

The Renters Reform Bill 2023

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Overview

- Background to the Act
- Main Provisions
- Implications for PSH Enforcement
- Next Steps

Background to the Bill

White Paper – A Fairer Private Rented Sector

<https://www.gov.uk/government/publications/a-fairer-private-rented-sector>

- Sets out case for change. PRS has doubled in size since 2004.
- Claims that more than 2.8 million are paying to live in homes that are not fit for the 21st century.
- 12% properties contain Category 1 hazards
- £3 Billion from the state is spent on housing related welfare
- Damp and cold homes – Twice as likely to suffer from respiratory problems – costing NHS £340 million
- Lack of security.
- Private renters spend on average 31% of their income on rent



Background to the Bill cont..

Govt ambition:

We are committed to delivering a fairer, more secure, and higher quality Private Rented Sector. We believe:

- 1. All tenants should have access to a good quality, safe and secure home.*
- 2. All tenants should be able to treat their house as their home and be empowered to challenge poor practice.*
- 3. All landlords should have information on how to comply with their responsibilities and be able to repossess their properties when necessary.*
- 4. Landlords and tenants should be supported by a system that enables effective resolution of issues.*
- 5. Local councils should have strong and effective enforcement tools to crack down on poor practice*

Background to the Bill cont..

- More recently – Awaab Ishak. Case highlighted the pressing need to deal with Damp & Mould in both the social housing and private sector housing
- SoS Direction + DLUCH shone a light at the massive variation in enforcement practices.
- SoS require a fast and effective response to poor / dangerous living conditions

Main provisions

- To abolish section 21 'no fault' evictions
- Introduce more comprehensive grounds for possession
- Introduces a Decent Homes Standard
- Provide stronger protection against backdoor evictions
- Extends notice period for rent increases
- Introduces the Private Rented Sector Ombudsman
- Creates a Privately Rented Property Portfolio
- Ends discrimination
- New rules for pets

Implications for PSH Enforcement

New Enforcement Duty

Clause 79- Enforcement by local housing authorities:

(1) It is the duty of every local housing authority to enforce the landlord legislation in its area.

- What might this mean in practice?
 - Appears to rule out any action other than formal action
 - Will require elimination of informal approach + Adoption of entirely separate Enforcement Policy to all other regulatory work
 - No Choice - Financial penalty or prosecution
 - Significant resource issues
 - Will result in more work to the tribunal and court service to deal with appeals and prosecution

Implications for PSH Enforcement

Decent Homes Standard

- The existing Decent Homes Standards - currently applies only to the social housing sector and are a set of vague standards that social landlords are expected to provide tenants.
- Social Housing has a contractual obligation to the Government to maintain decent homes and manage them to set standards.
- The Social Housing sector is accountable to the Govt., to the Social Housing Ombudsman, and to the [Regulator of Social Housing](#) (RSH)
- There is an inspection regime for Social Housing providers, with the RSH playing a similar role to OFSTED in Education, or the CQC in Care settings.

None of the above current apply to the Private Rented Sector (***Criminal law***)

Implications for PSH Enforcement

- At present, there is not a government-based regulator of standards in the PRS, with the majority of regulation falling to council Environmental Health and Trading Standards teams
- There are physical standards for private rented housing set out in housing acts and the Housing Health and Safety Rating Scheme (Risk based assessment – Cat 1 or Cat 2 Hazards- dictate enforcement options)
- Turning the existing standard into one enforceable within the criminal law setting will be challenging. – Will need to be very prescriptive and specific
- There is currently no proposed inspection regime, but this may occur with the introduction of the decent homes standard (particularly for those in receipt of benefits) and PRS database
- There are potential serious resource implications for the Environmental Health Service

Next Steps

Bill passage



Bill started in the House of Commons

- 1st reading
- 2nd reading
- Committee stage
- Report stage
- 3rd reading



Bill in the House of Lords

- 1st reading
- 2nd reading
- Committee stage
- Report stage
- 3rd reading



Final stages

- Consideration of amendments
- Royal Assent