

# Security, stability and overcrowding

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# Outline

Homes in the 'revived' PRS

Legal security of tenure

Reforming security of tenure

SCC Inquiry: Issues, challenges, outcomes

# The revived PRS: Vision vs reality

Deregulation of PRS was based on the vision of the sector as a source of housing for ‘transitional’ households

The revival of PRS has challenged this vision:

- 1 / 3 are families with children (8,400 households in Soton)
- 1 / 3 are low income/struggling/vulnerable households
- Average renter has lived in their home for 4.4 years & many expect to stay for medium/longer term

Growing understanding that tenant ‘homes’ are not just physical structures they are deeply intertwined with health outcomes, child development, poverty/wealth and opportunity in general

# PRS instability and homelessness

- Ending of an AST is a ‘significant cause of homelessness’ (31% of cases in 2015/16)
  - The use of ‘no-fault’ evictions has increased by almost 50% since 2022
- Instability has major regulatory and resource implications for local authorities
  - Triggers homelessness prevention & other duties eg proactive tenancy relations
  - Lack of social housing has meant growing use of highly expensive temporary accommodation (£1.74 billion in 2023)
  - 47% of families with children were forced to move schools as a result of living in temporary accommodation (Shelter, 2023)

# Legal security of tenure

Protection from Eviction Act 1977

Housing Act 1988

Renters Reform Bill

# Housing Act 1988

- Regulated deregulation

  - s.21 no fault eviction the norm

  - increasing limits on use of s.21

  - retaliatory evictions unlawful

  - evictions when breach of licence requirements

- Increasing avoidance of the limited statutory protections

  - incorrect use of licences

- Unaffordability and market rents probably key cause of instability

# Protection from Eviction Act 1977 (the PfEA)

- Statutory protections from unreasonable evictions have existed since the mid 20<sup>th</sup> century
- Amendments have responded to projects of regulation/deregulation and fears of spikes in evictions
- Illegal evictions are a chronic problem in the sector
- Current legislation outdated, complex and little understood
- Poor enforcement of base line protections
- Problematic police response

# Renters (Reform) Bill



Abolition of s.21 will constrain retaliatory eviction



Landlords redress scheme may provide a more accessible way to enforce standards for tenants



Extension of Banning Orders



Extension of Decent Homes Standard to PRS enforced through civil penalties and RROs and a duty on local authorities to ensure housing meets the standard



# Reforms in Scotland

- Private Residential Tenancy (Scotland) Act 2016 abolished no fault evictions & extended protections for tenants
- Impact?
  - Slight decline in PRS but increase in SRS
  - Signs that landlords have exited the market and turned to ‘short term lettings’ but new regulation of this activity (2023)
  - Buy to let mortgages remain widely available
  - The Tribunal are effectively dealing with caseload
- Indicates how reforms to security of tenure have effects on illegal evictions, short term lettings, social housing etc

# SCC Inquiry: Key issues

- In England, the PRS is the most insecure, unaffordable, and unsafe source of housing, relative to other tenures
- SCC Inquiry tends to confirm that the problems associated with the PRS nationally are equally, if not more, prominent in Southampton eg Failing the Decent Homes Standard
- Following sustained increases, 1 in 3 households now live in the PRS in the city (as opposed to 1 in 5 nationally)
- Growing pressure from central government and significant regulatory changes

# SCC Inquiry: Challenges

1. Lack of meaningful data on the PRS is a fundamental challenge
  - a) Stock condition survey
  - b) Data on rents and evictions in the city
2. Regulatory changes: The Renters Reform Bill will:
  - a) Reform security of tenure
  - b) Apply Decent Homes Standard – double scope of enforcement!
  - c) Expand enforcement powers eg CPNs, RROs
  - d) Impose new enforcement duties on local authorities
3. Limited resources
  - a) Instability in PRS contributes to rising homelessness and growing cost of temporary accommodation

# SCC Inquiry: Outcomes

- The problems in the PRS are not simply about ‘a few bad apples’
  - The limits of reactive, complaint-based enforcement are clear
  - The scale of insecurity, unaffordability and unsafe housing indicates a systemic problem which requires a systematic response by SCC
- We suggest adopting a proactive regulatory approach, that anticipates national reforms, involving:
  - regular data gathering eg stock condition surveys
  - Collaboration with stakeholders ie tenant unions, landlords, third sector, University etc
  - taking the full range of enforcement action ie CPNs, prosecutions, and expanding licencing schemes
  - a culture shift that regards PRS enforcement, licencing, tenancy relations and homelessness services as integrated and mutually reinforcing in getting better outcomes for tenants

# YOUR QUESTIONS