



Standing up for private renters

A guide for councillors

the co-operative party
local



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Information and support

If you would like any more information about the topics covered in this guide, or would like support or advice in implementing the ideas contained in it, feel free to get in touch:

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Introduction

By the end of 2021 it is predicted that almost one in four households will be renting privately. These renters too often experience poor quality homes, insecure tenancies, punitive lettings fees and growing rents.

“Much as the Co-operative Party was able to lay the foundations of modern consumer law in the 1960s, the Party wants to give private renters the voice and power to challenge unscrupulous and unfair behaviour in the private rental sector – through new powers to negotiate a fair deal, an end to unfair fees, better regulation, a right to redress akin to that in other consumer markets, and new co-operative approaches to the lettings market.”¹

Tackling some of the problems in the private rented sector was therefore one of the Co-operative Party's '12 ideas for local government manifestos' in the local elections in May 2018. Many Labour & Co-operative councillors across the country pledged to take action on private renting in their local manifestos.

This briefing is designed to give Labour & Co-operative councillors the practical tools needed to make this pledge a reality.



¹ *Bricks, Mortar & Co-operation*, The Co-operative Party, 201

² <http://blog.shelter.org.uk/2016/02/renting-families-move-so-often-they-are-nearly-nomadic-new-research/>

^{3,4} <http://content.knightfrank.com/research/707/documents/en/the-uk-tenant-survey-2017-4743.pdf>

⁵ <https://www.citizensadvice.org.uk/Global/CitizensAdvice/Housing%20Publications/A%20nation%20of%20renters.pdf>

Before you start, understand the private rented sector in your area

A useful starting point for developing policies to improve the private rented sector in your local authority area would be to identify the scale of the sector, the main issues faced, and any hotspots where the problems are most acute.

Gathering data doesn't need to be an expensive exercise, and could save money in the long-run as future interventions will be targeted and designed to meet the specific needs of your local area.

Data sources

Councils already hold a lot of data which can be cross-referenced to give a better picture of the local private rented sector without having to commission any research or surveys. For example, tenure information can be cross-referenced with datasets such as:

- owner occupation, council tax names registered, council tax names liable, single person discount, student exemptions, council tax discounts
- ex-local authority property sold under right-to-buy
- local authority
- housing placements
- housing association owned property
- planning applications
- building regulation approvals and breaches
- frequency of turnover of occupants
- benefits - who has claimed against an address, number of claims
- electoral roll data
- census data
- police call outs
- Anti-Social Behaviour Orders
- large rubbish collections or removals

- use of advice services commissioned by the council
- complaints made to environmental health
- councillor members enquiries/ casework
- HMO database
- applications to join the Local Authority Housing Register
- homeless Applications made to the Local Authority
- approaches to the Local Authority's Housing Aid/Options Department for housing advice and assistance
- Other data may also be available from other public bodies willing to work in partnership and neighbouring local authorities.

Surveys

Low cost additional information could be in the form of a survey to residents regarding their experiences of the private rented sector in the area. This could be something that councillors use when doorknocking, as well as online and promoted by social media, and if the budget existed, a letter-drop in areas that the desk research has suggested has a high number of private rented homes, high turnover or high density of issues.

The survey could include attitudes to renting; anecdotal evidence of renters' experiences; issues like overcrowding and allowing pets; how often they have had to move; how long the journey to work or school is; conditions in current or previous rented properties; behaviour of current or previous landlord; and equalities and demographic data.

Councillors could also help conduct street surveys – with a better understanding of the signs of bad or criminal landlords, councillors who are regularly out and about in their wards could help to identify and report properties where there may be an issue. The local authority can then use their powers, as listed in a later section of this guide, to take action.

For example, signs can include poor maintenance of the building and untidy gardens, complaints from neighbour or tenants about noise and antisocial behaviour, and overflowing rubbish or discarded mattresses. Signs of overcrowding can also include large crowds gathered outside, permanently closed curtains, and new outbuildings which appear occupied.

In opposition?

You can still request information held by the council from officers to build a picture of your local private rented sector.

A survey by you and other Labour & Co-operative councillors on the opposition benches is an excellent engagement tool with residents in your ward and target wards and will provide you with useful evidence when encouraging the administration to take action in this area.



Establish a private tenants' association to give private renters a voice and the ability to collectively organise for better conditions

Most councillors will be familiar with tenants' and residents' associations (TRAs) on streets or estates in their wards – a voluntary group of people living on an estate who work together to improve conditions, contribute to decision-making and work together to make their area a better place to live. By working together, TRAs can be more effective than individual tenants raising issues.

Local councillors could develop something similar for private renters in their area – covering either a specific neighbourhood, council-wide or in partnership with other councils too. This is a step any ward councillor can take – from the back benches or even in opposition.

Things to consider when organising new community groups

✓ Where should the group cover?

The area your new private renter group should cover wants to be small enough to make it locally relevant and easy to attend, but wide enough to include sufficient private renters willing to join as members. In smaller towns, you might want a group which covers the whole town, in larger towns and cities, it may make more sense to have more than one group, each covering a neighbourhood. These may cross ward boundaries or even into different local authority areas, so consider who you need to work with to make it a success.

✓ Organising a first meeting

Make sure you have found an accessible and affordable venue for your meeting appropriate for your audience, such as a church hall, a community room at a pub or café, or your town hall. Consider what time of day people will be most likely to attend – it may work best to have it outside of working hours so that people can come on their way home for example.

✓ How will you make it attractive to attend?

You could organise a guest speaker as a draw for potential attendees. You could invite your local MP or a nearby Labour & Co-operative MP, someone from a relevant local charity or campaign organisation like Citizens Advice or Shelter, a senior councillor from your council responsible for housing, or other relevant speaker that might be a draw.

✓ How will you get people along?

Advertising your event widely and with a lot of notice will help ensure people can attend. Some tips on how to advertise your event include:

Social media

Make a Facebook event so that you can share it in local Facebook groups and send the link to your networks on Twitter and email. If you have a Facebook page, you could consider “boosting” the post which means spending a little money in promoting the event to people who don't currently follow your page and might not otherwise see it

Friends and colleagues

Ask your friends and colleagues to share the event to their networks too, and see if your council's communications team can help you to promote it

Offline advertising

Put up posters in local shops about the event – remember to make these visually engaging so that people notice them and can quickly see key information such as time, topic and location

Flyering

Deliver flyers promoting the event across the local area – if you have limited budget to print flyers or limited capacity to deliver them, focus your efforts on streets where, thanks to your local knowledge as councillor, you believe there to be a higher proportion of private rented accommodation. If you have a Labour Organiser working locally, they may be able to help you target this even more precisely.

✓ On the day

Make sure you get everyone to sign in so that you can contact them after the event with any actions you've agreed. You may wish to have prepared a draft paragraph on what the group exists to achieve for attendees to agree or edit.

You may wish to see if any attendees wish to volunteer to take on roles such as organising the next meeting, setting up a Facebook group or other actions as agreed by your group. And why not take a photo and write to your local newspaper to let them know the event was a success – the extra promotion from an article might encourage more people to attend next time

Guildford Private Renters Association

Guildford Private Renters Association is a free-to-join group of private renters in Surrey getting together to protect, support and campaign for the collective interests of private renters. They crowdfund the funds needed to print materials and host a website.

<https://www.facebook.com/guildfordrenters/>

London renters Union

London Renters Union is a group based in Newham, who hope to help other parts of London start local branches. They have a steering group made up of a number of pressure groups and think tanks.

Through a crowdfunding initiative they have hired a paid member of staff to help them to grow, and although membership is currently free, they may be moving to a paid-for membership model.

<https://londonrentersunion.org/about/>

West Norwood private renters

West Norwood private renters is a free-to-join group in South London. It was started by local Labour & Co-operative councillors for local private renters to share experiences, support each other and improve conditions in the private rented sector.

<https://www.facebook.com/groups/westnorwoodprivaterenters/>

In opposition?

You can definitely follow this step as an opposition Labour & Co-operative councillor.

How about inviting your new private renter group to make a deputation or present a petition to your council meeting, to highlight potential ways the council can take action to improve private renting standards?

Make it easier for private renters to raise concerns

Currently, it can be difficult to know where to go for advice and help when experiencing problems with your landlord. Many private renters aren't aware of their rights or when they can challenge particular behaviour or poor standards.

Things councils can do

Local councils can address this problem in a number of ways:

Website

Create a dedicated, easy-to-find website or page that sets out private renters' rights, where they can find advice and useful external agencies.

Advice hotline

Set up a new private renting advice hotline so that renters have a one-stop-shop to call with their concerns, and can speak with someone who is knowledgeable about their rights. This should have a clear triage process to minimise costs to the council and hassle to the resident.

Awareness campaigns

Develop communication campaigns on individual rights or issues (identified through research and surveys as detailed earlier) which are particularly pertinent to your local authority area, or neighbourhoods within it. This works best when done across a variety of platforms and methods, for example combining Facebook, Twitter, billboards, flyers, emails and local press.



Camden Fair Lettings Campaign

Camden run a Fair Lettings campaign which is their project to raise the standard of lettings agents in the borough. It seeks to advise lettings agents on how to comply with their legal obligations and is coupled with fines for agents who do not. It also raises tenants' awareness of their rights.¹



Plymouth City Council

In Plymouth, the council's phone line involves an initial in-depth discussion about what the problems are and the tenant's rights and potential courses of action. This empowers some tenants to successfully challenge landlords themselves.

Plymouth offer to write to the landlord listing the tenants' concerns, and they report that this resolves the problems about 50% of the time and frees officer time up to focus on those landlords who are not prepared to listen to advice.²

¹ <https://www.camden.gov.uk/ccm/content/housing/information-on-private-sector-housing/tenants/fair-lettings/>

² https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/412921/Improving_private_rented_sector.pdf p.7

Develop a private renters' charter

A charter is a way of making clear commitments to private renters and landlords alike, on what standards your council expects, what rights those private tenants should enjoy, what their responsibilities as tenants are, how renters can challenge or raise issues, and what support they should be able to expect.

Your charter It should be developed collaboratively with diverse private renters and landlords – a charter that doesn't have their buy-in will fail to make the difference hoped for.

This could be done through a combination of online consultation and surveys, doorknocking in areas with high numbers of renters, focus groups and workshops, meetings with organisations like Citizens Advice and Foodbanks who work with renters who encounter problems, or convening meetings of local landlords and lettings agencies.

Ensuring a range of voices

It is important to ensure a diverse range of renters are heard so that the charter genuinely helps to ensure a private rented sector that works for everyone.

✓ “Generation Rent”

Those younger adults who are priced out of homeownership but may have disposable income or good jobs. These renters might rent in houseshares. In 2015, the share of 25-34 year olds who rent privately had more than doubled over the previous decade to 48 per cent.¹

✓ Older adults

The private rented sector is no longer dominated by young or single households in the way it used to be. Many older adults are also in the private rented sector. One million more 35-54 year olds rent privately compared to ten years ago.² Half of all private rented households are headed by someone aged 35 or over,

and in particular, private renting among the age group 45-54 has risen sharply – in the last decade it more than tripled reaching 660,000 by 2015.

✓ Families who rent

One in four private renters have children in their household. These households will have a very different experience such as the impact of having to move house on their children or the school run, or overcrowding.

✓ HMO tenants

People who rent a self-contained room or bedsit and share common areas like kitchen or bathroom.

✓ Students

In towns and cities with further and higher education institutions, you are likely to find a high proportion of students renting. Their experiences may differ to other renters, with higher turnover and greater pastoral support from their place of study, but student housing is a sector that can attract some of the least scrupulous landlords or the poorest quality housing stock.

✓ Retired renters

Perhaps unexpectedly, the national picture shows that more privately rented households are headed by someone who is retired (320,000 in 2015) than by full time students, although this is still a relatively small percentage of overall retired households.

✓ Disabled tenants

There is an additional challenge for people with disabilities in finding suitable rental properties. A recent commission into accessibility of rented accommodation shows that the lack of accessible housing stops disabled people from being able to live independently.³

¹ <https://www.citizensadvice.org.uk/Global/CitizensAdvice/Housing%20Publications/A%20nation%20of%20renters.pdf>

² <https://www.citizensadvice.org.uk/Global/CitizensAdvice/Housing%20Publications/A%20nation%20of%20renters.pdf>

³ <http://www.bbc.co.uk/news/business-44061522>

Create a voluntary landlords' register so that private renters can choose to rent their homes from responsible landlords

There is no national registration scheme for private landlords in England – unlike Scotland where there is a mandatory scheme since 2006 and Wales where one was introduced in 2015.

However, there is nothing to stop local councils introducing a voluntary register, where good landlords can sign up to a voluntary code of standards, helping local renters choose to rent only from responsible landlords.

Any code of standards or accreditation scheme should be developed collaboratively with landlords and tenants to ensure that they are involved in the decisions that affect them, and to make sure the standards are relevant, easy to demonstrate compliance without a significant new burden of red tape, and which genuinely rewards good landlords and meets tenants' expectations.

A voluntary landlord register or accreditation scheme is a really positive way to reward good practice and champion the vast majority of your landlords who take their responsibilities towards tenants seriously.

Alternatively, instead of starting your own scheme, you could promote existing schemes – this might give you less direct contact with local landlords, but benefits from wider industry buy-in and recognition.

For it to be of value locally, you would need to promote its existence to local tenants and landlords so that potential renters actively checked the register or asked potential landlords if they are accredited.



Oxford City Council Landlord Accreditation Scheme

Oxford City Council has a Landlord Accreditation Scheme – voluntary, but which private residential landlords and lettings agents are encouraged to join.

The scheme is designed to improve the condition and management of Oxford's private rented sector, and involved properties meeting minimum legal standards, fair management practices which meet a code of practice, good community relations, compliance with the council's Cleaner, Greener agenda and policies, and good EPC ratings.

The council carries out random compliance checks and provides free training for landlords and agents as part of the accreditation process. https://www.oxford.gov.uk/info/20114/landlords_and_agents/342/landlord_accreditation_scheme



For more information, see the National Landlords Association <https://landlords.org.uk/registerinfo>

Reading Rent with Confidence

Reading launched their Reading Rent with Confidence Scheme in 2017. Membership of the scheme is voluntary and participating landlords are placed in bronze, silver or gold categories reflecting the standard of the homes they let, following an inspection from officers.

The converse of a positive accreditation scheme is a register of rogue landlords and agents – a register of any landlords and lettings agents who have been successfully prosecuted or have faced civil enforcement action for housing offences. This database would enable potential tenants to avoid unscrupulous landlords and agents. This can be complementary to an accreditation scheme.

Rogue Landlord and Agent Checker

In London, rather than setting up a database, boroughs can join the Mayor's new Rogue Landlord and Agent Checker, the first of its kind in the country. Records from 10 London boroughs (Brent, Camden, Greenwich, Islington, Kingston, Newham, Southwark, Sutton, Waltham Forest, Westminster) and the London Fire Brigade have been included, meaning 25% of all renters can check landlords in their area.

For more information:

<https://www.london.gov.uk/press-releases/mayoral/mayor-launches-rogue-landlord-and-agent-checker>

And for the database:

<https://www.london.gov.uk/rogue-landlord-checker>

“ In a competitive property rental market the private landlords and agents will be keen to show off their credentials through an independent scheme run by the Council.

A growing number of residents rely on the private rented sector in Reading and the Council is working with landlords to help ensure tenants enjoy good quality homes and a reliable service.”

In opposition?

There are still actions you can take – even if the council won't establish a voluntary register, you could work with renters' groups to do something bottom-up. Marks out of Tenancy, for example, have set up a way to rate your landlord, letting agent, rental property and neighbourhood on an online database.

Publicising initiatives like this or setting something up locally is a way to make a difference on private renting from the opposition benches.



Set up a landlords' co-operative to provide a fairer lettings agency for both landlords and renters

Many renters report feeling ripped off by lettings agents charging excessive or unnecessary fees. And it isn't only tenants who suffer when lettings agencies behave badly – landlords often experience high and unexpected fees or a substandard service.

Cracking down on rogue agents

Part of the problem lies in the fact that anyone can set up a lettings agency – rogue lettings agents can set up without appropriate qualifications, knowledge or understanding of the rental process, and it is not compulsory for them to conform to codes of conduct.

The first step is to crack down on rogue lettings agents in your area. Lettings agents are bound by consumer legislation which means trading standards officers can ensure compliance, and issue notices when this is not met. For example, in Camden in 2017, trading standards officers issued three 'Notices of Intent' totalling £35,000 against letting agents whose websites were still not complying with the law after being advised what to do.¹

Landlord co-operatives

A longer-term solution is to create a landlords' co-operative, giving landlords a stake in the organisation, shared values and principles, and a say on fees. Giving tenants and the council a voice in decision-making too would ensure tenant fees are fair too.

A number of local authorities have created social lettings agencies – socially-driven and not-for-profit alternatives to the high street estate agents. Often, these focus on identifying landlords who will let below market rates and are used to help place residents at risk of homelessness or on limited housing benefits,

but who are stuck on long housing waiting lists, into the private rented sector. These so far have tended to be wholly council-owned not-for-profit organisations, although there are also examples of universities and communities setting up similar organisations.

There is some useful and detailed advice on starting a social lettings agency available from Crisis in their 'Social Lettings Agencies: How to plan, develop, launch and sustain an income generating SLA' which gives practical advice from financing to the different offers SLAs could make to landlords and tenants.

See here: https://www.crisis.org.uk/media/236932/social_lettings_agencies_2015.pdf

To create a co-operative lettings agency, you could build on work to develop a voluntary landlord register, detailed in the previous section, to engage local landlords in becoming part of the scheme and understanding their priorities for a new lettings agency.

There is no one way to structure a co-operative or support a new venture. Councillors and the council could:

- Use the council's networks to facilitate a new landlord-led and -owned co-operative – the council's role here could be minimal, from as little as bringing together likeminded landlords to providing finance, office space or officer resource to help start-up.

¹ <http://news.camden.gov.uk/london-trading-standards-week-in-camden/>

- Start a multi-stakeholder co-operative with landlords and the council working in partnership to jointly own and run the lettings agency, along a one member, one vote basis. This means longer term council involvement but has benefits such as being able to work together to find homes for referrals from the council or meeting key council strategic priorities like supporting key workers.
- The council could offer to provide lower cost services that it has expertise in to the co-operative, to make it more attractive for landlords to become members. In Waltham Forest, for example, landlords who use their social lettings agency, Lettings Waltham Forest, benefit from rent collection, management services like repairs and maintenance, inventory checks and inspections.

Regardless of model, after the initial set up costs, a well-planned, well-run lettings agency should be able to become cost neutral. Profits can be shared with the members of the co-operative or reinvested into improving services or social programmes.

As a co-operative, landlords and other members would sign up to the co-operative movement's values and principles, including openness, honesty and social responsibility – this could mean upfront and fair fees, being responsive landlords, avoiding excessive rent increases, longer tenancies by default and maintaining homes to a high standard.

Benefits of this approach

A socially responsible lettings agency could also benefit the wider community through:

- Cross-subsidy within the agency, so that the more commercial part that lets larger and market-rent homes can enable them to offer below-market rents to residents referred by the council or key workers
- Funding training and support for lower income renters to get back into work or progress into better jobs – this is good for landlords too, as residents in better paid, more secure work are lower risk of default or late rent payment
- Funding training for landlords to help the local sector professionalise and provide a better, more consistent service to renters

✎ Detailed advice on starting a co-operative is available from Co-operatives UK: <https://www.uk.coop/developing-co-ops/start-co-operative>

🏠 Ethical Lettings

Ethical Lettings is a CIC (community interest company) based in Surrey and South West London. They are independent but are underwritten by the local authorities they work with and take referrals from, enabling them to offer guaranteed rent to landlords and charge no fees.

An example given by one tenant to Crisis¹ shows the additional support provided – the CIC funded one tenant's childcare so that she could undertake training and get a job at a local nursery. For more information: www.ethical-lettings.com



¹ https://www.crisis.org.uk/media/236932/social_lettings_agencies_2015.pdf

Take tougher enforcement action against poor standards and rogue landlords

There is mandatory licensing for certain kinds of houses in multiple occupation (HMOs), and landlords and agents who commit certain offenses will soon be able to be banned from operating for a period of time under the new Housing and Planning Act 2016.

Things councils can do

There is no national licensing or registration scheme in England. Despite, this, there are a number of options open to local authorities wanting to do more to improve their local private rented sector.

Enforcing existing powers

A challenge in many councils is having sufficient resource to properly enforce existing powers. Most councils will do limited investigation and enforcement of the private rented sector through their environmental health team.

Tenants can report problems to environmental health who may arrange a visit to inspect the home. This could cover:

- Damp, condensation and mould
- Pests and vermin infestations
- Broken glass, failing plaster or dangerous stairs
- Unsafe gas or electric
- Problems with sewage

However, the teams who do this tend to be small, and even more so following cuts to local government budgets by central government. Prosecution requires significant resource so many local authorities rarely follow this course of action – not through lack of willing but lack of resource.

If an inspection is required, officers will usually give both the tenant and the landlord advance warning of their visit – anecdotally, private tenants and inspectors say that landlords sometimes use this window to hide rather than resolve problems, and when inspectors

come they cannot substantiate the complaint and the tenant is left with the same problems, or worse yet with the threat of retaliatory eviction.

A more proactive approach

Many local authority environmental health teams only respond to complaints – often no proactive response is possible because of resource constraints. More proactive management in areas and homes identified as potentially problematic and prioritised for improvement would mitigate concerns about retaliatory eviction – inspections would not rely on a complaint from a tenant.

Also, the previous steps in this guide – from making it easier to raise concerns, introducing a dedicated hotline or organising private tenants – will increase the number of enquiries to this team. To meet this increase in demand, the department needs to be better resourced.

The Housing Act

The Housing Act 2004 allows councils to charge for taking other enforcement action if it involves the service of statutory notices and orders notices. A charge would usually cover the cost of administration at the current rate for officer's time, and other expenses involved.

The newer civil penalties introduced in 2016 referenced above enables officers in certain cases to replace expensive court proceedings with a fine.

The cost of additional officers could be met in part through enforcement notice charges and fines for non-compliance. The complaint handling aspect of the roles could be managed in a way which reduces

the scale of the workload – for example, better triage and advice available, more collaboration with other agencies.

Selective licensing

Selective licensing, covered later, can be a cost neutral scheme after initial set up because it enables the local authority to charge reasonable licence fees for landlords within the licensed area.

Leeds City Council

Leeds City Council, for example, have demonstrated the success of proactive inspections. In April 2013 a new team of 11 officers was created to proactively inspect properties in targeted areas of the city, addressing the worst areas of housing.¹


London Borough of Lewisham

The London Borough of Lewisham employs a team of specialist private sector advisors to advise private tenants and landlords about their rights and responsibilities and ensure compliance with the law. These advisors act as mediators, will attend incidents and, directly where necessary, help tenants to obtain injunctive relief.²



Powers available to local authorities:

Powers under the Housing and Planning Act 2016 – this Act provides local authorities with the powers to impose civil penalties of up to £30,000 as an alternative to prosecution for offences under the Housing Act 2004.

 **Government guidance on penalties can be found here** https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/697644/Civil_penalty_guidance.pdf

Prosecution

Prosecution may remain the best choice, particularly for repeat offenders. However, the financial sanction of a civil penalty may be deemed a more cost effective or more appropriate course of action instead. The same criminal standard of proof is required for a civil penalty as for prosecution. It also allows for banning orders which prohibit landlords or lettings agents from operating for a specified period of time if they are convicted of certain offences like failure to comply with an improvement notice.

Housing Health and Safety Rating System

A power under the Housing Act 2004 to assess housing conditions in all residential property. If there are serious hazards, the local authority first must discuss with the landlord to encourage them to deal with the problem – non-compliance or inaction might result in an improvement notice, a prohibition order, a hazard awareness notice or taking emergency action. If statutory notices are not carried out, landlords could face a fine up to £5,000.

Smoke & CO Alarm Regulations 2015

Councils are able to issue a penalty charge of up to £5,000 where a landlord has breached this duty of compliance

HMO licensing

There is a statutory duty to licence larger higher risk HMOs. Landlords must be a “fit and proper” person to hold this licence and conditions like how behaviour is dealt with or the maximum number of occupants

¹ https://england.shelter.org.uk/_data/assets/pdf_file/0009/781587/Final_copy_of_Shelters_response_to_the_Government_Review_into_poor_conditions.pdf

² https://england.shelter.org.uk/_data/assets/pdf_file/0009/781587/Final_copy_of_Shelters_response_to_the_Government_Review_into_poor_conditions.pdf

permitted can be imposed, as well as on amenities and health and safety. Breaches of licence conditions are subject of fines up to £5,000, and letting a property without a fine is a criminal offence subject to a maximum fine of £20,000.

There are additional HMO licencing powers for smaller HMOs but these are a discretionary power which can be extended subject to local consultation – a minimum of a ten week consultation with residents, landlords and tenants and a robust evidence base demonstrating why a scheme is necessary.

Selective licensing

Councils have a discretionary power to introduce wider licensing of privately rented properties in specific areas, subject to local consultation.

Planning powers

There are a number of planning notices that local authorities can use to enforce relevant planning permissions. For example, Brent were able to use planning powers to crack down on a rogue landlord who had turned his garage into substandard flats.¹

Protection from Eviction Act 1977

The Protection from Eviction Act defines two criminal offences of illegal eviction and harassment of a residential occupier. While not widely used by local authorities, it can be used successfully to tackle rogue landlords.

For example, Southwark Council used this along with the Protection from Social Housing Fraud Act 2015 to prosecute a 'landlord' illegally subletting his council home.

 For more information on the case, see <https://www.southwark.gov.uk/news/2017/jun/landlord-sentenced-for-illegally-sub-letting-council-flat-in-elephant-castle>

¹ <https://www.londonpropertylicensing.co.uk/colindale-bed-shed-landlord-ordered-pay-%C2%A3173141-breach-planning-enforcement-notice>

Use selective licensing to improve standards

Selective licensing covers designated areas which local authorities can prove have low housing demand, significant and persistent anti-social behaviour, high levels of crime and deprivation, poor property conditions, or large inward migration. In areas where covered, landlords must apply for a licence if they want to rent out a property.

Introducing a selective licence in areas where there are particular issues is a good route to a more proactive approach, and enables officers to focus enforcement action on those non-licensed rental properties in the designated areas – non-compliance resulting in prosecutions or fines and their tenant is protected from retaliatory eviction.


Any scheme has initial start-up costs – where housing quality has such an impact on other outcomes such as public health, this might be something you would seek to develop collaboratively with other council departments and budgets. A licence fee would contribute to ensuring that a scheme can be designed to be financially neutral for the local authority in the long run.

“ Selective licensing is a powerful tool for LAs to control the behaviour of private landlords but its use is subject to considerable constraints. It is only available where certain conditions are met and where the LA believes its introduction would reduce specific housing problems. The introduction of a selective licensing scheme must only be considered as an integral part of an LAs overarching housing strategy. Sufficient resources must be made available to support private landlords and tenants to comply with any obligation”

– Shelter¹

Selective licensing checklist:

- ✓ Have a good evidence base using a variety of sources of data from within the council as well as from other agencies, complemented by residents' surveys to provide context and detail to help to pinpoint problems
- ✓ Check how much of your local authority area is covered by your proposed licensing scheme. The Selective Licensing of Houses (Additional Conditions) (England) order 2015 added some additional hurdles for local authorities wishing to implement schemes – however it doesn't make it impossible. In short, the Order requires local authorities to seek approval from the Secretary of State for any licensing scheme covering more than 20% of a local authority's area or stock of rented properties.

 **The full Order is available online here.**
<https://www.legislation.gov.uk/uksi/2015/977/introduction/made>

- ✓ Ensure proposals for a selective licensing scheme are a strategic fit and complement your wider housing strategy and other measures in place to tackle issues identified in your evidence base
- ✓ Demonstrate existing work by the authority to engage with landlords and lettings agents – for example through their respective associations, a voluntary accreditation scheme, consultation, and existing partnerships.

¹ https://england.shelter.org.uk/_data/assets/pdf_file/0008/57779/Selective_licensing_for_local_authorities.pdf

- ✓ Run a robust and effective consultation with stakeholders including private tenants, landlords, other public bodies and community groups. Efforts should have been made to communicate widely and using a number of different methods to increase participation.

Finally, don't get disheartened if it takes a long time! Selective licensing can be challenging to implement, and while the benefits in the long run will outweigh the initial frustrations in getting it off the ground, it's important not to be discouraged by officers or colleagues telling you it's too difficult to do.

Housing co-operatives exemption

Housing co-operatives are homes where the residents have a stake and a say in their own housing, without necessarily owning it personally. This can take a variety of legal structures, but the relationship between individual residents and the co-operative can initially look like that between a landlord and a tenant.

However it's important to differentiate – housing co-operatives are exempted from HMO licensing (Section 185 of the Localism Act 2011).

Co-operatives must remember however that they are not exempt from any health and safety rules and must ensure their housing meets standards.

Nottingham City Council

Nottingham introduced a selective licence which they estimate will cover 30,000 privately rented homes in designated areas. They offer discounts to accredited landlords, and enforce the licence through inspections.

For more information, see <https://www.nottinghamcity.gov.uk/housing/private-sector-housing/selective-licensing>

Tower Hamlets Licensing Scheme

Tower Hamlets introduced a licensing scheme in Weavers, Whitechapel, Spitalfields and Banglatown in 2016, meaning landlords in those areas need a licence before a property can be rented out in these areas.

They developed a strong evidence base showing the link between anti-social behaviour and the private rented sector, using police data, residents' surveys, and council complaints data on issues like anti-social behaviour, noise and flytipping.

Their documents setting out their decision-making process are a useful read for councils looking to do something similar: https://www.towerhamlets.gov.uk/ignl/housing/Health_and_housing/Landlord_licensing_scheme/Why_was_the_Landlord_Licensing_Scheme_introduced.aspx

Southwark Council Selective Licensing

Southwark introduced an area based selective licensing scheme that focused on the main thorough-fares and high streets of the borough – flats above shops and rented properties near main roads.

During their research, these areas were found to experience higher levels of anti-social behaviour complaints, flytipping, crime, noise and waste issues, and that these problems were persistent and not being addressed effectively through other mechanisms.

They also extended their HMO licensing under Section 26 of the Housing Act 2004 to cover those not included in mandatory licensing. Details on the cabinet decision is here: <http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5138&Ver=4> (items 15 and 16).

Other issues important to private renters in your area

Private renters, while not a homogenous group, share some issues which may not otherwise be very visible. Many of these lend themselves to co-operative answers.

A lack of savings in the private rented sector

Despite their broad range of incomes, 65% of private renting households have less than £1,500 in savings.¹ Meanwhile, the proportion of income spent on housing costs, relative to average in both owner occupied and social rented sector, is greater.

This may be an important consideration when assessing eligibility for schemes such as council tax support or when designing advice services on financial resilience. Relying purely on income as a measure hides a picture of financial instability, low savings and lower post-rent income. Councils could explore partnerships with credit unions to develop products targeted at private renters, and policies such as rent deposit schemes as a lack of savings can be a barrier to moving home.

Private renting and schools

27% of private renters with children have moved three or more times in the last five years.² Moving frequently may affect a child's education and can be a barrier to taking part in school governance and decision-making.

The Co-operative Party believes parent and pupil voice should be at the heart of school governance, so it's important that private renting families are supported to take part too. You could ask local schools how they support privately renting parents to take part in decision-making bodies like the PTA, what advice they have available for parents or staff who experience problems with their landlords, and what provision the school makes for children whose education is disrupted by private renting.

Energy efficiency and high fuel bills

Tenants rely on landlords to upgrade their homes so have no control over making them more energy efficient. While the Government is soon making it illegal to rent a property with a lower than E rating, at least 682,000 homes don't currently meet this standard, costing residents hundreds of pounds a year over the odds.

Community energy gives people a stake in where their energy comes from, and many schemes use the profits from generating renewable energy to invest in energy efficiency schemes. For example, Brixton Energy sets aside a portion of their revenue for a Community Energy Efficiency Fund and in Greater Manchester, the Carbon Co-op is a group of residents who work together to retrofit homes and reduce energy bills (see carbon.coop).


See <http://brixtonenergy.co.uk/projects/ceef> for more information about the Community Energy Efficiency Fund

¹ <https://www.citizensadvice.org.uk/Global/CitizensAdvice/Housing%20Publications/A%20nation%20of%20renters.pdf>

² <http://blog.shelter.org.uk/2016/02/renting-families-move-so-often-they-are-nearly-nomadic-new-research/>

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