



**Prosperous Communities
Committee**

**Tuesday 12th September
2023**

Subject: Private Rented Sector Housing - Update

Report by:	Director of Change Management, ICT & Regulatory Services
Contact Officer:	Andy Gray Housing & Environmental Enforcement Manager andy.gray@west-lindsey.gov.uk
Purpose / Summary:	To provide Councillors with an update on the work relating to the PRS and advise on some of the potential impacts relating to the Renters Reform Bill, which is due to be introduced during 23/24.

RECOMMENDATIONS:

Committee are asked to agree:

- a) That a selective licensing scheme may still be revisited within the next 18 months, subject to the necessary data to support this approach.
- b) That two information sessions (one face to face and one online) are organised for landlords and tenants on the Renters Reform Bill and its potential implications. To be held during October or November 2023.
- c) That officers continue to understand the implications of the Renters Reform Bill and provide updates on this via Prosperous Communities Committee Chairs Brief.
- d) That officers continue to carry out proactive targeted enforcement project on Energy Performance standards, alongside its statutory obligations.
- e) That the remaining allocated £35k available for selective licensing work, as agreed at Corporate Policy and Resources Committee on 11th November 2021 is reallocated to support the work on updating the housing stock modelling report.

- f) That a Private Sector Housing Renewal Policy be developed for approval by this Committee

IMPLICATIONS

Legal:

The Council has statutory obligations as set out in the Housing Act 2004, which is a piece of legislation that the Council are familiar with and utilise regularly. Certain approaches may require specific legal advice, which will be sought should it be required.

The Council have in place a Housing Enforcement Policy and a Civil Penalties Policy, which support this work.

The planned Renters Reform Bill seeks to increase the statutory obligations on the Council within the private rented sector.

Financial:

Section 6 of the report details the requirement for a Housing Stock Condition Survey, which is a statutory requirement under the Housing Act 2004. The last stock modelling exercise was undertaken in 2017/2018 and is now due for an update.

There is a base budget within the MTFP every 5 years of £20k from 2024/2025 based on the cost of the previous survey work in 2017/2018. However, this cost has increased to £39k and is required during 2023/2024, a year earlier than predicted.

It is proposed that Prosperous Communities Committee are asked to release the remaining £35k selective licensing allocation (from November 2021) to support this work.

The reprofiling of the budget to every 5 years from 2023/2024 and forecast pressure of £19k will be reported through the 2024/2025 budget setting process for approval.

FIN/60/24/SSC

Staffing:

The matters discussed within the report are resourced through the Council's existing staffing base.

Equality and Diversity including Human Rights:

None noted.

Data Protection Implications:

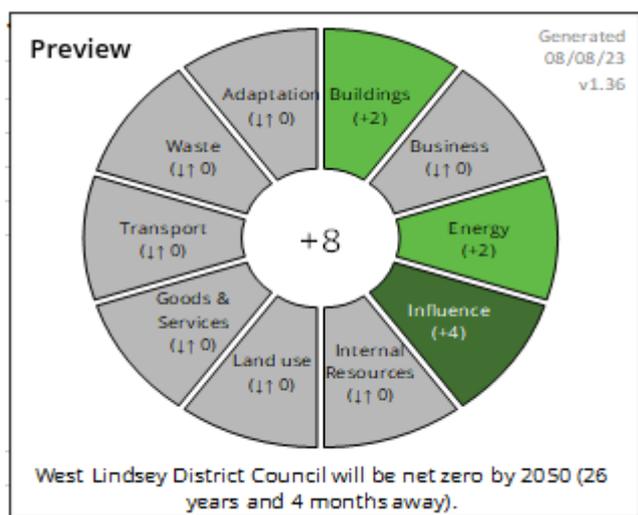
None noted.

Climate Related Risks and Opportunities:

The improvement of housing standards has a direct impact in regard to carbon reductions and helping to minimise energy usage for persons living in any properties.

Specific regulations such as MEES (Minimum Energy Efficiency Standards) focus directly on improving the energy performance ratings of homes and are regulations that the Council currently enforces.

A CESIA wheel has been completed for this report below, outlining the areas where improving housing standards can have a positive environmental impact.



Section 4 of the report outlines how the Council is using Energy Performance Ratings as a basis for addressing housing standards and this is a continuation of the work that was undertaken between 2021 and 2022 to address poor energy efficiency standards in the private rented sector.

Operating as an enforcement authority when carrying out this work also continues to demonstrate to the public that we are working to improve housing standards and energy efficiency.

Section 17 Crime and Disorder Considerations:

The evidence available to the Council suggests broadly that where there is a greater level of PRS properties, there is generally a greater level of anti-social behaviour. The only Housing Act power that can deal with ASB more directly and in a broader manner is "Selective Licensing". To address it specifically on a case by case basis, the Council has other relevant powers it can consider utilising, however these are not as binding on the landlord as some of the aforementioned.

Health Implications:

Poor quality housing can have a significant impact on an individual’s health and wellbeing. This is well documented and evidenced and forms the basis for the Housing Act powers that are used by the Council.

The inspections undertaken by the Council seek to identify and remove serious hazards from properties to ensure that they are safe for the occupants to live in.

Further information on this impact can be found here:

<https://commonslibrary.parliament.uk/research-briefings/cbp-9414/>

Title and Location of any Background Papers used in the preparation of this report:

Report to the Prosperous Communities Committee 07 March 2023, Private Sector Housing - Options for Future Direction

<https://democracy.west-lindsey.gov.uk/documents/s34582/Private%20Rented%20Sector%20Housing%20-%20Options%20for%20Future%20Direction.pdf>

Government White Paper “A fairer private rented sector” (June 2022)
Overview of the bill can be found here <https://www.gov.uk/guidance/guide-to-the-renters-reform-bill>

The Bill page is here - <https://bills.parliament.uk/bills/3462/publications>

The Parliamentary Briefing (30th May 2023) can be downloaded at this link: <https://commonslibrary.parliament.uk/research-briefings/cbp-8756/>

Risk Assessment:

Housing Standards: the data in section 2 suggests that there is considerable work to be undertaken to improve standards with the PRS and reduce the number of hazards present in properties. These hazards present a risk to property occupants and the Council have a statutory obligation to address category 1 hazards where they are found to be present.

Planned Government Reform: whilst the planned reforms in the PRS are outlined, there are no current implementation dates for the key aspects, such as abolition of Section 21 (no fault eviction), the Landlord Portal or the Ombudsman for the PRS. The risk of these reform is that the impacts are unknown and unquantifiable.

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

x

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1. Introduction

1.1. In March 2023, Prosperous Communities Committee selected a recommended course of action in relation to the future approach in the Private Rented Sector (PRS). Two recommendations were approved as follows;

- a) the policy position in regard to selective licensing be agreed as “Option D”, as set out in the options table on page 8 of the report, and that the timeframe for revisiting selective licensing be scheduled to be between 12 and 24 months;
- b) a further report be brought back to the Prosperous Communities Committee within 6 months to outline the proposed future approach for delivery.

1.2. During the time that has passed since March 2023, work has been undertaken to commence delivery of the selected options and further details in specific relation to these will be presented at the August 2023 Committee.

1.3. This update seeks to provide additional information on some of the progress made to date, alongside the identification of some of the key implications for the Council regarding the Renters Reform Bill.

1.4. The following actions were agreed as part of Option D at Prosperous Communities Committee in March 2023.

- Selective Licensing – choose to revisit selective licensing at a future date (between 12 and 24 months) with new data and new proposals.
- Targeted Enforcement – Could be developed prior to any new selective licensing proposals.
- Landlord and Tenant Support – Develop landlord and tenant support initiatives (i.e., a forum, increased comms, specific tenancy support workers)
- Landlord Accreditation – Enhanced comms in relation to benefits of landlord accreditation.

2. The Private Rented Sector in West Lindsey

2.1. In terms of context for Committee, there are currently around 9,000 properties in the PRS across West Lindsey, which make up roughly a quarter of the overall housing stock. The table below summarises what we know about the PRS on a ward-by-ward basis. The key points are as follows:

- Out of 20 wards, 6 have a PRS % that is above the National Average.
- The average across the whole district is also above the national average.
- 19 out of 20 wards have a %age of Cat. 1 Hazards that is above the national average.
- There estimated to be 2,413 properties in the PRS with at least one Cat. 1 Hazard
- The district average for Cat. 1 Hazards is 23.1% (against a national average of 13%).

Levels of PRS (WLDC Metastreet Report 2021)						
Wards	% PRS 2021	No. of PRS	Number of PRS with cat 1 hazards	% Cat 1 hazards 2021	Housing complaints	Rate of housing complaints / 1000 dwellings
National average	>19%			>13%		
Bardney	16.90%	214	35	16.40%	21	98
Caistor and Yarborough	18.20%	494	115	23.30%	37	75
Cherry Willingham	14.20%	508	72	14.20%	7	14
Dunholme and Welton	13.20%	505	93	18.40%	28	55
Gainsborough East	15.40%	504	81	16.10%	89	177
Gainsborough North	30.20%	1058	310	29.30%	148	140
Gainsborough South	56.70%	1752	792	45.20%	469	268
Hemswell	31.70%	389	127	32.60%	21	54
Kelsey Wold	11.10%	132	45	34.10%	11	83
Lea	11.10%	111	15	13.50%	8	72
Market Rasen	20.90%	861	198	23.00%	89	103
Nettleham	11.50%	247	41	16.60%	10	40
Saxilby	16.30%	465	71	15.30%	9	19
Scampton	33.00%	410	44	10.70%	13	32
Scotter and Blyton	13.70%	464	106	22.80%	37	80
Stow	13.30%	144	29	20.10%	8	56
Sudbrooke	9.80%	114	20	17.50%	1	9
Torksey	11.80%	163	40	24.50%	10	61
Waddingham and Spital	15.90%	182	55	30.20%	10	55
Wold View	27.40%	332	124	37.30%	21	63
Council total	19.62%	9,049	2413	23.1%	52	78

3. Selective Licensing

3.1. In relation to Selective Licensing, the decision made in March 2023 was to revisit it at a future date (between 12 and 24 months). Given that a very short period of time has passed since this decision, it is proposed that these timescales should remain, and that further consideration should be given to a scheme in line with the recommendation in due course.

3.2. Selective licensing provides a specific tool to deal with a variety of housing related issues, such as housing standards, tenancy management and anti-social behaviour. Given the data that the Council possesses in relation to these, it would be prudent to keep this

available as an option moving forward and revisit it towards the latter end of the timescales within the recommendations. This will also allow further understanding of the impacts of the planned Renters Reform Bill (see section 5).

- 3.3. Committee should note that there are no plans to reform selective licensing within the planned Renters Reform Bill and that the proposals within it are not viewed as a replacement for selective licensing. It is still a tool that is available for the Council to use.

4. Targeted Enforcement

- 4.1. The work area has sought to commence a targeted enforcement project within the current resources that it has for housing standards and enforcement. The focus is on properties in the PRS that have an “E” Energy Performance Certificate (EPC) rating, the minimum required legal standard. Previous work by the Council has ensured that any properties rated F or G on an EPC are no longer in the rental sector or have been improved to meet at least an E rating. This work directly contributes towards tackling climate change through the improvement of energy efficiency in homes.
- 4.2. This work is being completed alongside the usual day to day reports that are received by the Council in relation to housing disrepair. This involves proactively contacting landlords of those properties and asking them to provide a valid electrical safety and gas safety certificate. A summary of progress to date is as follows:
- 96 compliance letters issued across Bardney, Dunholme, Welton, Market Rasen, Nettleham, Scotter and Blyton.
 - 70 complied within timescales and provided both certificates.
 - 10 required new electrical safety certificates, which are now in place.
 - 14 property inspections completed, and 6 informal schedules issued.
 - 2 electrical safety breaches being considered for financial penalty.
- 4.3. The above initial statistics give some confidence in terms of compliance levels; however this only contains around 10% of the properties that fall into the E rated EPC category. This work will continue over the next 12 months.
- 4.4. Alongside this, a specific communications campaign has been delivered in relation to damp and mould in light of the tragic death in Rochdale of two-year old Awaab Ishak in December 2020, from a respiratory condition caused by mould in a social rented property. This campaign will run again as we move into the winter months. To support this work, a new damp and mould guide has been produced for tenants and is on the Council’s website here <https://www.west-lindsey.gov.uk/housing-homelessness/private-sector-housing/housing-repairs-standards-enforcement>

4.5. Proposals relating to landlord and tenant support are referred to in the points for discussion below, in light of the planned Renters Reform Bill developments.

5. Renters Reform Bill

5.1. In June 2022 the Government published its White Paper “A fairer private rented sector” which purported to offer a New Deal for people living in the Private Rented Sector. The White Paper outlined 5 ambitions and a 12-point plan of action to achieve those ambitions. It promised to address these through a Renters’ Reform Bill, and to “create a Private Rented Sector that is fit for the 21st century, with equal access to decent rented properties across the country and the security for tenants to make their house a home.”

- An easy to navigate overview of the bill can be found here <https://www.gov.uk/guidance/guide-to-the-renters-reform-bill>
- The Bill page is here - <https://bills.parliament.uk/bills/3462/publications>
- The Parliamentary Briefing was published on 30th May 2023, and can be downloaded at this link - <https://commonslibrary.parliament.uk/research-briefings/cbp-8756/>

5.2. It is the intention of the Government to bring forward legislation at the earliest opportunity to;

- Apply the Decent Homes Standard to the Private Rented Sector.
- Make it illegal for landlords and agents to have blanket bans on renting to tenants in receipt of benefits or with children.
- Strengthen local councils’ enforcement powers.

5.3. The table shown in appendix 1 sets out some of the initial implications that the bill may have for the Council. The main concern is that there are a significant number of unknowns, which may or may not have an impact on the Council’s resources. It is very clear however, that the Council will have increased enforcement responsibilities, which it will have an obligation to deliver.

5.4. Nationally, there is a general concern in relation to the Bill and how its implications will be understood by the sector given the wholesale changes it will bring about. On that basis, it is proposed that the Council deliver information sessions on the potential implications to landlords and tenants during the Autumn of 2023. These sessions will be aimed at providing advice and guidance to landlords on the requirements of the Bill and to further understand any concerns that they and tenants may have to enable the Council to consider whether it can respond.

6. Housing Stock Condition Modelling

- 6.1. A separate piece of work is being undertaken to update the Council's Housing Stock Condition Survey, which is a statutory requirement under the Housing Act 2004. The last stock modelling exercise was undertaken in 2017/18 and is now due for an update.
- 6.2. The Council have been working with all Lincolnshire authorities to commission a collaborative report, which would be supported by the Lincolnshire County Council (LCC) Public Health Intelligence Team (PHIT). The PHIT would undertake analysis and the production of bespoke reports on specific issues that each district wished to address across its different geographies. They would also review this information against other health information and NHS records across Lincolnshire to enable targeted interventions.
- 6.3. A further report is due at Management Team in September to outline the Housing Stock Condition modelling approach. In the meantime, it is proposed that Prosperous Communities Committee are asked to release the remaining £35k selective licensing allocation (from November 2021) to support this work. The remaining £35k is unallocated and it is believed that allocation of this amount will help to work towards the broader objectives within the housing strategy, given that it is unlikely that any selective licensing scheme will come forward in the short term. This work will also help to inform any future interventions that the Council may wish to implement.

7. Summary

- 7.1. Given the potential implications and limited information in regard to the planned Renters Reform Bill, it would be prudent for the Council to continue to understand this and its full implications, prior to making any further decisions on how it may intervene further in the PRS.
- 7.2. The Council will continue to carry out its proactive work alongside its statutory obligations and will work to ensure that landlords and tenants are provided with information to enable them to better understand and respond to the potential implications of the planned Renters Reform Bill.

END