

Briefing: Poor Quality Conditions and Disrepair in Private Rented Sector Housing

The Private Rented Sector (PRS) in England is home to 11 million people, including 2 million children and 745,000 older people. Legislation has failed to keep pace with the changing market. Section 21 'no fault' evictions mean that most private renters could be evicted at any time for no reason whatsoever, leaving renters feeling scared to complain about the conditions in which they live.

1. **Government must bring forward a comprehensive Renters' Reform Bill to overhaul the sector's outdated legislation, driving up standards through an updated Decent Homes Standard;**
2. **The Renters' Reform Bill must abolish Section 21 and ensure that landlords can only evict when they can prove a legitimate reason;**
3. **The Bill must also create a centralised National Landlord Register to improve accountability and ensure legal standards are met.**

Background

The last piece of comprehensive legislation to affect the Private Rented Sector (PRS) was introduced in 1988. Since then the PRS has changed beyond recognition. It has doubled in size and is now home to households of all ages, backgrounds and sizes. This exponential market growth, made possible by financial incentives for landlords and a lack of regulation, has resulted in 11 million people now living in a PRS which is characterised by insecurity, poor conditions and high prices. Acknowledging that legislation must be updated and conditions for renters must be improved, in 2019 the government rightly committed to introducing a Renters' Reform Bill.

Condition of Private Rented Housing

The private rented sector accounts for some of the oldest housing stock in England and remains the tenure with the lowest standards, based on the government's Decent Homes Standard (DHS). The English Housing Survey 2020-21 **found 21% of homes in the PRS do not meet the DHS with 12% having a Category 1 hazard**, therefore posing a significant safety risk.

A third of all PRS homes were built before 1919, compared with only a fifth of owner-occupied homes. Perhaps because of their age, **6% of PRS homes have two or more significant faults that cause them to fail the DHS**, compared with only 4% of owner-occupied homes. Shelter's PRS tenants survey (2021), found that 60% of tenant's complaints are due to the condition of the property and lack of repairs. And a quarter (24%) say they were dissatisfied with repairs once done.

PRS homes on average also have the worst energy standards, with an average Standard Assessment Procedure rating of 65/100. This means private renters will on average have to pay significantly more in heating bills due to poor insulation, inefficient heating systems or lack of double-glazing. Private renters are already paying higher housing costs than any other tenure, with average private rents being significantly higher than mortgage repayments or social housing costs. With the current cost of living crisis starting to bite, and energy prices set to rise further, private renters are in a precarious position.

Section 21

A Section 21 is an eviction notice that landlords can serve which provides no reason for the eviction, giving the renter just two months to leave their home. It can be served at any time after a fixed term has expired. As a



result, renters constantly live in fear of eviction. Research shows that **nearly one in five (18%) of renters have not complained about poor conditions for fear of being evicted**. They'll also accept anything from negligence to harassment from their landlords, because they're too scared of being served a Section 21 if they raise an issue. Citizens Advice research in 2018 revealed that this fear is justified; tenants who had received a Section 21 eviction notice were twice as likely to have complained to their landlord, five times more likely to have gone to their local authority and eight times more likely to have complained to a redress scheme prior to receiving the eviction notice, resulting in a staggering **46% chance of being served a Section 21 notice within 6 months of complaint**. To provide renters with the security necessary to enforce their rights, Section 21 must be removed.

Problems with Enforcement

The regulatory framework for the private rented sector is fragmented and underfunded. This insufficient framework plays a key role in the persistence of poor housing standards and practice in the sector. The lack of a robust national regulatory framework for holding landlords and agents more accountable and enhancing housing conditions and practice results in confusion from landlords about their obligations and inconsistent enforcement across the country.

Underfunding of local authorities is undermining their ability to play a proactive role in ensuring acceptable housing standards are improved and enhancing landlord and agent practice. **Net expenditure on ensuring good private sector housing standards by local authorities in England decreased from £12.58 per private renting household in 2009/10 to £7.02 per private renting household in 2018/19; a reduction of 44%.**

Additionally, some local authorities' approaches to partnership working have resulted in siloed working amongst housing teams and a lack of data sharing across local authority lines. Harmful collaborations that some local authorities have adopted with external agencies – e.g. UK Border Force – as part of their private rented sector enforcement work has resulted in a reluctance for some renters to approach their local authority for help.

Selective licensing is a tool that local authorities can use to tackle poor property conditions and poor practice within the private rented sector, however it is not operational across the whole country. The government's 2019 commissioned review found that as of 1st January 2019 only 44 (less than 13%) local authorities in England reported operating a selective licensing scheme. It also found that four (just over 1%) local authorities had a scheme covering 100% of their local area and a further nine (less than 3%) had a scheme covering more than 20% of their local area.

Recommendations

In order to ensure renters feel safe to enforce their rights, the threat of Section 21 must be removed. The government first committed to this in 2019 and have subsequently said it will be delivered through the Renters' Reform Bill (RRB) due this year. For landlords to be able to evict tenants, they must provide a legitimate reason for the eviction, meeting a high bar of evidence. This would create a sea-change in the power imbalance currently felt in the sector.

The government have also stated their intention to review the Decent Homes Standard and explore its application to the PRS through the RRB. This would drive up standards, creating a clear national minimum standard that must be met. In doing this, the government must ensure that it does not add further delay to the introduction of the RRB, for which renters have already been waiting so long.

To improve accountability in the sector and ensure legal requirements are met, a centralised National Landlord Register must be introduced. England is the only nation in the UK which does not currently operate a landlord register. This lack of accountability means renters have no way of knowing if their landlord is legally compliant or if the property is safe before moving in. To ensure healthy and safe communities, it is important that local authorities have access to information about landlords operating in their areas and the properties being rented so they can carry out essential enforcement action. This would also facilitate information sharing between local authorities, ensuring rogue landlords cannot simply move between areas to continue operating.

