**

Currently the council has a number of resources working together who have within their remit a role to ensure compliance with the law within the PRS.

These include:

- **Private Sector Housing**

- Compliance of legislation under such acts as the Housing Act 2004 and Public Health. This function is mainly carried out through inspections prompted by complaints to Housing Standards or through routine inspections for licensing of Houses in Multiple Occupation (HMO).

- **Environmental Health and Trading Standards**

- Investigate noise complaints.

- **Safe Clean and Tidy**

- Domestic dumping (fly-tipping) and work with the Waste collection team when domestic rubbish is placed out for early collection.
- Anti-social behaviour within the community.

- **Planning enforcement**

- Investigates breaches in planning legislation to ensure that the development of the city follows the Town and Country Planning Act 1990 and Planning (Listed building and conservation area) Act (1990).
- Building control are responsible for ensuring that building works within the city comply with legislation under the Building Regulations Act 2010 and the Building Act 1984. When a building is reported to them as dangerous they use their legislation to ensure it does not put the public or occupiers at risk.

- **Housing Needs Advice and Support**

- Help people who are homeless, or are at risk of becoming homeless, by assessing each persons need and creating a housing plan. This is in compliance with the Homelessness Reduction Act 2018.

## **Manage private rented property**

### **Managing properties to meet the needs of those who are homeless**

The council's Rent it Right leasing scheme is able to manage private rented properties on behalf of landlords for between 3 and 5 years. It provides a landlord with an agreed rental income that is paid quarterly in advance. They can also opt for a full repairing scheme as part of the agreement. The property is handed back to the owner at the end of the agreed leased term in the same condition as it was rented to the council,

minus fair wear and tear. The council manages the property, and the tenancies, with tenants being selected from the housing waiting list.

This service was relaunched in summer of 2019 and currently the leasing scheme only rents properties to tenants who are on the housing waiting list. The properties are not, therefore, for general tenant access.

### **Managing properties due to previous failure of the landlord**

If, upon inspection, a property is found to be an unlicensed House in Multiple Occupation (HMO), or if the HMO is not being managed correctly, an Interim Management Order can be served. The council will then manage the property on the owner's behalf until the management of the property is resolved, with all costs being passed to the landlord.

An Empty Dwelling Management Order (EDMO) works in a similar way but is

served on long term empty properties (more than empty for 2 years.) The local authority serve an Interim and Final EDMO on a property and then manage it for 7 years. The tenants are selected from the housing waiting list.

In both circumstances the Council becomes the landlord for these properties through the Housing Act 2004.

## **Enabler of Finance**

### **Lend rent deposits and guarantees**

The council currently do provide rent deposits for those who are on Housing Benefit. Housing Needs Advice and Support will also provide a means tested deposit to help prevent someone from being made homeless.

Discretionary Housing Payments (DHP) is something that a tenant can claim for to help them stay in their rented property or move into new accommodation.

DHP can only be awarded to claimants receiving housing benefit or the housing costs element of Universal Credit, which does not meet the full

amount of their eligible rent (housing costs). DHP can also be awarded for a rent deposit or rent in advance scheme for a property that the customer has yet to move into if they are already entitled to housing benefit or the housing costs element of Universal Credit at their present home.

<https://www.portsmouth.gov.uk/ext/documents-external/ben-rbe-dhp-policy-2018.pdf>

Extended Housing Benefit is a payment for 4 weeks of an existing Housing Benefit agreement that is going to reduce as a result of a change in

circumstances to the tenant. This change in circumstance could be an increase in the number of paid working hours. The extended benefit provides

the tenant with reassurance that they will still be able to pay their rent whilst their circumstances are changing.

Provide finance to undertake works on properties to make them safe.

The council, through the Private sector Housing Service, currently provide access to low cost finance for home renovations in a number of circumstances.

- A property may be subject to enforcement and, if the owner does not carry out the works required, the council may look to carry out works in default to ensure that the rented property is safe to use by the tenants.
- If an IMO is in place the council will have to remove all hazards from the property as part of ensuring it is properly managed. Costs incurred will be sought from the owner as part of the IMO.
- The EDMO (which is served on long term empty properties) will require the property to have be safe for use of tenants for 7 years. Therefore the council will carry out all necessary repairs prior to the property being rented

**and will continue this function whilst it is being managed by the local authority.**

- Should someone require a disabled facilities adaptation, so that they can stay in their home, the Housing Renewals team will also ensure that the property is free from any other hazards under the Housing Act 2004. The work schedule that they create will reflect these requirements to make the property safe for the occupier.
- Building Control will assess properties that are considered dilapidated and cause for concern. If they feel that there is an immediate risk to the occupier, and or general public, they will carry out any necessary works to remove this risk. The costs incurred will then be sought from the owner of the property.

**Controller**

Determine where HMOs are built.

The decision regarding how many HMO's can be permitted in certain areas of Portsmouth is based on the Portsmouth Plan and PCS20 "houses in multiple occupation (HMOs) ensuring mixed and balanced communities."

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

The policy outcome is to avoid concentrations of HMO's within the city and the planning department are responsible for this determination.



### Determine use of land

The Portsmouth Plan sets out the future development of Portsmouth until 2027. Any changes and developments to Portsmouth will need to be measured against this overarching planning document to ensure that its aims and objectives are being met.

If Portsmouth City Council own the land the portfolio holder would determine the use of it. This would be in conjunction with other departments such as planning to ensure that the land was being put to best use. For example building more houses on Council owned land.

The Town and Country Planning (Brownfield Land Register) Regulations 2017 places responsibility on a local authority to prepare and maintain a register of land for housing developers to access should they wish to develop in that authorities area.

The purpose of the register is that a developer will know what sites are ready for housing development as the land has already been determined by the Council. This should speed up the construction process as a developer will know what sites they can purchase and build on quickly.

## **Section 5: Strategic action plan for Portsmouth City Council**

In order to achieve the strategic aims and objectives of this strategy a range of additional actions can be taken by the council. These have been identified and fall into two broad categories

- **Those which can be pursued under existing approval or delegated authority, and have existing resources to enable delivery, or**
- **Those that require additional approval by the council and/or additional resources in order to deliver the action.**

For actions 1-14, council officers can use existing approvals and resources, to enable the actions to be begin to be pursued immediately. The aim is that all

of these will be completed by 31<sup>st</sup> December 2020.

For actions 15-23 additional investigation and resources, officers will be required to bring further, more detailed, reports to councillors for approval before any can be permanently implemented. These will outline costs, timescales, risks, impacts and an operational delivery plan. The aim is that, subject to the feedback on the consultation of this draft strategy, all of these actions will be reviewed and a more detailed plan for timescales will be established, with an overarching aim that all agreed actions within the final strategy will be completed within the five year period. Progress of this will be monitored by the cabinet member for Housing.

### Actions for which permissions and resources exist

<b>Action number</b>	<b>Description</b>	<b>Strategic Objective</b>
<b>1</b>	Expand on the current website information on what makes a good tenant and include different situations. (For example someone living in a shared house will have different expectations put on them than someone who lives alone.)	<b>2</b>
<b>2</b>	Provide more information for tenants, such as average market rents across property sizes. This will help tenants to make an informed choice.	<b>2,3</b>
<b>3</b>	Develop the current HMO governance board into a multi-agency partnership group which oversee this strategy. Review the stakeholders to ensure that all voices are covered	<b>6</b>
<b>4</b>	Investigate with third party stakeholders the feasibility for closer partnership working on a single communications and web strategy.	<b>2,6</b>
<b>5</b>	Work more closely with stakeholders to increase the understanding of the services that could be provided across Portsmouth to support the PRS.	<b>6</b>
<b>6</b>	Work with other local authorities to find new ideas to support the PRS	<b>8</b>
<b>7</b>	Ensure that data sharing, both within the council and with external partners is maximised, within the legal boundaries of relevant legislation	<b>8,9</b>
<b>8</b>	Review of all relevant enforcement policies to make them more transparent.	<b>7</b>
<b>9</b>	Implement the revised supplementary planning document for HMOs	<b>7</b>
<b>10</b>	Ensure that officers responsible for regulating the PRS are trained to a professional standard and capable of meeting the needs of this strategy	<b>8</b>
<b>11</b>	Working with stakeholders, approach the MHCLG to look for support in the development and implementation of this strategy, with a particular request to pilot some of the changes identified in actions 15-23	<b>6</b>
<b>12</b>	Undertake a pilot of the rent deposit and bond scheme.	<b>3</b>
<b>13</b>	Continue to deal proactively when an unlicensed HMO is reported.	<b>7</b>
<b>14</b>	Be more proactive in promoting where enforcement and prosecution has been successful.	<b>9</b>

**Actions requiring more detailed investigation, resources and/or permission**

<b>Action number</b>	<b>Description</b>	<b>Strategic Objective</b>
<b>15</b>	Work with tenancy groups to provide workshops on how to be a good tenant, aimed at helping a tenant to maintain a tenancy <ul style="list-style-type: none"> <li>• Money management</li> <li>• Good behaviour</li> <li>• How to work with the landlord</li> </ul>	<b>2,4</b>
<b>16</b>	Expand the Rent It Right model to help more tenants access the PRS	<b>3</b>
<b>17</b>	Create a mediation service between landlords and tenants to help improve security of tenure. This may include a 'private sector housing court'	<b>4</b>
<b>18</b>	Work with landlord groups to provide workshops on how to be a good landlord. <ul style="list-style-type: none"> <li>• how to choose appropriate tenants</li> <li>• carrying out their own HHSRS assessment on their property.</li> </ul>	<b>1,2</b>
<b>19</b>	Provide bonds to help those who are eligible to gain access to the PRS	<b>3</b>
<b>20</b>	Provide low interest loans for those who are eligible to be able to access the private rental sector. The loan will cover the rent deposit and any additional fees required to be paid to enter the Private Rental Sector.	<b>3</b>
<b>21</b>	Provide loans for good, accredited landlords to improve the quality of their property. By creating such a loan a landlord would be able to make improvements to their property and the local authority would be able to provide positive instruction on what those works should be.	<b>1,4</b>
<b>22</b>	Consult on reintroducing additional licencing for HMOs to help in the better management of them and understand how they interact with the local community	<b>5</b>
<b>23</b>	Working with multi agency partners, develop the council's accreditation scheme to offer benefits to good landlords	<b>1</b>



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023 9268 8369

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