

## Enforcement

- DLUHC should work with local authorities to identify why inspections rarely lead to prosecutions or civil penalties being issued. In particular, they should look at the costs of enforcement, the complexity of the legislation, and the value of informal enforcement action. They should then use this information to develop a holistic strategy around enforcement in the PRS, which can then be used by local authorities such as Southampton. Furthermore, guidance should be issued to local authorities or legislative changes implemented to address this.
- The Government should help tackle the shortage of EHOs by providing a training fund, as well as targeted training on underutilised enforcement, to help councils like Southampton retain and build up a team of qualified staff to assist in enforcing standards in the PRS.
- Increased funding for local authorities overall so they are adequately funded.
- The NRLA advocates using council tax records to identify tenures used by the private rented sector and those landlords in charge of those properties, which doesn't require self-identification. This makes it harder for criminal landlords to operate under the radar should a formal complaint be raised against the landlord by a tenant and further investigation is needed. Unlike discretionary licensing, the council would not need to consult and could implement changes immediately.
- Training, education, and association membership support for local landlords in Southampton to allow landlords to demonstrate to tenants and Southampton that they keep fully up to date with legal requirements and their obligations on a regular basis. It can also demonstrate commitment to high-quality lettings and can boost the ability to attract good tenants with the use of the accreditation certificate and logo. This training can apply from anyone to new landlords entering the sector, to established landlords who wish to refresh their knowledge about new legislation which affects the sector.

## Security, stability, and overcrowding

Regarding the proposed rentals reform bill, the NRLA has submitted a series of evidence to the Rentals Reform Bill Committee outlining the amendments needed for the legislation to work for both tenants and landlords in the sector. The amendments summarised below:

- **COURT REFORM:** The NRLA wants the government to press ahead on court reform and the digitalisation of the possession process. At present it is not entirely clear when court reform will be concluded, or it will address the timelines of legitimate possession cases. With that in mind, we believe that consideration should be given to a longer transition period after commencement. This would allow pre-existing assured shorthold tenancies to end naturally, avoid pressures caused by ending tenancies early, and allow time for court reform to be implemented.

Responsible landlords need to have confidence that the Bill's measures will not hinder their ability to repossess a property swiftly and efficiently for legitimate reasons such as rent arrears and anti-social behaviour.

- **RENT INCREASES:** Provisions in the Bill around rent increases and rent in advance may cause unnecessary and avoidable consequences, The NRLA recommends that a more flexible approach is taken that allows for negotiation between tenant and landlord in these areas.

As it is currently drafted in the bill, there is a clause that prohibits landlords from taking rent payments of more than one month in advance. This is presumably to prevent landlords from introducing fixed terms by the back door by having very long rental periods. However, if this is indeed the intended purpose, this legislation may inadvertently lead to unintended and undesirable outcomes.

Where tenants have poor or hard to assess credit histories, such as people from overseas (so international students for example that come to study in Southampton), landlords will first seek to obtain a UK-based guarantor so that any debt can be enforced if needed. If not available, seek upfront rent payments, usually covering six or twelve months in advance. This is done to mitigate risk against someone with unknown or riskier background. If this is not possible, those tenants are likely to find themselves excluded from the sector.

Regarding the statutory procedures for increasing rent- the Government has introduced provisions requiring that rent increases can only be done by a statutory mechanism. If the Government is intent on tying rent increases exclusively to a statutory procedure, then steps must be taken to ensure that the tribunal is appropriately resourced. The Government should look to provide accurate, up to date figures on local market rates so that tenants understand whether challenging the proposed new rent is likely to be successful or, in some cases, whether it may be detrimental as the tribunal is able to set a higher rent where relevant.

- **STUDENT TENANTS:** Ensuring that the student market is not damaged is also a key concern. The student sector of the PRS is likely to be particularly affected by the reforms through the loss of fixed terms and Section 21, which have provided a solid foundation upon which to operate on a cyclical basis.

We are proposing that all forms of student housing are treated consistently to avoid creating a two-tier system that damages renters' ability to secure a home for the academic year. At the committee stage of the bill, the Government introduced an amendment to enable student landlords to end a tenancy for the purposes of re-letting to incoming students but limited its application to student landlords of HMOs.

A further amendment has now been proposed to broaden the ground's application to landlords of one- and two-bedroom student properties (which do not fall under HMO classification), to ensure that the entire student private rented sector can continue to function.

- **ANTI SOCIAL BEHAVIOUR:** The NRLA continues to highlight the problems landlords face when dealing with anti-social behaviour and the limited powers and support they have with which to tackle it. The Bill will modify the wording of ground 14 from "likely to" to "capable of" causing nuisance, which could make proving anti-social behaviour is taking place easier, so tenants causing ASB for their neighbours and the landlord can be dealt with more swiftly.

Another change to the Bill could mean that landlords can rely on evidence like text messages or emails from neighbours when seeking possession using the ASB grounds. At the current moment, 'hearsay' evidence does not have to be considered by the courts.

- **PETS:** The NRLA recognises the importance of pets in providing companionship for many tenants. We support the Bill's principles, which will give tenants the right to request permission to have a pet in their property, a request that landlords must consider and cannot unreasonably refuse. However, as currently drafted, the Bill does not make it clear that a request should be made for each individual pet. Without clarification on this point, there is a danger that a landlord's approval for one pet might be misconstrued as an endorsement for any number and type of pets, even when the accommodation may be unsuitable for a specific type of pet.

The NRLA welcomes the Bill's provision to amend the Tenant Fees Act 2019, allowing landlords to require tenants with pets to have insurance to cover the additional risk of property damage. However, requiring tenants to pay a monthly insurance fee could potentially result in higher costs for tenants than a one-off 'pet deposit premium'. As such, the Bill should be amended to allow such a deposit premium to be charged where it is more cost effective for the tenant.

The NRLA accepts that section 21 repossessions are ending and is committed to working with all parties to ensure the replacement system is fair and workable for both tenants and responsible landlords. We believe that the Bill lays the foundation for potentially effective reforms of the sector. Particularly on areas like strengthened grounds for possession and the property portal.

It is important to emphasise that the wholly unacceptable practices of a small group of landlords are not representative of the sector. The reality is that the vast majority of private tenancies are ended by the tenant. In 2021/2022, 77% of private renters voluntarily left their last tenancy, an increase from 73% the previous year. In contrast, only 4% mentioned leaving because their landlord or agent asked them to, a decrease from 6% the previous year<sup>1 2</sup>.

Tenants in the private rented sector are more satisfied with their accommodation than those in social housing. 80% of private renters are satisfied with their current accommodation, compared to 75% of social renters<sup>3</sup>.

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<sup>1</sup> <https://www.gov.uk/government/statistics/english-housing-survey-2021-to-2022-private-rented-sector>

<sup>2</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1088486/EHS\\_20-21\\_PRS\\_Report.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1088486/EHS_20-21_PRS_Report.pdf)

<sup>3</sup> <https://www.gov.uk/government/statistics/english-housing-survey-2021-to-2022-private-rented-sector>