

# Renters Rights Bill Briefing

### House of Lords, Second Reading

4 February 2025

### Introduction

- 1. JUSTICE is a cross-party law reform and human rights organisation working to make the justice system fairer for all. Our vision is of fair, accessible, and efficient legal processes in which the individual's rights are protected and which reflect the country's international reputation for upholding and promoting the rule of law.
- 2. This briefing addresses the Renters Rights Bill ("the Bill") in advance of its Second Reading in the House of Lords. We draw attention to our previous briefings¹ and to the findings of our 2020 report, 'Solving Housing Disputes'.² In that report, we recommended practical solutions to address the disaggregated housing dispute landscape, and to increase the provision of information about the rights and obligations of tenants and landlords.

### Support for Measures Contained in the Bill

3. Reform to the private rented sector ("PRS") is long overdue. Thousands of tenants across the country face constant risk of eviction<sup>3</sup> and are trapped in unsafe, low-standard housing. <sup>4</sup> Losing one's home can be a major life event. Yet for too long, inadequate notice periods have meant that tenants have little time to prepare themselves or find suitable alternative accommodation. JUSTICE is pleased to see that these issues have been recognised, and steps taken with the Bill to address them. In particular, we support the following measures:

<sup>&</sup>lt;sup>1</sup> JUSTICE <u>'Renters Rights Bill: 2nd Reading Briefing'</u>; October 2024; JUSTICE <u>'Renters Rights Bill: Committee Stage Written Evidence'</u>, October 2024.

<sup>&</sup>lt;sup>2</sup> JUSTICE, 'Solving Housing Disputes', 2020.

<sup>&</sup>lt;sup>3</sup> Shelter, <u>"Every seven minutes a private renter is served a no-fault eviction notice despite government promise to scrap them three years ago"</u>, 26 April 2022.

<sup>&</sup>lt;sup>4</sup> Department for Housing, Levelling Up and Communities, '<u>The English Housing Survey</u>', Chapter 4 estimated that in 2022, 21% of PRS homes did not meet the Decent Home Standard – around 1 million homes. This compares with 14% of owner-occupied and 10% of social-rented homes.

- a) the immediate abolition of s.21 "no fault" evictions (Clause 2) which will significantly reduce the number of unfair evictions. Contrary to concerns previously raised, we do not consider that it will have an adverse impact on court capacity;<sup>5</sup>
- b) the extension of notice periods for possession cases (Clause 4);
- c) prohibitions on landlords discriminating against tenants who receive benefits and/or have children (Clause 35-36);
- d) a Decent Homes Standard for the Private Rented Sector (Clause 101);
- e) the creation of a Landlord Redress Scheme for the PRS (Clause 65), albeit we stress the need for a single point of entry to the scheme to ensure tenants know where to go to seek help and redress (see paragraph 16 below); and
- f) the creation of a Private Rented Sector Database to increase transparency across the sector (Clause 76).

## **Room for Improvement**

4. Whilst we welcome the measures contained within the Bill, we consider that several issues still exist. We recommend that further steps must be taken to address these gaps, as the Bill progresses.

#### **Antisocial Behaviour**

- 5. Clause 4 of the Bill removes the 2 weeks' notice period that landlords are required to give tenants when evicting on the grounds of anti-social behaviour ("ASB").<sup>6</sup> This means that they can immediately commence eviction proceedings via court. This is at odds with other possession grounds, including domestic abuse, where notice is required.<sup>7</sup>
- 6. Losing one's home can be a devastating and life-changing event which is why eviction should be the last resort for tackling ASB. However, our research has found that police and local authorities often miss opportunities to intervene, and that investigations into ASB are often inadequate

<sup>&</sup>lt;sup>5</sup> In fact, we consider that the abolition of s.2 will lead to fewer evictions, and therefore fewer cases in the court queue, by targeting rogue landlords who do not otherwise have reasonable grounds to evict using the grounds provided for by Schedule 2 of the Housing Act. According to government data, the current volume of no fault evictions proceeding through court which are currently at their highest level since 2017. See Department for Levelling Up, Housing and Communities, '<u>Live Tables on Homelessness</u>', updated 30 April 2024.

<sup>&</sup>lt;sup>6</sup> Ground 7A and 14

<sup>&</sup>lt;sup>7</sup> Ground 14A

owing to a lack of training and resource.<sup>8</sup> In addition, individuals, often in vulnerable circumstances, can be the subject of nefarious complaints from neighbours. Rather than making it easier to evict tenants, we encourage Peers to call upon the Government to invest in training and resources for the police and local authorities to investigate and fully respond to complaints of ASB.

#### Private Landlord Redress Scheme

- 1. JUSTICE is pleased that the current gap in redress schemes for the PRS is being addressed via the creation of a new Private Rented Sector Ombudsman (Clause 65(1)) which has the power to make binding decisions and compel landlords to issue apologies, provide information, take remedial action or pay compensation (Clause 65(3)). The creation of a redress scheme brings the PRS in line with the social housing sector which has had a redress scheme since 1996.<sup>9</sup>
- 2. However, for the scheme to be successful, we consider that the following specific amendments to the Bill are required:
  - a) Compel the Secretary of State to make regulations requiring landlords to join the redress scheme Given the importance of resolving the redress gap and ensuring equal access to justice and redress for all tenants whether or not they are private or social housing renters, we urge the Committee to strengthen the provisions at clause 65 by placing an obligation on the Secretary of State to make regulations to require residential landlords to be a member of a redress scheme. At present, the Bill leaves it to the discretion of the Secretary of State to do so (Clause 65(1)).
  - b) *Preventing Digital Exclusion* Clause 66(3) lists a number of conditions which must be satisfied before a redress scheme is approved or designated by the Secretary of State. In our view, it is important to also ensure that the scheme caters for the significant number of individuals who are digitally excluded and those who require advice and support to enable them to seek redress. <sup>10</sup> A provision should be inserted to ensure that the new scheme facilitates digitally excluded landlords and tenants to engage with the system.

<sup>&</sup>lt;sup>8</sup> JUSTICE, 'Lowering the Standard: A Review of Behavioural Control Orders in England and Wales', (2023)

<sup>&</sup>lt;sup>9</sup> Housing Act 1996, Section 51 and Schedule 2 which mandated the Housing Ombudsman Service.

<sup>&</sup>lt;sup>10</sup> See Good Things Foundation, '<u>Digital inclusion What the main UK datasets tell us'</u>, September 2024 which found that between 15-20% of UK citizens and households are affected by limited digital access, with 16% of adults lacking foundational digital skills and 8% struggling to afford broadband.

3. Moreover, we stress the importance of consolidating existing routes to redress. Research conducted by JUSTICE and the TDS show that tenants do not know where to go, or who to speak to get help for their housing issues. This is in the context of severe housing legal advice deserts, where 43.6% of the population in England and Wales do not have a local housing legal aid provider 11 and are faced by a disaggregated regulatory system. 12

#### Creation of a Single Ombudsman for the Private Rented Sector

4. As it currently stands, the Bill makes provision for the Secretary of State to approve or designate more than one redress scheme for the Private Rented Sector (Clause 63). We agree with the Government's intention, as set out in the Explanatory Notes, that only one Ombudsman should be created for the PRS. The housing redress landscape is already disaggregated, making it difficult for tenants to navigate. Providing multiple ombudsman within the PRS will only worsen this. For that reason, we recommend the Bill be amended to provide for the creation of only one Ombudsman, whilst also emphasising that the administrator(s) of that scheme must have sufficient resources and expertise to adequately meet the unique demands of the PRS – both in terms of volume of complaints and types of disputes. Longer term, we encourage the Government to explore whether there is scope to bring together the social housing and private rented sector schemes in order to further streamline routes to redress for tenants.

#### Creation of a Single-Entry Point / Redress Portal

5. More generally, we recommend the creation of a "one stop shop" portal or doorway, through which a tenant can access the appropriate redress scheme or dispute resolution mechanism and signposting to additional advice and support. In this regard, we highlight the work currently being undertaken by the Tenancy Deposit Scheme with regard to its "My Housing Issue" Gateway, <sup>13</sup> as a starting point for moving towards this. The Gateway provides a tailored signposting and information portal that helps social and private tenants find clear paths to finding appropriate redress forums and legal support. JUSTICE would like to see such a gateway expanded to provide access to not only all redress schemes but also to tribunals and the courts as well as dispute resolution services including mediation and conciliation. <sup>14</sup>

<sup>&</sup>lt;sup>11</sup>The Law Society, 'Housing – legal aid deserts', February 2024

<sup>&</sup>lt;sup>12</sup> See: Diagram 1 on Page 2 of <u>TDS Charitable Foundation</u>, '<u>My Housing Issue Gateway Service</u>' <u>Pamphlet</u>, <u>February 2024</u>. There are multiple bodies that share responsibility for enforcing standards across the housing landscape, to include the Property Tribunal, County Courts, Local authorities, licensing authorities, tenancy dispute schemes and Ombuds.

<sup>&</sup>lt;sup>13</sup> See: TDS Chaitable Foundation, 'My Housing Issue Gateway', January 2024

<sup>&</sup>lt;sup>14</sup> JUSTICE, Solving Housing Disputes (2020), Page 70-80.

#### **Private Rented Sector Database**

- 6. The provisions relating to the Private Rented Sector Database are provided in Clauses 76 97. The creation of the Private Rented Sector Database is designed to increase transparency within the sector; to help hold landlords to account for maintaining their properties in good condition and to make it easier for local authorities to take enforcement action against landlords who fail to do so. 15 It is intended that the Database will replace functions of the existing Database of Rogue Landlords and Property Agents. 16
- 7. Registering with the Database is mandatory for all private landlords (Clause 80(1)-(3). A property cannot be marketed, listed or advertised unless there is an active landlord and dwelling entry relating to it on the Database (Clause 80).
- 8. Clause 78 provides that the Secretary of State may make regulations 1) setting out how landlord and dwelling entries are to be made on the database and 2) specifying the type of documentation or information that should be provided in respect of them. It does not specify any further detail.
- 9. However, if the Database is to achieve its aims of increasing transparency for tenants and enabling them to make informed choices as to the suitability of a property prior to entering a lease, it must provide them with relevant information to help them do so. Likewise, for the Database to assist relevant authorities to take enforcement action against rogue landlords, it must include enough data to help them monitor compliance with housing regulations and the provisions made elsewhere within this Bill. JUSTICE considers that there are certain types of information that must be included within landlord and dwelling entries, as a bare minimum. For that reason, we recommend that reference to such information should be provided for on the face of the Bill to ensure that it is not left to chance, should regulations not arise. [Database must include ment 7 would ensure that information required to be able to do these things is included in the Database.
- 10. We consider that the following measures are vital to ensuring the efficacy of the Database:
  - a) Providing a timeframe for implementation JUSTICE recognises the vital impact that the Database can have on driving up standards and increasing accountability and safety within the PRS. There should be no delay in it coming into force and for that reason, we

<sup>&</sup>lt;sup>15</sup> House of Commons Library, 'Renters' Rights Bill 2024-25', October 2024, 62-63.

<sup>&</sup>lt;sup>16</sup> MHCLG, 'Renters Rights Bill Explanatory Notes' (11 September 2024), at Note 464.

- recommend that provision should be made on the face of the Bill to ensure that it becomes operational within one year of the Bill's commencement date.
- b) Ensuring landlord dwelling entries contain enough information to facilitate effective monitoring and enforcement Clauses 19(4) of the Bill prevents landlords from relying on Ground 1 (occupation by landlord) or Ground 1A (sale of property) possession grounds, then relisting the property for rent within 12 months. We consider that the Bill should be amended to require that landlords must record which eviction grounds they have previously used, via the Database. This will make it easier to track any inappropriate use of the new possession grounds.
- c) Ensuring the public can access enforcement data in landlord and dwelling entries
  - i. Clause 87 makes provision for the Secretary of State to make regulations setting out who can access the Database, the types of information that is accessible to different parties e.g., local authorities versus the public, and to sets out the procedures for notifying landlords of the information to be published therein. Subsection (1)(a) indicates that regulations *may* require the operator to make certain information contained in active entries, and in entries related to penalties, convictions or regulatory action, available to the public. Public access to housing-related enforcement data is vital for tenants and therefore we recommend that the Bill be amended to mandate access to this data, including information that would currently be contained in the Database of Rogue Landlords and Property Agents.
  - ii. The type of enforcement data that a tenant has access to, should be increased. Currently the Bill states the Database will include information about landlord banning orders and relevant convictions. However, in our view, this should be expanded to include notices which show when a landlord has failed to complete essential repair works as well as any Rent Repayment Orders orders requiring landlords to repay rent where a landlord has committed an offence. This is consistent with other areas of the Bill which promote the increased use of the orders to hold landlords to account (Clauses 99, 103 and 104).
- d) Preventing Digital Exclusion Clause 86 imposes additional duties on the Database Operator, including a duty to ensure facilities are available to allow for persons to make entries on the database where they do not have access to a computer or electronic device. We recommend that this duty be expanded to ensure that such support is also provided to individuals without access to a computer or electronic device wishing to access

- information on the Database or report potential breaches of obligations and/or inaccurate entries, to the Database Operator.
- e) Providing Guidance for landlords and tenants and signposting to support We recommend that the provision within clause 86(1)(d) for the database operator to publish advice and information explaining to tenants and landlords their rights and obligations in respect of the Database, should be expanded to cover their housing rights and obligations generally. Doing so will help improve knowledge and understanding across the sector education upstream can mitigate poor practices and the need for enforcement further downstream. The Government should consult with industry experts and design specialists to ensure that information provided on the Database is fit for purpose and tailored to the needs of tenants and landlords. This is to avoid previous shortfalls in Government guidance. For example, research conducted by the TDS show that the Government's "How to Rent Guide" is not accessible: only four in ten tenants recall receiving the guide.
- 11. Only once these gaps have been addressed, only then will the Private Rented Sector Landlord
  Ombudsman achieve its aim of helping tenants know where to go to seek help and obtain a
  resolution with their landlord. 19

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<sup>17</sup> The Database should also incorporate access to existing tools such as the Housing Disrepair Online Signposting Tool to ensure that longer term, the Database can pave the way for a fully integrated "one stop shop" for tenants and landlords. See, Ministry of Justice, Online Housing Disrepair Signposting Tool

<sup>&</sup>lt;sup>18</sup>TDS Charitable Foundation, 'Empowering Tenants to Make Best Use of Renters' Rights Bill', (2024), p.2

<sup>&</sup>lt;sup>19</sup> MHCLG, 'Guide to the Renters' Rights Bill', 26 September 2024.