



HILLINGDON

LONDON

Policy Overview & Scrutiny Committee Review Scoping Report 2015/16

RAISING STANDARDS IN PRIVATE RENTED SECTOR ACCOMMODATION

Aim of review

This review aims to examine standards in private sector rented accommodation in Hillingdon, and will focus on the specific issues detailed in the Terms of Reference.

Terms of Reference

- a. To provide a profile of the sector and its tenants and how this has changed for comparative purposes and provide information regarding accessibility to such accommodation;
- b. To report on levels and the impact of overcrowding in the sector particularly in relation to the health of occupants;
- c. Consider current and potential mechanisms through which information regarding their options is made available to existing and prospective private rented sector tenants. To include council services and signposting to other agencies;
- d. To make recommendations to Cabinet based on the findings of this review

Reasons for the review

At 22 April 2015 meeting, the Committee considered investigating Raising Standards in Private Rented Sector Accommodation as its first major review topic for 2015/16. At the 2 July 2015 meeting a verbal overview of the Private Rented Sector in Hillingdon was given by Housing Officers to assist the Committee in narrowing the focus of the review.

INFORMATION AND ANALYSIS

Key Issues

1. The private rented sector in Hillingdon has grown significantly in terms of both the number and proportion of households that live in this tenure. The cost of accessing private sector housing in Hillingdon has also increased markedly and the make-up of the sector has changed. Increased competition comes from within the borough and further afield. These factors create a different climate for private rented sector housing than previously and have an impact on households' ability to access the sector. There are also potential impacts on property conditions and management standards. There is, for instance, some evidence that overcrowding is increasing. The Council needs to better understand the private rented market and in particular the impact of overcrowding on occupants' health.
2. Resources to address issues in the private rented sector are limited and consequently it is important that information about available options is disseminated effectively in relation to both Council services and those provided by others. Given the rapid growth of the sector and other changes, such as those relating to welfare benefits, it is timely to review this.

Background and importance

Overview

3. The private rented sector has continued to grow in size and importance, not only for traditional groups housed in the sector, such as young single people, but also for families with children.
4. The London Housing Strategy includes a target to increase the supply of purpose built private rented sector housing. The Mayor of London has also developed a London Rental Standard; a set of minimum standards that the Mayor expects every landlord and letting agent in London to meet.
5. There has been significant growth in the Buy-to-let market and although the recent Budget set out plans to reduce tax relief to basic rate only, buy-to-let is likely to continue to be seen as an attractive investment prospect.
6. The majority of landlords are reputable and provide decent well maintained homes, but there are a minority of landlords who ignore their obligations and knowingly rent out unsafe and overcrowded accommodation.
7. Tenants may not be aware of their rights and what can be expected of their accommodation and their landlord. Encouraging tenants to raise

complaints and concerns about their landlords, letting agents or neighbouring tenants can help to target investigations.

8. Likewise a small number of landlords have little awareness of their obligations towards their tenants. In many cases landlords are willing to learn how to be better in their role. Landlord education, training and signposting can assist in improving the management of property.
9. Legislation now requires all letting and property management agents to join one of three approved redress schemes, which gives tenants a process through which to hold agents to account.
10. There are important links between housing and health. The Building Research Establishment (BRE) estimate that, across the country, avoidable disease and injuries caused by poor housing costs the NHS at least £600m a year.
11. Growing up in an overcrowded household can have a serious impact on the health of children. Infectious diseases spread more readily in overcrowded conditions and frequent illnesses lead to missed days at school. Research has found evidence of a relationship between overcrowding and the physical health of children, including respiratory conditions and meningitis.¹

Remit

Private rented sector – size and profile

12. Between the 2001 and 2011 census the number of private rented dwellings increased from 9,439 to 18,141 and it is thought that the increase has continued at pace since the census. The growth of the private rented sector is a common across the country but has been particularly strong in London. According to a report by Kent Alliance², in the last year, 77% of the new households formed in Great Britain were created in the private rented sector. The review will examine this growth in more detail.

Rent levels in the private rented sector

13. Market rents in the private rented sector have been increasing and there have been various changes to the way in which the Local Housing Allowance operates that have been made since it was introduced in 2008. A number of other welfare benefit changes are also relevant in relation to

¹ The Impact of Overcrowding on Health & Education: A literature review (Office for the Deputy Prime Minister, 2004)

² The Kent Alliance: Buy to Let Britain report, Edition Two

households' ability to access the sector, including the household benefit cap. The review will explore rent levels and affordability in more detail.

Overcrowding and Health Implications

14. "Crowding and space" is one of the 29 possible hazards in domestic dwellings identified in the Housing Health and Safety Rating Scheme (HHSRS) introduced in 2006 to support the enforcement regime created in the Housing Act 2004. Crowding and (lack of) space is described in HHSRS as a "psychological hazard" as the effects of lack of space for living, sleeping and normal household and family life are mainly psychological distress and mental disorders as personal space and privacy needs are compromised. There is also an increased risk of accidents and lack of hygiene. There appears to be no particular age group more vulnerable than others, but those most at risk will be those who spend most time in the dwelling, typically older people, the very young, those who are mobility impaired and their carers. The likelihood of overcrowding depends, of course, mainly on choices made by landlords and occupiers, but the type of property where likelihood increases is in newer houses, for example those built since 1979, as room sizes and overall dimensions of properties have become smaller. The lowest risk is in properties built before 1920. Overcrowding in flats is generally less common than in houses, where the temptation to introduce additional tenants, family members or families is higher. However, some of the more extreme cases of overcrowding can occur in flats, for example one family living in each room including the living room.
15. Enforcement action open to the Council under the Housing Act 2004 includes an Improvement Notice, requiring the owner to make changes within a time frame, or a Prohibition Notice, requiring the owner to cease using the premises as a dwelling completely, or partially for example by returning it to single family use or limiting the number of occupiers.
16. This is in addition to traditional enforcement powers under public health legislation relating to filthy premises or removal of conditions encouraging pests.

Information, advice and guidance

17. Initial enquiries regarding landlord issues are dealt with via the Council's contact centre who have scripts for dealing with a variety of query types. The Homelessness Prevention Team also provide advice to people on what they should expect from landlord and tenant relationships. The team also signpost as necessary for legal advice. Where there may be a need for more specific intervention in relation to housing standards, households are directed to the Private Sector Housing Team. A section of the Council website is devoted to private sector housing conditions and provides advice for both tenants and landlords.

Connected work (recently completed, planned or ongoing)

18.The Renewal of HMO Scheme.

EVIDENCE & ENQUIRY

Witnesses

Debby Weller

Nigel Dicker

Ed Shaylor

Steve Hajioff

Lynn Forshaw

Local management agents

Private sector landlords

Lines of enquiry

The first witness session will focus on the profile of the private rented sector and accessibility.

- The size and composition of the private rented sector and its occupants
- The differences within the private rented sector in different parts of Hillingdon
- The various sub-markets within the sector
- How the sector has changed. Current market trends and the effect this has had on the private rental market?
- Likely future trends?
- Private rental reposessions and the impact on homelessness
- Accessibility of the sector including the impact of rental costs and of welfare reform

The second witness session will focus on overcrowding and the impact on health.

- A definition of overcrowding
- The room standard and the space standard
- Households overall at greater risk of illness, infection poor diet and nutrition.
- Specific impact on children. Prevalence of meningitis and respiratory problems. Overcrowded homes and linkage to slow growth in children and correlation with increased risk of heart disease as an adult.
- Detrimental effect on emotional and mental health.

The third witness session will look at information, advice and guidance

- What information is currently provided to prospective Private Rented Sector tenants?
- Should the Council consult to see if this is effective?
- What further forms of information might be provided?
- Channels of communication

The fourth and final session will

- Agree the final report including recommendations to Cabinet/Cabinet Members based upon the findings of the review.

LOGISTICS

Proposed timeframe & milestones

Meeting	Milestone	Outcomes
30 July 2015	Agree Scoping Report	<ul style="list-style-type: none"> • Agreed terms of reference and preferred witnesses
3 Sept 2015	<p><i>First witness session</i></p> <p>Potential witnesses include:</p> <ul style="list-style-type: none"> • Debby Weller • Nigel Dicker 	<ul style="list-style-type: none"> • To review the size and scale private rented market in Hillingdon • Sub - markets • The evolution of the sector and future trends
6 Oct 2015	<p><i>Second witness session</i></p> <p>Potential witnesses include:</p> <ul style="list-style-type: none"> • Ed Shaylor • Steve Hajioff • Nigel Dicker 	<ul style="list-style-type: none"> • To determine what overcrowding is and the current levels • To determine the most likely health impacts • To propose those steps which might be taken to improve conditions
4 Nov 2015	<p><i>Third witness session</i></p> <p>Potential witnesses include:</p> <ul style="list-style-type: none"> • Lynn Forshaw • Ed Shaylor • Debbie Weller • Local management agents (Orchard & Shipman and Gibbs Gillespie) • Private sector landlords 	<ul style="list-style-type: none"> • Information, advice and guidance • Sign posting by the Council to other agencies
20 January 2016	Final session	Agree final report.

Risk assessment

To meet its terms of reference the review will need to be resourced. Officers will be tasked to support the review as an integral part of the Housing Delivery Plan.

The impact of the review may be reduced if the scope of the review is too broad.

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