

# SOCIAL SERVICES, HOUSING & PUBLIC HEALTH POLICY OVERVIEW COMMITTEE: REVIEW OF RAISING STANDARDS IN PRIVATE SECTOR RENTED ACCOMODATION

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<b>Cabinet Portfolio</b>	Social Services, Health and Housing
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<b>Papers with report</b>	Appendix A: Social Services, Housing and Public Health Policy Overview Committee Final Report.

## HEADLINE INFORMATION

<b>Purpose of report</b>	To consider the Policy Overview Committee's Review On Raising Standards In Private Sector Rented Accommodation.
<b>Putting our Residents First</b>	<p>This report supports the following Council objectives of: <i>Our People; Our Built Environment.</i></p> <p>Raising Standards in Private Sector Rented Accommodation contributes to the Council's primary aim to prevent homelessness and ensure robust procedures are in place to assist tenants in the Private Rented Sector.</p>
<b>Financial Cost</b>	No additional impact on Council budgets currently projected.
<b>Relevant Policy Overview Committee</b>	Social Services, Housing and Public Health
<b>Ward(s) affected</b>	All

## RECOMMENDATIONS

That Cabinet:

- A) Welcomes the report from the Social Services, Housing and Public Health Policy Overview Committee (as in Appendix 1) on the review into Raising Standards in the Private Rented Sector and;
- B) Endorses the recommendations of the Policy Overview Committee as set out below, noting that the Cabinet Member for Social Services, Health and Housing will take them forward for due consideration:-

## **Information sharing**

1. That the Landlord's Forum be used as a platform / sounding board to raise awareness of new policy and legislation such as:
  - Elements of the Housing and Planning Bill affecting landlords;
  - The Immigration Act 2014 and the current Immigration Bill concerning Right to Rent checks and evictions for those without a current right to rent;
  - Likely impacts from the Welfare Reform and Work Bill.

## **Intelligence**

2. To investigate and present options for updating the private sector house condition survey, recognising the statutory duty placed on Councils under the Housing Act 2004 to review housing conditions in their area.

## **Health**

3. To note the relationship between good quality housing and improved life chances.

## **Raising standards & enforcement**

4. Consider the new national legislation set out in the Committee's report following the Government's response to the consultation - 'Tackling rogue landlords and improving the Private Rented Sector', and subject to this becoming law, notes the new requirements including:
  - a. Contributing to a database of rogue landlords and property agents to keep track of persistent offenders and focus enforcement action.
  - b. Introducing Banning Orders on the worst offenders, so landlords or lettings agents would be prohibited from letting or managing residential properties for a specific period of time.
  - c. Where appropriate, imposing Civil Financial Penalties for breach of a Banning Order.
5. Consider drafting a 'charter' or standard for landlords and lettings agencies to adopt, as a model of good practice.

## **Reasons for recommendations**

The recommendations are aimed at building upon Hillingdon's understanding of the changes to the private rented sector. Improved standards in the private rented sector will help reduce cases of homelessness by focusing on information advice and guidance and in cases where this is not possible, ensure that any intervention is as effective as possible.

## **Alternative options considered / risk management**

The Cabinet could decide to reject some or all of the Committee's recommendations.

## **Supporting Information**

The Social Services, Housing and Public Health Policy Overview Committee held meetings on 2 and 30 July, 3 September, 6 October and 4 November.

The Terms of Reference of the review were as follows:

1. 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;
2. To report on levels and the impact of overcrowding in the sector particularly in relation to the health of occupants;
3. 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;
4. To make recommendations to Cabinet based on the findings of this review.

## **Background to the review**

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.

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 was timely for the Committee to review this.

**Key findings**, which were identified in the review, included:

Given the present housing situation across the Country, the private rented sector has become a vital aspect of housing in Hillingdon. It was therefore important to investigate how improved standards in this key sector could help reduce cases of homelessness by focusing on information, advice and guidance and, where this was not possible, any effective intervention.

To investigate this, the Committee examined the profile of the sector and its tenants, the effects of overcrowding and the health implications of this, the information, advice and guidance given to tenants and also the enforcement powers available to the Council. The review noted that

since the last Housing Condition Survey, the number of people using the private rented sector had risen exponentially and so there was clear responsibility on the Council to ensure it took positive steps where possible to assist and improve the quality of life of our residents in this sector.

The review suggested that incidences of overcrowding might well be increasing driven by a necessity to accept lower housing standards to minimise costs. However, the Committee also recognised that as the Council had no direct control of the sector, there was no panacea or single action that could be taken to solve all the problems associated with the sector.

The Committee welcomed news that the enforcement options available to the Council would be strengthened by the Housing and Planning Bill when passed, but appreciated these measures would focus on the most serious and severe instances or malpractice.

### **Comments on the implementation of the recommendations**

This review led to a number of recommendations covering and in considering their implementation, the following comments are provided by officers for Cabinet to consider:

#### **Recommendation 1:**

The Landlords Forum meets on a quarterly basis. Officers will ensure that new policy and legislation continues to be raised at the meetings and advice and guidance will be provided as appropriate. The specific items listed in the recommendation are key pieces of forthcoming legislation that will impact on landlords and tenants.

#### **Recommendations 2**

Officers will explore costs and options for updating house condition information and present these for consideration by the Cabinet Member for Social Services, Health and Housing. Members should note that such surveys are costly and will be considered in the context of other housing priorities.

#### **Recommendation 3:**

The report makes clear that good quality housing and improved life chances are linked. Officers will continue to make available updated information in this regard as appropriate and to seek opportunities for complementary work across programmes, services and agencies.

#### **Recommendation 4:**

Officers will consider the practical requirements of implementing the Housing and Planning Bill following Royal Assent and discuss these with the Cabinet Member.

#### **Recommendation 5:**

Officers will develop for further consideration by the Cabinet Member any proposals for a best practice document or 'charter' to promote the provision of fully compliant, safe and secure privately rented housing.

## **Financial Implications**

Any financial implications arising from revised information requirements will be dependent on options developed by officers. These will be closely scrutinised, however, it is expected that costs will be managed within existing resources. It is noted that new national legislation will introduce new enforcement requirements subject to becoming law. It is expected that these new requirements will be managed within existing resources.

## **EFFECT ON RESIDENTS, SERVICE USERS & COMMUNITIES**

### **What will be the effect of the recommendations?**

The recommendations, if agreed, will provide a springboard for the Council to take those steps necessary to improve the private rented sector in Hillingdon.

### **Consultation Carried Out or Required**

The Committee heard evidence from the witnesses listed in the report.

## **CORPORATE IMPLICATIONS**

### **Corporate Finance**

Corporate Finance has reviewed the report, noting that additional costs arising from implementation of recommendations remain subject to confirmation but are expected to be managed within existing service operating budgets. It is expected that costs associated with the meeting requirements of the Housing and Planning Bill following Royal Assent can be managed within existing resources. It would be expected that any additional costs arising from change in legislation that could not be managed within existing resources would be funded through New Burdens grant funding from central Government.

### **Legal**

There are no specific legal issues with endorsing recommendations A and B1-5 of the Policy Overview Committee, concerning the review into Raising Standards in Private Sector Rented Accommodation. Such a review falls within the terms of reference of this Committee.

In terms of the introduction of Banning Orders against rogue landlords (recommendation 4b), the current draft of the Housing and Planning Bill provides that these will be granted at the discretion of the First Tier Tribunal on application by the Local Authority. In order for the Tribunal to consider an application for a Banning Order the person or body against whom the Order is sought must have been convicted of a Banning Order Offence as specified in regulations made by the Secretary of State; and the Local Authority must have complied with all steps of the pre-application procedure detailed in the Housing and Planning Bill as enacted.

Legal Services should be approached to provide advice on any areas that require legal input in order to properly implement.

## **BACKGROUND PAPERS**

NIL.