

Parliamentary briefing on the Renters Reform Bill

Summary

All renters should be able to live in decent, secure and affordable homes and to settle in their community. We support the government's commitment to help deliver on this through the [Renters \(Reform\) Bill](#) which should help to level the playing field in the private rented sector.

Given cost of living pressures and rising homelessness rates, often linked to the end of a private rented sector tenancy, we particularly welcome the end of the landlord's right to end the tenancy without good reason and measures to tackle arbitrary and unfair rent increases.

We welcome the establishment of an Ombudsman for private renters and a portal to support private landlords to understand and fulfil their obligations, and to enable tenants to better hold their landlords to account.

We recognise the need for landlords to be able to recover their properties in certain circumstances, but it is important to ensure that protections are in place and the new grounds cannot be abused. This briefing outlines where we believe provisions should be strengthened.

For the Bill to achieve its stated aims it is also vital that the government introduces the further measures committed to in its white paper - applying the Decent Homes Standard to the private rented sector, making it illegal for landlords and agents to have blanket bans on renting to tenants in receipt of benefits or with children, and strengthening local council enforcement.

About CIH

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple - to provide housing professionals and their organisations with the advice, support, and knowledge they need. CIH is a registered charity and not-for-profit organisation. Further information is available at: www.cih.org.

Contact: policyandpractice@cih.org

Rent arrears

The Bill grants stronger powers to landlords to seek possession on the grounds of rent arrears. Tenants on low incomes are already struggling to pay their rent so this will make some more vulnerable to eviction, such as those on universal credit whose rent exceeds their local housing allowance. Given the current cost of living crisis and rising levels of poverty and housing costs, the Bill should ensure that powers to seek possession on rent arrears are not excessive.

The Bill as drafted covers more than 'persistent arrears' or the intended purpose of avoiding tenants allegedly avoiding section 8 evictions by paying arrears below two months whenever at risk. A tenant could have had several crises over a three-year period and on each occasion paid off the arrears in full but still be subject to a mandatory possession claim. The provisions also risk penalising victims or survivors of economic abuse.

Recommendation:

- **Where grounds for possession are triggered by rent arrears, the timeframe of three years should be reduced.**

Homelessness prevention

Homelessness legislation requires and encourages local authorities to take early prevention actions which support tenants to remain in their home (if they wish to). The Bill as drafted risks weakening homelessness protections and could lead to unequal and inconsistent treatment of homeless applicants and reduced opportunities for tenancy rescue support.

Under the current system, once someone is served a section 21 notice this triggers the 56-day housing duty and the council must start taking steps in response. Under the Bill it will be up to councils to assess whether the applicant is threatened with homelessness and whether a prevention duty is owed. This means private renters who receive a possession notice will no longer have the right to immediate council support. This could have significant consequences, particularly in high pressure areas and / or where the rent arrears ground is activated. There will be no incentive for councils to start the prevention duty if the tenant is considered intentionally homeless for eviction on mandatory grounds.

Evidence shows that where someone is in rent arrears early intervention is the key to success in helping people retain their home. However, the proposed change could result in tenants who have been served notice being turned away by the local authority and told to return when they have a court hearing date, wasting time in which they could get vital assistance to avoid eviction.

Recommendation:

- **The Bill should be strengthened to make sure private renters maintain the right to access homelessness assistance from their local council as soon as a possession notice is served - in the same way that they can currently.**

Anti-social behaviour (ASB)

Whilst ASB is a serious problem that needs to be addressed, we are concerned that stronger grounds for possession on this basis could be detrimental to vulnerable people.

Often ASB is misidentified or masks serious safeguarding issues such as **domestic abuse**. CIH have called for more training for landlords and local agencies to identify and support people to address anti-social behaviour. This should also apply to private landlords.

CIH is a member of the [Domestic Abuse Housing Alliance](#) (DAHA) which brings together experts from the housing, domestic abuse, and violence against women and girls' sectors. Based on our shared understanding of the housing needs and issues faced by survivors of domestic abuse, we believe a number of changes are needed to the Bill as drafted.

Recommendations:

- **Maintain the current definition of Ground 14 as 'likely' to cause nuisance and annoyance, and do not expand the definition to 'capable of causing nuisance and annoyance'. Legislation should clarify that domestic abuse should not be considered a form of ASB which leads to eviction under Ground 14.**
- **Require landlords and managing agents to follow pre- eviction protocols in cases of Ground 14 evictions. This is imperative to ensure vulnerable tenants are not disproportionately impacted by these possession grounds and to give ample opportunity to remedy ASB before eviction actions are taken. Critically, a pre- eviction protocol will help to safeguard against landlords inadvertently responding to domestic abuse as ASB.**
- **ASB guidance must specifically address domestic abuse, and critically, how to distinguish between ASB and domestic abuse. This should be accessible on the property portal, which landlords and managing agents should be required to read as a part of the pre- eviction protocol.**
- **Judges should be given maximum discretion in cases of Ground 14 evictions to ensure all vulnerable tenants, including victims of domestic abuse, are not evicted as a direct consequence of their vulnerabilities. To support this, judges should receive clear guidance that domestic abuse should not be treated as ASB and lead to evictions.**

Security of tenure

Landlords selling is the main reason for section 21 notices being served and has been the biggest reason for a household being owed a homelessness duty by councils in recent years. As currently drafted, tenants have no more protection from eviction than under the current system where they can sign up to an initial six-month term. (The government initially proposed a two-year protected period when it first consulted on these reforms in 2019 ([New Deal for Renting](#)).) The Bill would only give tenants two months to find a new home which is not long enough for many people to make the necessary arrangements.

Furthermore, if a landlord evicts a tenant because they want to sell the property or move in, they can then put the property back on the rental market after just three months. This leaves room for misuse and exploitation and there should be strong safeguards to prevent unscrupulous landlords abusing these grounds for eviction. This could include a minimum six-month ban on re-letting a property unless there is clear evidence that the owner has tried to sell.

Recommendation:

- **Where a landlord wants to recover a property, the proposed notice period should be extended to allow people time to find a new home and make arrangements. Strong safeguards should be put in place to prevent abuse of the eviction grounds.**

Affordability

Local housing allowance rates have been frozen since April 2020 and few rented homes are affordable for people on low incomes. [Our analysis, with Shelter](#), shows that last year fewer than one in five private rents in England were within LHA rates. Amendments should be made to [part 10](#) of the Social Security Administration Act 1992 to ensure that the local housing allowance is uprated in line with local rents.

Government has committed to tackling unfair in-tenancy rent increases but has stepped back from some of the supporting provisions outlined in its white paper. The Bill should be strengthened to deliver on this and make it easier for tenants to challenge without risk of financial penalty. Data from Citizens Advice shows that only 1 in 10 renters who challenged their increase were successful. The Bill should contain provision to prevent the rent tribunal from awarding a higher rent than the landlord's original proposal, as outlined in the government's white paper. Without this, tenants are much less likely to risk challenging rent increases.

Recommendations

- **Local housing allowance should be uprated each year in line with local rents as part of the statutory benefits uprating to reflect the true cost of renting.**
- **The rent tribunal should not be able to award a higher rent than the landlord's original proposal.**

Local authority enforcement

Government has committed to provide further detail on strengthening local councils' enforcement powers. (Its white paper noted that "inadequate enforcement is allowing criminal landlords to thrive, causing misery for tenants, and damaging the businesses and reputations of law-abiding landlords.") Local housing enforcement teams have had their funding reduced by 25 per cent over ten years, according to the outcome of freedom of information requests by NRLA ([CIEH, 2019](#)). The success of this Bill will be underpinned by local authorities' ability to enforce so a clear commitment on resources must be given before the Bill receives Royal Assent.

Discrimination

Government has committed to make it illegal for landlords and agents to have a blanket ban on renting to tenants in receipt of benefits and/or with children. We welcome this but call for a commitment on when this provision will be introduced. Data from Citizens Advice shows that renters in receipt of universal credit and / or from racially minoritised groups were twice as likely to report having received a section 21 eviction in the past twelve months.

Decent Homes Standard

Government has committed to apply the Decent Homes Standard to the private rented sector. We welcome this but seek assurance on the timeframe and transition period for introducing it.

Addressing supply issues

The supply of affordable private rented sector properties is a growing challenge. Research by Shelter in late 2022 showed that a quarter of private renters - equivalent to 2.8 million people - are constantly struggling to pay their rent, an increase of 24% compared to the same period in 2021; and that more than two thirds (69%) - equivalent to 7.7 million people - would struggle to find a suitable home if they were evicted.

Supply is constrained in part by the growth in short term lets, which in some parts of the country have overtaken the supply of private rented sector homes. We welcome the government's exploration of this issue through recent consultation exercises and would urge it to look at the issue in the round as part of rental reforms.

Exemptions

Over the years registered providers have developed several models which are designed to work with the assured shorthold tenancy (AST). Some of these schemes are set up to help households at risk of/facing homelessness or to meet other government priorities. Examples include short life housing, 'stepping stone' accommodation for young people transitioning into employment who have experienced homelessness, and key worker housing. These models may be ill suited or unviable within the proposed framework so the government should evaluate what role they currently play in meeting wider objectives and consider whether exceptions might be needed to retain ASTs for these special purposes given the important role they play in supporting those who would otherwise struggle to access the private and social rented sectors.