Bristol's big housing conversation

Bristol Living Rent Commission

BRISTOL ONE CITY

BRISTOL CITY COUNCIL

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Black South West Network,
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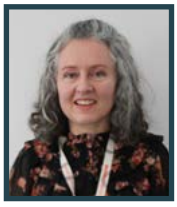

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Commission members

Commissioners, Council Officers, and the Mayor of Bristol outside City Hall following the final meeting of the Living Rent Commission.

Left to right: Cllr Tom Renhard, Nikki Knowles, Professor Alex Marsh, Mayor Marvin Rees, Judith Brown, Kate Bower, Ruth Day, Alfie Thomas, Izzy Russell, Allan Macleod, Alison Rush, Angelique Retief

Foreword

Bristol faces a housing crisis.

The cost of renting privately in the city is increasing significantly, with the average private rent growing by 12.9% annually. These spiralling costs mean housing is becoming increasingly unaffordable, pushing many people further away from their place of work, family, support networks, and the services they need. This has a major impact on our community, as there are over 134,000 people currently renting privately in Bristol. This represents almost one-third of the population.

Average house prices in Bristol are currently extremely high compared with average earnings. Our 'housing affordability ratio' is 11.9:1, which means that the average house price is almost 12 times the average salary. This is higher than the affordability ratio for Great Britain as a whole (which is 9.9:1). It is much higher than for any other English Core City.

At the same time, there remains huge pressure on the city's social housing. We have more than 19,000 households on the social housing waiting list, along with over 1,200 households living in temporary accommodation.

Lack of access to housing, the cost of renting, tenant security, and poor experiences of living in private rented properties are all key issues that need to be tackled. This is why the "Bristol Living Rent Commission" was launched.

The commission's key aim has been to explore measures to improve affordability in the private rented sector, while understanding the diverse potential impacts of rent regulation - including on housing availability, quality and maintenance.

There are no simple solutions to a crisis of this scale and the commission has provided an opportunity to bring partnership-focused organisations together to explore the issues facing renters, with an evidence base to help us develop an approach that works for Bristol.

This has been done in line with our One City Approach and builds on the renters' summit that took place on 2 March, 2022. The commission has gathered evidence on the challenges we face and on potential solutions. We have sought to ensure that a wide range of people are heard, including listening to the lived experience of citizens. The views of people in Bristol regarding the desirability of rent control policies, as a response to our housing challenges, have come across very clearly.

We would like to thank everyone who has contributed to this research, with special thanks to the commissioners who have provided their insight, experience, and patience. There have been considerable differences in opinion and approaches, but it has been uplifting to work with people who all share the aim of improving life in Bristol and engaging with the complexities of shaping policy in a modern city facing competing challenges.

Before starting this work, we knew that the powers required to deliver a fully accessible rental market in Bristol did not yet reside with the council. The commission's recommendations reflect that the powers to regulate the market must come from central government, so the council will continue to work with Westminster to develop policy. Our recommendations also reflect the need to continue the constructive dialogue with renters and other stakeholders in the private rented sector to achieve our goal of delivering meaningful and lasting positive change for the sector, enabling Bristol to become a Living Rent City.

Councillor Tom Renhard
(Cabinet Member for Housing Delivery and Homes, Bristol City Council)

Professor Alex Marsh
(School for Policy Studies University of Bristol)

Recommendations

The commission believes that the problems in our housing system ripple out and have negative effects on almost every other aspect of people's lives, society, and our economy.

The commission proposes that Bristol City Council (BCC), in collaboration with other interested stakeholders, engage central government in a dialogue about:

(i) the case for a national system of rent control.

(ii) the possibility of devolving powers to city level to control rents.

This dialogue would be enhanced, and given greater focus, once recommendations one to three of this report have been implemented.

The commission is making a series of recommendations directed at improving standards and the experience of private renting.

For the council to address the affordability and quality challenges facing private renting in Bristol, there needs to be a supportive national policy context. The commission therefore recommends specific actions at national level.

Rent control

1. BCC should recognise that there is substantial popular support for rent control in the city as a response to affordability problems, although there are also concerns about negative impacts. Further work should be undertaken to take forward the proposals explored in this report and seek a coalition of support for a more specific policy design. This work should be in collaboration with sector stakeholders and ensure that tenants' views are integral to the process. We sought views on four example policy designs (see chapter five). We suggest that our example policy B - which involved initial rents being based on a property's characteristics, increases within tenancies being fixed at a maximum annual percentage, and changes between tenancies being regulated by their relation to the current market average - could form a potentially fruitful starting point for this discussion. We anticipate that it could also be appropriate to open up a range of further policy designs for detailed consideration.

2. Proposals for a rent control policy should include an assessment of how rent control fits within the broader housing policy portfolio. Decisions about future policy direction should be made based on the portfolio of policies available, rather than on rent control in isolation. Great care is needed when proceeding in the direction of rent control.

3. In parallel with the recommendations above, a communications strategy to address policy risk should be developed. Talk of "rent control" without providing any detail of what that would mean can lead to negative side effects when sector actors, particularly landlords, assume the worst. Yet, it appears that support for our example policy that proposed the hardest, most interventionist form of rent control was not broad-based. Regulation that is primarily aimed at stabilising the market and curbing excesses do not necessarily undermine the business models of responsible landlords. So communicating about proposed policy design can be extremely important.

4. The Council should consider whether it is desirable to advocate for a rent freeze as a short-term crisis measure. Such a freeze is currently in operation in Scotland and city leaders elsewhere in England have called for similar measures. Commissioners from the tenant community, and a proportion of tenants responding to our survey, were strongly supportive of this approach. Such a freeze would have significant implications for the housing market.

Key to colour-coded pie charts:
Next to each recommendation is a pie chart to show how commissioners voted for it.

Improving standards and experiences in private renting

The commission makes a range of further recommendations aimed at improving private renting in our city. These focus on improving standards, tenants' experiences, and accessibility of private renting.

Management and standards

5. The commission endorses the council's firm policy stance against poor property and management standards in private renting. This approach should be reinforced and extended. The council should review how it communicates its work in this area including its strategies, associated enforcement action, and licensing work - to make sure that the effectiveness of the approach is fully appreciated by those who are affected by it.

6. Review whether the balance between informal and formal enforcement action on poor property standards is striking the right balance. There are concerns that the use of informal action exposes tenants to the risk of retaliatory eviction. We note the motion to Full Council in January 2023 which highlights the greater use of formal improvement notices to address property condition. This approach could provide tenants with greater protection.

7. Embrace the potential of a regulatory regime that is more collaborative and networked. Explore more fully the role that organisations in the private and not-for-profit sector can play in the effective regulation of private renting, in partnership with the council, particularly through improving the flow of information and timely identification of issues.

8. The commission recognises the council's commitment to tackling discrimination in the private rented sector. To move this agenda forward effectively it is important to ensure that responsibilities within the organisation are clearly allocated and accountability mechanisms are clear. The development of local strategies and action plans for tackling discrimination would benefit from the formal involvement from renters and organisations that work with them as part of a co-production process. While national government has signalled an intention to legislate to address discrimination, this process is moving slowly and it is important to maintain momentum locally.

9. We note that the recent motion to Full Council condemned the practice of bidding wars: that is, landlords or letting agents increasing rental income by requiring prospective tenants to compete against each other to bid above advertised rents. We commend the council's aspiration to identify mechanisms to end this practice. We note that an initial step would be for the council to signal its intent by sending a clear public message condemning the practice via its formal communication channels.

10. Take steps, working with industry bodies and other stakeholders, to raise the performance of poorer quality letting agents to the standard of the best.

11. The expansion of area-based and selective licensing could be part of a firm stance towards improving standards. Demonstrating the effectiveness of existing uses of this policy approach should be integral to any future expansion.

12. BCC should ensure that the fees and administrative processes associated with licensing schemes are no more of a burden on landlords than necessary.

Better information and understanding

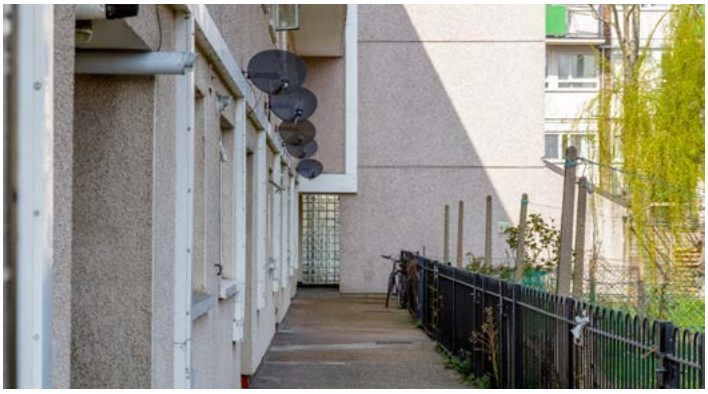
13. Review the way that information about the private rented sector is currently shared. This includes information on rights, obligations, and sources of help and support for both tenants and landlords. Map out which organisations are sharing information, with whom and when. Explore the potential for new collaborations to ensure accurate and timely information is reaching more of those who need it.

14. Review the content and form of information being shared. The review should cover the accessibility and comprehensibility of the information. It should consider whether new media or formats present opportunities to communicate the message more effectively. It should explore whether there is learning about what works that can be shared more effectively between information providers.

15. Produce locally tailored versions of national documentation to ensure that Bristol's landlords and tenants are clear on its relevance to them.

16. Set up a single, easily discoverable location online for presenting the range of relevant information for landlords, tenants and letting agents.

17. Review the data on the private rented sector that is routinely collected. Evaluate the benefits and costs of collecting additional information – for example, on rents and tenant incomes – to enhance understanding of how the housing affordability situation is evolving.



Supply and tenure of rental properties

18. BCC should continue to do all it can to increase the supply of new social housing. It should continue to make the case to central government regarding the pressing need for more funding for social housing and the need to ensure that the welfare benefit system takes sufficient account of actual rents to ensure that housing costs are affordable.

19. BCC should review administrative processes associated with planning and development control to ensure that they are as streamlined and efficient as possible.

20. Enhance support for diverse, innovative community-led initiatives to develop new housing. This could include reviewing land made available to community-led organisations through the public land disposal programme; advocating for the involvement of community-led organisations in private sector-led developments; or supporting appropriately-tailored organisational capacity building to bring development sites forward.

21. Ensure that there is clarity over the way that the city's universities' strategies are having an impact upon, and will further impact in future, the housing market. Initiate timely action, such as accelerating approvals for the development of purpose-built accommodation in appropriate locations, to mitigate any side effects.

22. The council should seek to ensure that new purpose-built student accommodation is as affordable as possible and available to students in all years. Consideration of this issue should be integrated into the current local plan review process.

23. Examine in more detail the evidence on the impact of short-term lets like AirBnB, second homes, and holiday lets on urban housing markets and, specifically, the effectiveness of strategies that have sought to regulate these subsectors.

National action

24. Central government should fully implement the Renters Reform Agenda, including the abolition of section 21 no-fault evictions, action to combat discrimination against lower income households, and ensuring that the court system has sufficient capacity. Action to raise the standard of service provided by poorer performing letting agents is also required.

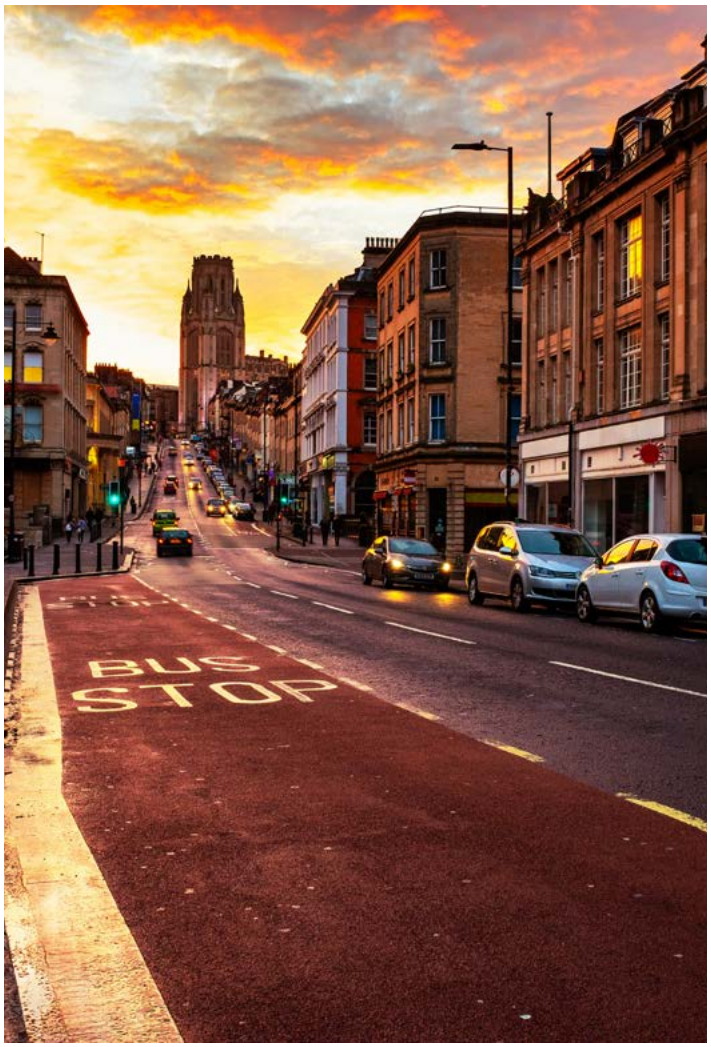
25. Ensure that the benefit system properly recognises actual housing costs. This would imply significant increases to benefits. Restoring Local Housing Allowance rates to the 30th percentile of local market rents would be an important initial move in this direction.

26. Ensure that student incomes are sufficient to afford typical rent levels by increasing the student maintenance loan to recognize rising costs.

27. Ensure that local authorities have the resources to underpin their private rented sector activities. Central government sees local authority enforcement activities as key to improving quality in the sector, so sufficient resources must be available to allow these functions to be carried out effectively.

28. The decision to remove various tax reliefs has made being a small scale private landlord a less attractive proposition. Reversing these decisions could have a significant positive impact on market supply.

29. Central government should recongise that the solution to our current housing challenges will not be achieved through reliance on the private rented sector alone. Investment in increasing the supply of social housing is integral to the solution. There is broad agreement on this point across all the stakeholder groups in the private rented sector. Stakeholders in the housing policy community have proposed a range of additional measures that have the potential to facilitate the delivery of more social housing. These merit serious consideration.



1. Tenants' experiences of private renting in Bristol

To build a picture of the current issues facing tenants, the commission drew on discussions at commission meetings, a tenant experience survey and written evidence received. The experiences faced by tenants are broken down into key areas of focus.

Rent changes

Outside of London, the cost of private renting in Bristol has accelerated at a faster rate than most UK housing markets. In Bristol, 29% of households rent their accommodation from a private landlord. This makes the city the largest private rental market in the South West. According to the tenant experience survey, which received a total of 720 responses, four in ten respondents have seen their rent increase in the last 12 months, with male respondents (62%), those between 25 and 34 years old (60%) and those from a minority ethnic background (69%) most likely to have experienced a rent increase. While most experienced annual rent increases, 19% of respondents said their rent had increased twice in 12 months, while 16% indicated they had experienced three or more increases during that period. The commission was concerned to find that seven in ten respondents were not aware how often their landlord was legally allowed to raise their rent, highlighting a failure to properly advise tenants on their rights and deter landlords from inappropriately frequent rent increases.

The commission's survey invited those renting in Bristol to comment on how private renting had changed in the city over the last five years. A clear majority of these respondents reported that the situation had worsened and highlighted a lack of suitable properties. The most prominent concern voiced was the increase in rent – which meant respondents were often struggling. To avoid this cost, some respondents said they had considered leaving the city and commuting back in for work. Others felt trapped in accommodation that was unsuitable because they were unable to save to purchase a property, or to move to another property in the rented sector. One tenant told the commission that "5 years ago I paid £400 plus bills and now £625 plus bills. My public sector salary has not kept up".

Rent burdens

Accelerating rents create additional burdens on tenants whenever household incomes are not increasing at the same rate. The commission's research found that half of our survey respondents faced a rent burden which accounted for at least 40% of their income. More than three out of ten faced a burden of over 50%. Younger renters are particularly affected, with half of respondents in the 18-24 category facing rental burdens of 50% or more, demonstrating significant rental barriers for young people looking to live in the city. One tenant commented that due to rent burdens, "people that have lived in the city their whole life are being forced out". Other tenants told the commission that they see the existing situation worsening unless something is done to limit increasing costs.

Financial pressures and insecurity

Tenants considered searching for accommodation in Bristol in today's rental market to be anxiety-inducing. Private renting fails to provide security. The testimonies received by the commission convey a sense of urgency, frustration and sometimes despair amongst tenants and would-be tenants. One such response read "rent has skyrocketed and now [it] has become impossible to afford and save anything. [I am] paying way more than mortgage rates and can't save enough to change the situation and personally I earn alright". Lack of availability and affordability

results in more overcrowding in shared housing and induces frequent "bidding wars" to secure rental properties. Other survey respondents highlighted issues associated with the lack of security: it had "distressing" and "huge" impacts on mental health and meant, for example, that young people are not able to start families. One respondent in the 25-34 age category went as far as to say that the difficulties in the rental market meant they would "warn anyone away from moving here"; another said they would "dissuade friends from moving here" due to pressures originating from extortionate rental costs, lack of availability, and eviction rates.

Evictions, repairs, and landlord-tenant problems

The limited security of tenure available to private renters means that fear of eviction is pervasive. More than one tenant responding to the survey expressed their concerns about insecurity and shared their worry about becoming homeless.

Landlord-tenant issues were also common. Two-thirds of survey respondents told the commission that they had experienced "problems" with their landlord or letting agent in the last five years. Younger respondents were more likely to experience these problems and those with a disability were considerably more likely to have faced issues. The most common area of conflict was around repairs and/or maintenance. Although most repairs were fixed, they were more likely to have been fixed following tenants chasing their landlord - rather than being fixed promptly. In a third of such cases, the landlord had not fixed the problem even though they had, in the tenant's view, sufficient time to do so.

Mould, damp, and plumbing were the most common property issues faced by tenants renting privately in Bristol. Tenants gave multiple examples of landlord inaction when a problem needed addressing. One such example was from a tenant who had reported a bedroom leaking water from outside - causing the carpet and flooring to rot, and mould to develop on the curtains. The landlord in question reportedly took no action - which resulted in the tenant "continuously spend[ing] money on temporary insulation and weather-proofing solutions as well as heating to make the room habitable in cold or wet weather".

This frustration with landlords and repairs was a common theme. We can break it down into: getting the letting agency or landlord to acknowledge the request for repairs; requests being met with a lack of response; some contractors and/or landlords entering the property without prior notice; and worry about raising a repair issue for fear of retaliatory eviction. While relatively few survey respondents had direct experience of retaliatory eviction – that is, landlords evicting them rather than fixing the problem that the tenants had reported - it doesn't need to happen frequently for it to have a significant effect on tenants' willingness to report repairs and get landlords to comply with their obligations.

Overall, 84% of respondents told the commission that they had reported problems with the condition of a property to a landlord or agent. In 10% of cases where a property issue was reported, the landlord or letting agent increased the rent after resolving the issue.

Although some respondents were pleased that the Deposit Protection Scheme is a legal requirement, sometimes its implementation did not resolve issues entirely. More than one tenant argued that deposit schemes are an improvement but raised concerns that such schemes favour landlords and agencies. For some tenants, an increase in activism and awareness of the situation in Bristol were seen as positive developments over the past five years.

2. Private renting in Bristol: current issues and causes

Lack of affordability and inadequate financial resources

Two of the most prominent issues facing the Bristol rental market are rent increases and the cost of rent relative to income. Rent is rising disproportionately compared to household income, whether the tenant is working, retired, a student, or in receipt of welfare benefits.

High rents present a particular challenge for those in low-income households, a challenge which is made worse by the inadequacy of the financial support available to those tenants through the welfare system. This issue has two components. One, current Local Housing Allowance rates do not reflect the reality of private sector rents. Two, the overall benefit cap means housing support can be further reduced. Broader economic challenges surrounding inflation and the national cost of living crisis have compounded the problems facing lower income households.

Poor living conditions

Poor living conditions and disrepair are recurring issues in the data collected and the accounts offered by tenants. Poor living conditions affect quality of life, health, and wellbeing. The poor energy efficiency of many private rented properties represents an additional financial burden. Tenants provided evidence that landlords were not always responsive – failing to maintain properties and deal with problems in a timely manner. Cases of inaction are common in the city. Threats of (and actual) retaliatory eviction using a section 21 notice in response to tenants asking for issues to be fixed have been reported. These issues have been reported in other recent research studies examining private renting nationally.

Inequalities in access and discrimination

Over a quarter of those taking on a new tenancy in the last 12 months stated that to secure a property they had been put in a position where they were required to compete with other people to pay more than the advertised rent. Half of survey respondents (48%) experienced the additional financial burden of paying rent in advance, separate from any deposit, just to secure a property. One tenant told the commission that they felt “pressured to offer more rent per month than what they [landlord/agent] were asking for and to apply before seeing a property”.

Some tenants said that the lack of available and/or affordable properties led to experiencing forms of discrimination – groups included in this were single parents, people receiving welfare benefits or not working full-time, the self-employed, single people over the age of 35 and, generally, unrelated tenants or those who do not want to share with others. A broad range of stakeholders recognised that there are inequalities in access to the private rented sector. Discrimination can be based on age, sex, race, disability, gender, sexual orientation, gender reassignment, pregnancy, type of employment, or type and level of income. Discrimination can be compounded when households fall into more than one of these groups. It can be direct or indirect. Those from black and minority ethnic communities can suffer disproportionately from discrimination. Discrimination towards those on low-incomes takes the form of obstacles such as the requirement to provide detail on projected income, employment checks, deposits, up-front payments, and guarantors. Those on welfare benefits face additional barriers. About a third of private renters in Bristol claim benefits. A significant proportion of households in the sector are facing the risk of discrimination.

Landlords in the city can choose who they deem most suitable to rent their property. Landlords will typically pick those that earn the most and possess a good credit score because they are perceived as offering greater security. For those that are perceived higher risk, landlords have been known to demand (at least) six months' rent up front to secure a property. This system favours those who can draw on financial assistance from family or friends.

Overall, the rental market in this current form results in unaffordable rents and increased social segregation. This is having a profound impact on the cultural and social fabric of the city.

The council has publicly committed to stamping out discrimination in the private rented sector. This commitment has recently been renewed. Delivering on this commitment is a key task.

Lack of private rental supply

A key problem identified by the commission is an increasing shortfall in the supply of private rental properties relative to demand. The commission highlighted several factors that exacerbate this lack of supply. What is happening to private renting cannot be understood without also understanding the situation in the home ownership and social housing sectors. The lack of affordability in the home ownership sector coupled with the lack of supply in the social housing sector increases the pressure on the private rented sector.

From the perspective of landlords, a number are reported to be reducing their portfolio, exiting the market, or switching to the holiday let market. The factors driving this appear to be market factors, tax treatment, administrative requirement and regulatory restrictions, problems with institutions/processes that support housing market functioning, and forthcoming policy changes – notably the prospect of section 21 evictions being banned. Some of these factors have been in operation for some time. However, rule changes have altered their effect on the market. For example, national changes in the definition of Houses in Multiple Occupation mean that more properties fall within the licensing scheme. While some of the changes cited by landlords may have improved the tenant experience, from the landlord perspective they have made the sector less attractive. As a result, landlords are voicing concern that they do not feel incentivised to enter or stay in the private rented sector.

Changes in demand

A trend that has been accelerated by the pandemic and the ability for some people to work remotely has been those on higher wages moving to Bristol and commuting once or twice a week to their workplace, which is often London. This can boost the short-term let market, with sites such as Airbnb being used as people search for stopgap accommodation in the city while they look for properties. The growth strategies of the city's universities have also resulted in significant increases in demand as the student population has grown. The student market is intensely competitive and some students are unable to find somewhere to live in Bristol. Consequently they end up having to commute from places such as Bath, Chepstow, or Newport. Landlords in this submarket know that they are going to be able to let properties relatively easily, which reduces the pressure to deliver quality.

Due to increased demand, gentrification has become a growing issue, notably in certain parts of the city such as Easton and St Pauls. As people move into these areas, we are seeing members of the established community pushed out.

Reduced generosity of the welfare system

A substantial minority of households require financial assistance from the welfare system to be able to afford private rented accommodation and the system is becoming progressively less effective in this role over time. Local Housing Allowance (LHA) rates are low in comparison to the realities of rent in Bristol. As a result, people are forced to make up the difference to meet their rent. As the gap between rent and LHA rates increases, more people find it a challenge to bridge – increasing the risk of homelessness.

3. Improving affordability for private renters

The commission aimed to explore the idea of rent control and collect a range of local views about rent control as a response to affordability problems. It also invited views on other approaches to dealing with high rents. Currently, BCC does not possess the power to introduce rent control. The work of the commission will help shape the way the council approaches future discussions with national government.

The views shared with the commission led to an understanding that a "fair and affordable" rent is related to renters' incomes, landlords' returns, and the state of housing stock. The term "fair and affordable" can be broken down into several components that are required to ensure a certain standard of living: adequate housing to ensure health, wellbeing, and personal development. Renters should be able to afford a property appropriate to their circumstances. For example, a single person affording a one-bedroom flat and families affording a house with sufficient bedrooms. Another component of "fair" is the landlord, who should be able to make a "reasonable" income – but not to the detriment of tenants. A good landlord should ensure decent, safe homes without disrepair. Repairs should be carried out in a reasonable time and all problems addressed without negative consequences for the tenants. The commission believes as a broad indicator of affordability, people should not be paying more than 30% of their income on their rent. Considering this definition, many rents in Bristol currently cannot be classified as affordable. Rents are outstripping wages, student incomes, and welfare benefits. If rents that are affordable to tenants are not considered by landlords to offer a "reasonable" income then that can present a major policy challenge. Prioritising affordability will have implications for private rental housing supply that would need to be managed.

The term rent control can be used to mean any policy that applies legal regulations to influence private rents. However, rent control policies can vary greatly – with different designs and objectives. Some rent control policies aim to stop rents rising too quickly. These policies aim to

stop affordability problems getting worse and accelerating at a fast rate. Other policies might focus on fixing rents at their existing level – but still not reducing rent. A complete freeze, fixing rent to its current value, is typically seen as the hardest form of rent control. A rent control mechanism that seeks to reduce rents would be harder still. A softer form of rent control would be a policy that sets a limit on the maximum amount the rent can increase each year. The softest form of rent control will only control rent during a tenancy and once a tenant moves the landlord is able to relet the property at the market rate. A harder version of this approach would see the policy continue to apply while the property is empty, meaning the rent of the next tenant cannot be increased by more than the maximum rent increase set by the policy.

The commission's discussions highlighted a key distinction between rent reduction and rent stabilisation. Rent stabilisation would not reduce rent levels, even if it slowed the rate at which affordability problems were increasing. Commissioners from the tenant community argued that the cost of renting in Bristol is so high, compared to the rest of the country, and to local wages, that a system that leads to rent reductions is essential.

The commission conducted a second survey which asked people to give their views on rent control and asked them to rate four example policy designs and select their preferred model. The survey responses pointed clearly to the conclusion that a substantial majority were in favour of rent control in some form. Four out of five respondents stated that they considered rent control to be desirable, a further 6% stated that it "depends", and 13% stated that they did not think rent control was a desirable policy. Many of those in favour of rent controls focused on rents being too high or rising too fast. Those against rent control focused on negative side effects such as the impact on housing supply. When we analyse the data by respondents' perspective on private renting then we see that support for rent control among tenants was even higher (94%).

The groups where a majority did not think rent control would be desirable were private landlords and property professionals, a group including estate agents and surveyors.

Regarding the aim of the policy, both stopping large rent increases and reducing overall rent levels had the support of a majority of respondents. Stopping large rent increases had somewhat more support amongst respondents than reducing overall rent levels. The idea of setting rents relative to people's incomes split the survey respondents. A quarter of those who did not see rent control as desirable indicated that, of these possible aims, policy should focus on stopping large rent increases.

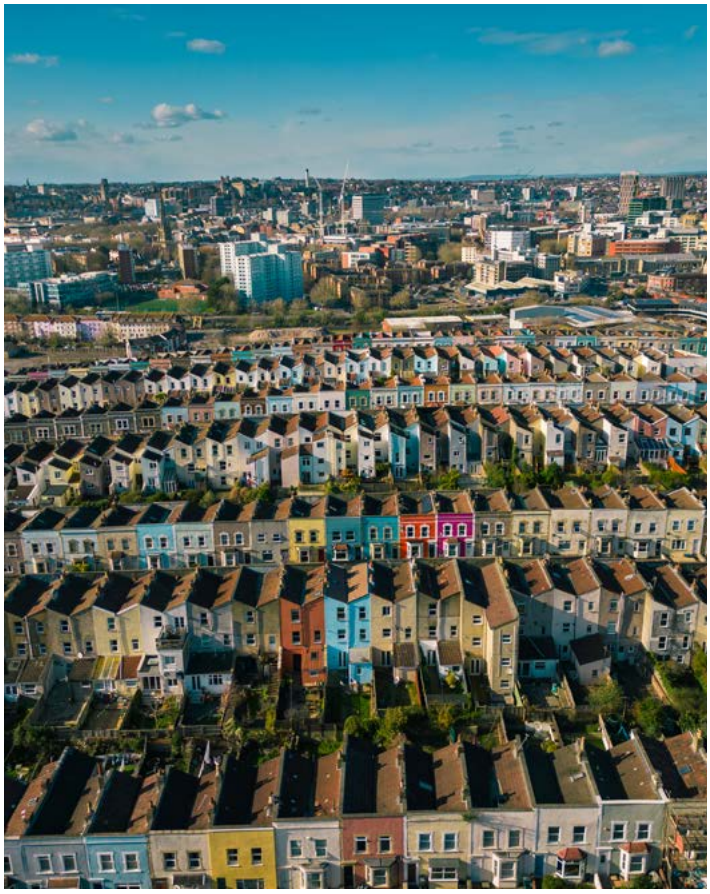
The predominant view among respondents was that rent control in Bristol should aim to be comprehensive in scope – applied to the whole private rented sector. More than nine out of ten private renters favoured this approach. The second most frequently preferred approach was one that adopts the most limited coverage – controlling the rents of only some properties in some areas of Bristol. The preferences of private landlords and property professionals were significantly different from those of other groups. They are the only two groups where less than half of the members supported a comprehensive approach.

Most respondents favoured a rent control system that regulated rents between tenancies as well as within tenancies. More than nine out of ten tenants favoured a system where rents were controlled between tenancies, whereas two thirds of landlords preferred a system where control only operated within tenancies.

The final element of our rent control survey aimed to explore respondents' views on four example rent control policies. The four example policies covered a mix of principles and harder and softer approaches to regulating rents. While the examples covered different principles, they could not cover every principle that those designing a rent control policy might like to consider.

The example policies were as follows:

- **Policy A:** Private rents should be frozen at their current levels, but landlords can apply to increase rents to reflect spending on property improvements.
- **Policy B:** Initial private rents are set on the basis of a property's characteristics and can be increased by no more than 5% per year during a tenancy. Rent increases between tenancies cannot result in a rent more than 10% above the current market average.
- **Policy C:** Private rents are set at 30% of the tenant's income at the start of the tenancy and can be increased each year during the tenancy by the annual rate of wage inflation.
- **Policy D:** Landlords are free to set their rents at market rates at the start of a tenancy, but rents cannot be increased by more than 3% each year during a tenancy.



Respondents were asked to state how much they agreed with each of the four approaches. They were then asked the question: "overall, if you had to choose one of these four policies to implement which one would you choose?". More than a third of those who see rent control as desirable did not agree with policy A, which is the hardest form of rent control among these examples. This suggests that many of those who support control would not be looking for an extremely stringent system. However, this part of our survey did not address the question of whether survey respondents had different preferences for the short-term and the long-term: for example, an approach that implemented policy A in the short-term as a crisis intervention, while a more sophisticated policy was designed for the longer-term.

When considering the choices made by respondents with different views on the desirability of rent control, the groups hold different preferences. Four in ten of those who see rent control as desirable selected policy C, with a further three in ten supporting policy B. Very few of this group supported policy D. In contrast, two-thirds of those who did not think rent control desirable supported policy D, which was the softest version of rent control offered. The group of respondents who were more cautious in their view of rent control – answering 'it depends' – had a completely different profile of response, most frequently favouring policy B.

Policy B was not the most popular option for any group but it was the second most popular policy for every group. This suggests to the commission that if rent control were to be pursued as a policy, then it might be possible to bring together a coalition of support for a policy for Bristol by building on a discussion of policy B.

Members of the commission held the view that any rent control measures need to be complemented by reform to the welfare system and a significant programme of social house building.

4. Improving experience and accessibility

The diverse evidence presented to the commission indicated that there are several areas where action could be taken to improve the experience of living in private rented accommodation in Bristol.

BCC currently engages broadly with the private rented sector. It implements the mandatory licensing scheme for Houses in Multiple Occupation. It has powers to create area-based and selective licensing schemes and it has used this power repeatedly to address poor standards in specific neighbourhoods. The council is the enforcing body in areas such as property standards and protection from eviction. It has a robust policy of using available powers to tackle poor landlord behaviour and poor property quality. It is one of the most active local authorities in the country in terms of placing landlords on the national rogue landlord database. The council is active in supporting tenants to obtain rent repayment orders. It liaises with both landlords and tenants to inform them about rights and obligations and policy changes affecting the sector. However, while the council is active in this area – there are limits to what it can achieve.

The commission notes that legal protection from retaliatory eviction is associated with the use of formal enforcement approaches but not with informal approaches to seeking landlord compliance with their legal obligations. The recent motion to Full Council highlighted the need to consider more frequent use of formal improvement notices to deal with poor property quality. This is a position that the commission endorses.

The commission believes improving the distribution and circulation of information within the housing sector would be beneficial. This includes information on tenants' rights and obligations; landlords' rights and obligations; sources of support should a tenant or landlord encounter difficulty; local authority powers and, importantly, their limitation; and, what to watch out for to avoid scams operating in the sector. To increase accessibility, greater provision in the most

frequently used additional languages should be considered. Providing information in alternative forms, such as infographics, could help create more engaging communications but also make information accessible to those with lower levels of literacy.

The commission has also identified local partnerships and collaborations that could be set up or expanded. There are limits to the council's capacity to reach those in the city who would most benefit from support. Other organisations may already be in touch with the relevant groups, whether in relation to housing or non-housing issues. Organisations in the voluntary and charitable sectors may find it easier than the council to engage with certain communities. Collaborations open the possibility of getting accurate and authoritative information to more people.

From the commission's discussions it was felt that there were two "quick wins" available through localising information. These were, first, the BCC website having a local version of what is on offer on the government's website – written using language that everyone can understand, and, second, local universities providing a guide on tenants' rights for all new, and existing students.

Licensing schemes attracted discussion within the commission and in written evidence. Some landlords dismissed licensing as no more than a money-making scheme for the council. Others argued that the scheme is not working well and is actually distorting the market. For mandatory schemes like HMO licensing, decisions that are perceived as having negative impacts on the market are often thought to come from the council despite being national rule changes. From the tenant perspective, there was considerable emphasis placed on holding landlords to account. In this context, licensing was seen as a key mechanism. It means that the burden of dealing with problems does not fall on tenants, who can feel in a vulnerable position.

There was a broad endorsement of the government's Renters' Reform Agenda. Proposals to deal with discrimination against households receiving benefits were welcome. The removal of s.21 evictions was seen as essential for stabilising housing circumstances and improving the security of tenants. Loss of a private tenancy is a major contributor to homelessness. Some argued that although the renters reform agenda is positive, central government could go further and faster.

Despite this, landlord representatives were keen to emphasize that court processes are already slow and problematic. If s.21 evictions are removed and landlords are expected to make a case in court whenever an eviction is sought then, unless court processes are improved, the system may implode.

Overall, many of the routes to improving the relationship tenants' have with the private rented sector require local authorities, possibly in collaboration with others, to engage in more activities. The council and other stakeholders are willing to do more to improve tenants' lives but that can only happen with the support of adequate resources. In terms of national policy, it is vital that there is an appreciation of this point and a willingness to ensure the budgets are available to underpin the necessary activities.

5. Conclusion

In the last ten years, housing in Bristol has become increasingly unaffordable.

The Bristol Living Rent Commission concluded that private renting in the city faces a serious access, affordability and security of tenure crisis, which is impacting the wellbeing and quality of life for people in Bristol and playing a major role in creating homelessness.

With demand substantially outstripping supply and rents continuing to rise, access and affordability continue to be a serious challenge. This is a challenge not only for those on lower incomes. Indeed, a large majority of tenants responding to the commission considered that the situation has deteriorated significantly over the last five years.

Lack of affordability and access to private renting are issues that have negative consequences for Bristol as a whole. The existing situation is destabilising communities, pricing lower income households out of neighbourhoods, disrupting the creative and cultural life of the city, and resulting in talented people leaving in search of more security elsewhere.

The housing challenge in Bristol has been compounded recently by the national cost-of-living crisis. Some households' finances are almost completely used up trying to keep a roof over their head and keeping themselves warm and fed. Many tenants feel they are in a precarious situation and some feared the prospect of becoming homeless.

Rent control

The commission found substantial support for rent control of some kind, with differing views. The majority of private tenants; representatives of community and voluntary sector organisations that work with private tenants, considered rent control to be desirable. In contrast, landlords and market intermediaries, such as surveyors and estate agents, were more likely not to find rent control desirable.

While support for rent control was widespread, there were concerns about it having potentially negative impacts. These concerns were common among landlords, letting agents, investors and a few tenants. Some indicated that their view on rent control was influenced by whether it was a national or a local system. They preferred a national system, which maintained a level playing field, rather than the city going it alone.

The design of a rent control policy is crucial to the effects it has on the housing market. Our survey respondents indicated that the most important side effects to mitigate were: avoiding discrimination; reducing housing quality; and reducing housing availability. On the basis of the evidence collected from stakeholders, it appears that it could be possible to develop a rent control system that has a reasonably broad base of support across the city. Such a system could build on the principles embedded in our policy B, as described in section three.

The impact of rent control depends on how it fits with other policies, including policy relating to the supply of social housing and the welfare benefits system. For rent control to be effective a holistic approach to reform is necessary. Proceeding with rent control without complementary change in these other policy areas would present a different profile of risks to proceeding with rent control when changes in these other policy areas are also possible.

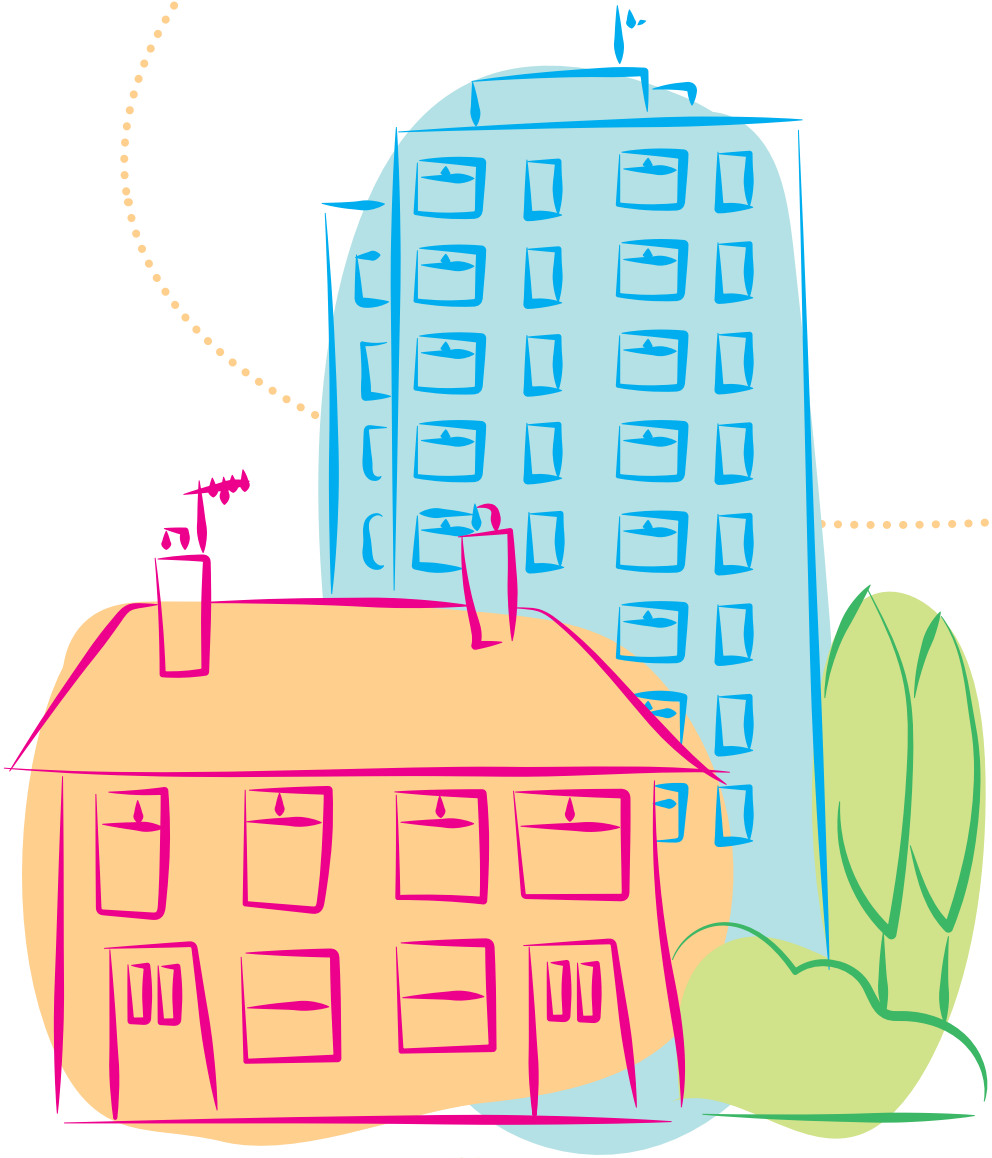
Improving experience and accessibility

While local authorities play a key role in raising and enforcing standards, they are constrained by resources and the powers given to them. There is scope for enhancing the regulation of the sector by thinking about it as being delivered by a network of organisations working together.

The commission identified the accessibility of information for tenants as a key concern, particularly information on rights, responsibilities, and redress mechanisms. Information needs to be made more accessible.

Licensing as a way of raising standards and improving experience drew both positive and negative comments. If it can be shown to improve standards, then there is support for expanding the scope of licensing schemes. More can be done to promote the positive impacts of existing licensing schemes and the work of the council to enforce standards.

There is much more that can be done to improve the experience of tenants, but, as with rent control, it requires a supportive national policy framework. This includes the effective delivery of the Renters' Reform Agenda and providing local authorities with sufficient resource to tackle the scale of the problem.



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