

Briefing: Backbench Business Debate on *A fairer private rented sector* White Paper

For too long, private renters have been living in a sector characterised by insecurity, poor conditions and high rents. The government's [A fairer private rented sector](#) White Paper set out its proposals for the Renters' Reform Bill. If enacted properly, these proposals will go a long way to transforming the private rented sector, finally levelling the playing field between tenants and landlords.

Private renters have been waiting too long for reform, and Shelter is now calling on the Government to:

1. **Urgently set a date for the long awaited Renters' Reform Bill** so that the promises outlined in the White Paper can finally be made a reality for England's 11 million private renters.
2. **Strengthen reforms to give private renters genuine security in their homes.** Shelter welcomes the ambition of the White Paper, but in order to meet the Government's aim of creating a fairer, more secure private rented sector it must strengthen certain areas of its reforms, such as lengthening notice periods.
3. **Ensure that these proposals are adequately funded** so that new regulations can be properly enforced by local authorities.

The case for reform

For decades, legislation has failed to keep pace with the changing private rented sector. 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 in the last twenty years 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.

The Government has promised to bring forward the Renters' Reform Bill in three Queen's Speeches, and first committed to scrap Section 21 "no fault" evictions in 2019. Shelter [research](#) from April 2022, three years after the Government first committed to scrap Section 21 "no fault" evictions, shows that every 7 minutes a private renter is served with a Section 21 notice - and that over 200,000 renters have been evicted in the three years since the Government first committed to scrap 'no fault' evictions.

What does the White Paper propose?

Scrap Section 21 'no fault' evictions and introduce open ended tenancies: Section 21 is an eviction notice that landlords can serve any time after a fixed term tenancy has expired, which gives them just two months to find a new home. A landlord does not



have to give or have a reason for serving the notice. Since the government first proposed to scrap this unfair form of eviction more than three years ago, over 200,000 private renters in England have been served a Section 21 eviction notice.

As a result, renters must live with the possibility of imminent eviction looming over them – and research shows that 16% of renters decided not to complain about poor conditions in their home for fear of being evicted. The government will also introduce open-ended periodic tenancies as standard, abolishing fixed term tenancies which will give private tenants more flexibility if their circumstances change, while also giving them security in their homes.

It is important to note that the government proposals do not prevent landlords repossessing their properties when they can provide a reason for doing so. Landlords can still evict tenants on the grounds of persistent or severe rent arrears, on the grounds of anti-social behaviour and there will be new grounds for when a landlord needs to sell or move back into the property.

Some original proposals have been watered down: Scrapping no fault evictions is foundational to reforming the private rented sector, but reforms regarding notice periods and protection periods must be strengthened if the Government is to meet its ambition of giving private renters genuine security in their homes.

The Government must be more ambitious in protecting private renters from unexpected moves by lengthening notice periods. The current proposals, whereby a landlord would be able to serve a two month notice after just six months if they decide to sell the property, could still leave families at risk of being forced to leave in the middle of a school year. This leaves families in turmoil and children uprooted from their homes. During the pandemic, renters benefited from a four month notice period. This gave renters vital time to find somewhere new to live, and gave advice services like Shelter more time to prevent possible homelessness. Shelter is calling for notice periods to be extended to at least four months where the tenant has not breached the tenancy agreement.

In the 2019 [‘New Deal for Renting’](#) consultation, the Government set out strong proposals for a protection period or period of commitment, where private renters would be protected from an eviction for two years where there had been no breach of the tenancy agreement. Shelter supported initial proposals for a two year protection period, as this would give renters the security and stability needed to put down roots in their home and their neighbourhood. Unfortunately, this protection has been watered down to just six months in the White Paper.

Introduce a new property portal: The government proposals mean that landlords will be legally required to register themselves and their properties. This will help local authorities crack down on criminal landlords and make it easier for good landlords keep up to date with the latest regulations and their obligations. It may also mean private renters can find out more about their landlord and property, which would allow renters to make an informed choice before entering into a tenancy agreement.



We are waiting for more detail from the government about how this will work in practice, but it's good news for private renters and if enforced properly, will help drive up standards and accountability across the sector.

Make it illegal for landlords and agents to refuse to let to renters claiming benefits:

The government proposals will make it directly illegal for landlords or agents to have blanket bans on renting to families with children or those in receipt of benefits. Shelter has long campaigned against discriminatory "No DSS" adverts and other informal and affordability barriers that lock renters on benefits out of renting homes they can afford. The practice is already unlawful, but sadly we know it is still widespread. The government proposal is not yet clear on how it plans on legislating this and the devil will be in the detail for how this will be properly enforced on the ground.

Enforcement powers for local councils and a new Private Renters Ombudsman: The government plan to run pilot schemes with a selection of local authorities to trial improvements to the enforcement of existing standards and explore different ways of working with landlords to speed up the adoption of new regulations. The government has committed to funding this pilot and to publishing best practice after the trial. But to ensure that every local authority in England has the resource and capacity to crack down on bad practice in the private rented sector, the government must provide local authorities with adequate, ring-fenced resource to do so.

The government has also committed to establishing a Private Rented Ombudsman, which will be free for private renters to use and which landlords will have to join regardless of whether they use a letting agent. The ombudsman will be able to issue fines of up to £25,000 to landlords who refuse to carry out repairs or for poor practice. Landlords who do not comply could end up with a banning order.

What next?

These proposals could be a gamechanger for the private rented sector and, if enacted properly, will finally reset the balance of power to put landlords and tenants on an even playing field. Now the government must publish its timeline for the Renters' Reform Bill, so that private renters and landlords know when these promises will become law. It must also provide more detail on how new regulations and enforcement powers will be funded – so that local authorities have the resource and capacity to crackdown on bad practice.

