

MAYOR AND CABINET			
Title	Responses to matters referred by Housing Select Committee – Review Private Rented Sector Housing.		
Wards	All wards	Item No	
Contributors	Executive Director for Customer Services		
Class	Part 1	Date	7 March 2012

1 Purpose

- 1.1 The purpose of the report is to respond to the recommendations made by the Housing Select Committee following their in-depth '*Private Rented Sector Housing Review*' in 2011.

2 Recommendations

It is recommended that the Mayor:

- 2.1 Considers the proposed response contained in this report;
- 2.2 Agrees that the response can be reported to Housing Select Committee.

3 Background

- 3.1 The private rented sector in Lewisham is large and growing. There are over 33,000 privately rented dwellings representing around 30% of the housing stock in the Borough. The private rented sector serves a large proportion of Lewisham's residents and is the first and only option for a number of residents, as home ownership is financially out of reach for many and the demand for social housing far outstrips supply.
- 3.2 As this is such an important sector for the Council and its residents the Housing Select Committee decided to review the provision of private rented accommodation in Lewisham. The review focussed on access to the sector; the quality of housing provided; and the security of tenancies. Members also chose to examine how the Council used the private rented sector and how it worked with private landlords and tenants.
- 3.3 The review was scoped in May 2011 and two evidence sessions were held in July and September 2011. At the July session, the Committee considered comprehensive written information relating to the review and at the September session, the Committee heard from expert witnesses.
- 3.4 To coincide with the review, a landlords' information day was held in September 2011 for all private sector landlords and established letting agents. Members were invited to attend the event. The main aim of the day was to attract as many new landlords as possible to join existing Council schemes and offer their properties for those in housing need and in receipt of housing benefit. There

were also a large number of stalls providing a range of information for new and existing landlords including details on the different types of leasing schemes the Council has in place; insurance services to provide protection around rent and damage; and landlord accreditation schemes. This event, and a later event targeted at Lewisham Homes Leaseholders who rent out their homes privately, were successful in attracting over 100 landlords. It is anticipated that events such as these will be repeated in the future.

- 3.5 The Housing Select Committee concluded its review and agreed its recommendations in November 2011. The following report summarises the recommendations made and updates on current progress. The Committee will be updated regularly as progress is made in relation to the recommendations.

4 Responses to the recommendations of the Housing Select Committee's review into Lewisham's Private Rented Sector

- 4.1 **The Housing Select Committee welcomes the potential development of a single unit within the Council to deal with all private rented sector housing in the borough. The services that this unit will be able to provide to private sector tenants requiring advice and assistance should be well publicised. Consideration should also be given to setting up a users forum, to allow private tenants to provide feedback to the unit on their experiences of privately renting and help shape the services provided by the new unit.**

- 4.2 Response - A Private Rented Sector Project has now been established to take forward the work associated with setting up the new Unit/ Lewisham's Social Lettings Agency. The project brings together colleagues from Environmental Services, Building Control, Private Sector Leasing, Hostels, and functions such as Fresh Start, Rent Incentive Scheme for homeless Prevention and Discharge, Procurement in the private sector etc.

- 4.3 The aim of the project is to bring together the full range of services associated with the private rented sector. Work has already commenced in assessing current practices and taking advantage of new initiatives to ensure that private sector tenants have access to the best information and advice available.

- 4.4 Initial work has also involved tightening up the Council's arrangements for leasing private sector units to meet the demand for social housing. In particular the management of voids has improved to ensure that the flow of properties to meet demand is maximised.

- 4.5 As the new unit evolves the longer term objectives of securing good quality supply for households, better availability of advice and guidance and a constructive relationship with a wider range of landlords will be achieved.

- 4.6 The unit will also monitor the impact of Welfare Reform on tenants renting in the sector and on recent changes in the supply of housing.

- 4.7 A Users Forum will be set up. The Quality Team will consider the best medium which is likely to include an online facility.

- 4.8 **The Housing Select Committee fully supports the establishment of a “social lettings agency”, either for Lewisham or sub regionally, and asks to be kept updated on all progress made in relation to this.**
- 4.9 Response – The Housing Select Committee will be kept updated on the work of the PRS unit. It is intended that the Unit will be Lewisham’s ”Social Lettings Agency”.
- 4.10 **Regular “ landlord information days” should be held by the Council, with smaller landlords in particular encouraged to attend, to ensure that local landlords are aware of their legal rights and responsibilities.**
- 4.11 Response – One of the key priorities for the current PRS project is to look at how we currently communicate with landlords and how this can be developed into the future using the full range of technologies available to us. We are working to make sure that we have the right level of advice and support available for new and existing landlords. We are in the initial stages of developing a landlords’ website and plan to build on the two successful Landlords days held in the autumn of 2011. We are also in early discussions with staff through the PRS project to look at starting regular Landlords Business Forums, which are smaller more regular events supporting landlords as small businesses, but before these are launched we have started to re-look at the current temporary accommodation products offered by the Council to ensure we remain competitive. Additionally Lewisham will continue to support South East London Housing Partnership’s Landlords day, which are held in Lewisham’s Civic Centre annually.
- 4.12 **The proposals being taken forward by the Mayor of London, in partnership with London Councils, for the introduction of a ‘Decent Homes’ kitemark scheme for the private rented sector should be supported. If introduced, acquiring the kitemark should be compulsory for all landlords used by the Council via the PSL, RIS, Fresh Start schemes.**
- 4.13 Response – The Mayor of London is proposing to introduce a single badge of accreditation for London landlords and lettings agents. The aim is that the scheme will result in an increase of 100,000 accredited landlords across London by 2016. To incentivise landlords it is proposed to explore how accreditation can be linked to funding for landlords to bring their properties up to standard, or for direct payment of Housing Benefit to landlords again being conditional upon accreditation. Officers have already met with the GLA and London Councils officers to discuss these proposal. It is currently being proposed that the kitemark be awarded to properties rather than to landlords thereby enabling prospective tenants to quickly see which properties across the sector meet minimum standards. Lewisham is keen to become a pilot borough and will be developing a quality standard as part of the new unit.
- 4.14 **The Council should consider whether Lewisham should adopt an “additional licensing scheme” for Houses in Multiple Occupation (“HMOs”) to drive up standards and tackle anti-social behaviour.**
- 4.15 The setting up of an additional licensing scheme is resource intensive. It involves researching and collating the evidence to provide for a business case for the discretionary scheme and will involve carrying out an extensive consultation exercise. With general consent, the government requires that this consultation

must last for a minimum of ten weeks.

- 4.16 Also the CLG has given the following guidance on the reasons for introducing a licensing scheme in a given area: 'A significant proportion of HMOs are poorly managed and cause, or could cause, problems to occupiers or the public. The problems will include at least one of the following: Poor external conditions affecting the local environment, spatial overcrowding, insufficient kitchen and bathroom facilities, anti-social behaviour affecting other residents or the local community, poor management or bad practice by the landlord affecting the tenants.
- 4.17 So, evidence would need to be gathered to demonstrate that there are areas of problem HMOs that could be addressed by implementing an additional licensing scheme in conjunction with other methods. It is possible for schemes to be legally quashed if proper procedures are not followed. Officers will investigate whether grounds for such a scheme exist in Lewisham and shall report back accordingly.
- 4.18 In the meantime, in addition to the Council's regulatory role in taking enforcement action in relation to hazards under the HHSRS, the Council also has successfully implemented the licensing of HMOs under the mandatory scheme and to date 192 HMOs providing a home for 1,777 people in 1,610 households, have been licensed. Mandatory licensing applies to larger HMOs, which present a greater fire risk, that are 3 or more storeys high and have five or more people. Each licence specifies the maximum number of people who may live in the HMO and includes conditions relating to:- gas and electrical safety, suitable provision of fire resistant furniture, provision of smoke alarms and requirements about there being a proper tenancy agreement.
- 4.19 Action is being taken to increase the number of licensed HMOs.
- 4.20 **The London Landlord Accreditation Scheme (LLAS) should be promoted and made compulsory for all landlords used by the Council via the PSL, RIS, Fresh Start schemes and landlords used to provide emergency temporary accommodation.**
- 4.21 The accreditation scheme is promoted vigorously and officers will continue to do so. Officers will look at all possible methods of encouraging landlords to obtain accreditation and this will be kept under review.
- 4.22 A marketing stall in a prime location was made available to LLAS at last year's Lewisham Landlords Day. Literature from the LLAS is made available to landlords. Officers have helped facilitate training venues for LLAS accreditation training days and have spoken at these events and promoted the days to Lewisham landlords. Officers have also helped LLAS stalls at London Landlord Day events.
- 4.23 We currently have 263 (Nov 11) LLAS landlords approved in Lewisham. This has increased by 20% over the past year.
- 4.24 **The Council should consider whether there is sufficient provision in the borough for legal and housing advice for tenants, and keep this issue under review, particularly in the light of cuts to Legal Aid. The Council**

should investigate ways in which information about local landlords and lettings agents and the services they deliver, including the fees they charge, can be made publically available.

- 4.25 Legal aid funding currently supports one free housing advisory post in Lewisham. The Government's proposed cuts in legal aid funding could remove 50% of the housing advisory service in Lewisham which will need to be reconfigured. However Lewisham Council, through our private sector advisors, will continue to support the delivery of a free advice, case work and support service to assist all PRS tenants and landlords.
- 4.26 The council's team specialises in saving the homes of both private tenants and homeowners. Mortgage borrowers in difficulty can obtain support and advice from the team to negotiate solutions with their lenders to retain their home and to go to court with them and defend possession proceedings which are 99% successful. The team administers the Government's Mortgage Rescue Scheme.
- 4.27 Tenants experiencing harassment or illegal eviction are assisted by the team who negotiate and advise landlords wherever possible, using their legal powers to enforce landlord/tenant legislation where appropriate. The team obtains injunctions in the County Court against landlords where illegal evictions have taken place, ensuring tenants can re-occupy their homes and help in preventing further harassment.
- 4.28 The team are currently putting together a website to help all Lewisham's PRS residents and homeowners, linking them together, providing advice and services, plus links to a wealth of external resources, similar to the "Love Lewisham" site created by the Environmental team (<http://www.lovelewisham.org/Reports>).
- 4.29 **The Council should encourage landlords and lettings agents to carry out inductions for all new tenants (where the rights and responsibilities of the landlord and the tenant are outlined.) The provision of inductions should be made compulsory for all landlords (and lettings agents) used by the Council via the PSL, RIS and Fresh Start schemes.**
- 4.30 Response – The Council will continue to work with landlords and lettings agents through landlords days and business forums to support and encourage improvements in the services they deliver for private sector tenants. Work is underway, led by our Tenants and Landlord Advice Services to improve the scope and quality of information available for all tenants. For those tenants who access the PRS through the Housing Options Centre or are rehoused into the Private Rented Leasing Scheme they will receive a comprehensive sign up and advice interview and support. If required there is also access to floating support if their needs are greater. The actual sign up process is being reviewed as part of the PRS project to ensure we are giving as much advice and support at the right time to tenants. The ability to police and enforce any requirement for PRS landlords or lettings agents to provide a tenant induction beyond our Council managed private sector leasing scheme is limited however the Quality Team will encourage and promote this approach and provide a landlord and tenant pack.
- 4.31 **A pocket guide to housing law should be produced and provided to local police who are often unaware of the legal framework around illegal**

evictions.

As part of the PRS Quality project, officers will develop a summary housing law guide for local police. This will be available in web format so that it can be changed to ensure it keeps up to date. Advice will be sought from our Community Safety Team on the best way to link with police on the ground.

- 4.32 **The Committee supports the ongoing provision of the noise abatement service in its current form and believes there should be a single number for reporting Anti Social Behaviour in the Borough, regardless of tenure; and the information reported should be passed on to relevant housing providers or private landlords as appropriate.**
- 4.33 There are over four thousand private landlords in the Borough as well as a large number of RSLs. To provide a dedicated number and to staff such a service would be costly. It would also be difficult for those officers to provide a service across such a range of landlords' when it is the landlords responsibility to take the required action. However, officers will investigate the cost and feasibility of this and report back.
- 4.34 Meanwhile, there is guidance on the Lewisham website around the reporting of Anti Social Behaviour and advice that in an emergency situation the police should be called. The webpage contains contact details of the Community Safety Teams in Lewisham, along with contact details of our main housing providers. The current advice to private residents is to contact the Safer Neighbourhoods Teams.
- 4.35 **The Council should adopt a more proactive approach to enforcement and prosecution of the worst landlords, taking into account what is legally possible and with regard to the relative costs and benefits:**
- (a) The Council should consider escalating to enforcement action where landlords do not quickly respond to informal action in connection with poor housing conditions and disrepair; and to prosecution where they fail to respond to enforcement action and/or a landlord is known to be a serial offender. The council should aim to prosecute in all cases where landlords have illegally evicted tenants and the tenants have not been immediately readmitted to their homes following contact with the landlord by the council and/or a tenant has been unable to access their accommodation overnight.**
- (b) The Council should ensure that sufficient resources are available to support prosecutions of rogue landlords, and should seek so far as possible to ensure that prosecution provides an effective remedy for tenants and for the community, in pushing for penalties that reflect the impact of the offence on the tenant or on the community. This may be achieved by way of a community or victim impact statement being prepared as part of the evidence given to the court or tribunal.**
- (c) The Council should celebrate successful prosecutions of rogue landlords and publicise its successes in the local press and news media and in Lewisham Life (including the e-edition).**

- 4.36 The Council is always committed to taking enforcement action against any landlord who fails to meet the required standards. However this is always seen as a last resort because we make all efforts to work with landlords to improve services for their tenants. It is important to prioritise the immediate impact on tenants and if possible to improve the quality of housing by ensuring that both tenants and landlords are given the best advice, either from Environmental Health Residential with regard to standards, or from our Housing Advice Service with regard to tenancy matters. As a result most referrals (97%) are resolved informally through the giving of advice. As part of the PRS project dealing with Quality we will be looking at existing best practice across the country and will introduce initiatives that help us better deal with all “rogue” landlords working in our Borough. We will combine this with a review of the current support for landlords.
- 4.37 There are a number of presentations to the Housing Options Centre as a result of harassment and alleged unlawful eviction. In response to these approaches the team take a proactive and direct approach, including seeking injunctions in the county court for re-instatement of unlawfully evicted tenants and return of personal possessions taken by the landlords.
- 4.38 In past cases significant publicity has been obtained in the local press and news media. We will exploit all opportunities to ensure Landlords are aware of the consequences of breaking the law and exploiting tenants. Resources are always limited but it is considered that enforcement (and/or prosecution) is a vital tool in ensuring compliance with the law. As such, an appropriate proportion of resources will be set aside for this eventuality.

5 Legal Implications

- 5.1 The Constitution provides for Select Committees to refer reports to the Mayor and Cabinet, who are obliged to consider the report and the proposed response from the relevant Executive Director; and report back to the Committee within two months (not including recess).

6 Financial Implications

- 6.1 The purpose of the report is to respond to the recommendations made by the Housing Select Committee following their in-depth *‘Private Rented Sector Housing Review’* in 2011.
- 6.2 The response, in itself, does not give rise to any financial implications although should costs arise from the initiatives mentioned within the report will need to be contained within approved budgets.

7 Crime and Disorder implications

- 7.1 There are no specific crime and disorder implications.

8 Environmental Implications

- 8.1 There are no specific environmental implications.

9 Equality Implications

- 9.1 If the new PRS units or “social lettings agency” moves forward an Equalities Analysis Assessment will be carried out and reported to Mayor and Cabinet.

10 Background Documents and Report Author

- 10.1 There are no background documents to this report.
- 10.2 If you have any queries on this report, please contact Gary Cummins, Strategy, Policy and Projects Officer on 020 8314 6155.