

DECISION-MAKER:	OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE		
SUBJECT:	HOW DO WE GET A BETTER DEAL FOR PRIVATE SECTOR RENTERS IN SOUTHAMPTON? - SCRUTINY INQUIRY TERMS OF REFERENCE		
DATE OF DECISION:	14 SEPTEMBER 2023		
REPORT OF:	SCRUTINY MANAGER		
<u>CONTACT DETAILS</u>			
Executive Director	Title	Executive Director – Corporate Services	
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STATEMENT OF CONFIDENTIALITY			
None			
BRIEF SUMMARY			
It is the role of the Overview and Scrutiny Management Committee (OSMC) to determine the scrutiny inquiry programme. This report requests that the OSMC agrees the terms of reference for a scrutiny inquiry focussing on the Private Rented Sector and getting a better deal for renters in Southampton.			
RECOMMENDATIONS:			
	(i)	That the Committee consider and approve the draft terms of reference for the scrutiny inquiry.	
	(ii)	That authority is delegated to the Scrutiny Manager, in consultation with the Chair of the Scrutiny Inquiry Panel, to finalise the inquiry plan.	
REASONS FOR REPORT RECOMMENDATIONS			
1.	To enable the Scrutiny Inquiry Panel to commence the scrutiny inquiry.		
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED			
2.	None.		
DETAIL (Including consultation carried out)			
5.	According to the English Housing Survey in 2020 to 2021, the Private Rented Sector (PRS) accounted for 4.4 million (19%) households in England, housing over 11 million people.		
6.	The Government White Paper, A Fairer Private Rented Sector published in June 2022 outlined that everyone deserves to live in a safe and decent home and stated that most landlords and agents treat their tenants fairly and provide good quality and safe homes. However, the white paper noted that		

	this is not universal practice and too many of the 4.4 million households that rent privately live in poor conditions, paying a large proportion of their income to do so, with the threat of sudden eviction hanging over them.
7.	In England, despite improvements over the past decade, over a fifth of privately rented homes (21%) are non-decent, and 12% have serious 'Category 1' hazards, which pose an imminent risk to renters' health and safety. ¹
8.	Private renters spend an average of 31% of their income, including housing support, on rent. In comparison, those buying their home with a mortgage spent 18% of their household income on mortgage payments and social renters paid 27% of their income on rent. ²
9.	In Southampton 29.2% of households live in private rented sector accommodation (approximately 30,000). This is the highest out of our ONS comparator cities ³ and has increased from 24.9% in 2011. ⁴
10.	Data published in June 2023 identified that the median monthly rent in Southampton was £875 ⁵ . This is £50 higher than the national median.
11.	More broadly, Southampton is a growing city. The population increased by 5.1%, from just under 236,900 in 2011 to around 248,900 in 2021. There are approximately 30,000 higher education students studying in Southampton and both universities anticipate the number of students studying at the institutions to increase over the coming years. These trends create housing challenges for all tenures as well as concerns about affordability, especially for low income households.
12.	Reflecting the size of the private rented sector in Southampton, the link between poor quality housing and poor health and wellbeing, educational attainment and productivity outcomes ⁶ , and the concerns referenced in paragraph 6 relating to poor quality housing, high costs and insecurity, this Committee, at its meeting on 10 th August 2023, agreed that getting a better deal for private sector renters in Southampton would be the subject of the 2023/24 scrutiny inquiry. Attached as Appendix 1 are draft terms of reference and an outline project plan for the proposed inquiry. Members are recommended to consider and approve the draft terms of reference for the scrutiny inquiry to enable the inquiry to commence.
13.	The final report and recommendations of the Scrutiny Inquiry Panel will be considered by the OSMC prior to Cabinet to ensure that the review has met the agreed terms of reference set by this Committee.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	

¹ English Housing Survey 2020 to 2021

² English Housing Survey 2020 to 2021

³ Census 2021 - [Microsoft Power BI](#)

⁴ [How life has changed in Southampton: Census 2021 \(ons.gov.uk\)](#)

⁵ [Private rental market summary statistics in England - Office for National Statistics \(ons.gov.uk\)](#)

⁶ [A fairer private rented sector - GOV.UK \(www.gov.uk\)](#) - Chapter 2 (P23)

14.	There are no additional financial implications arising from the approval of the recommendations.	
<u>Property/Other</u>		
15.	None.	
LEGAL IMPLICATIONS		
<u>Statutory power to undertake proposals in the report:</u>		
16.	The duty to undertake overview and scrutiny is set out in Part 1A Section 9 of the Local Government Act 2000.	
<u>Other Legal Implications:</u>		
17.	None	
RISK MANAGEMENT IMPLICATIONS		
18.	None.	
POLICY FRAMEWORK IMPLICATIONS		
19.	None	
KEY DECISION		No
WARDS/COMMUNITIES AFFECTED:		None directly as a result of this report
<u>SUPPORTING DOCUMENTATION</u>		
Appendices		
1.	Draft Inquiry Terms of Reference and Outline Inquiry Plan	
Documents In Members' Rooms		
1.	None	
Equality Impact Assessment		
Do the implications/subject of the report require an Equality and Safety Impact Assessments (ESIA) to be carried out?		No
Data Protection Impact Assessment		
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out?		No
Other Background Documents		
Equality Impact Assessment and Other Background documents available for inspection at:		
Title of Background Paper(s)		Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	None	