

UNISON BRIEFING: THE PRIVATE RENTED SECTOR - RENTERS' REFORM

NOVEMBER 2021

INTRODUCTION

UNISON welcomes Government plans to reform the Private Rented Sector (PRS).

This paper sets out Government plans to reform private renting, and what UNISON expects to ensure renters are provided with greater security, stability, and affordability in renting.

POLICY BACKGROUND

The PRS is typically associated with insecurity, instability, and high costs, so reform is long overdue.

It is the sector with the least regulation, highest number of homes falling below decent homes standards, rogue landlords, the highest rents and most insecure tenancies, and short notice periods, as outlined in <u>UNISON's Housing Manifesto</u>.

UNISON has long called for a fairer private rental system that benefits tenants and landlords alike, improves and protects the legal rights of private renters and addresses the power imbalance between renters and landlords.

With the lack of suitable affordable homes to buy or rent in the social rented sector, more people are forced to rent in the PRS, and they need security and stability.

RENTERS' REFORM

The Government announced this year that it plans to reform private renting to enhance renters' rights, but no formal bill has yet been introduced. The reforms were previously pledged in the November 2019 Conservative Party manifesto and Queen's speech.

The Government says it is committed to scrap Section 21 no-fault evictions, which currently allows landlords to evict tenants by just giving 2 months' notice without a reason.

The Government plans to:

- Publish a renters' rights reform White Paper.
- Publish a consultation on reforming tenancy law, abolishing Section 21 no fault and improving security for tenants in the PRS.

- Outline proposals for a new 'lifetime' tenancy.
- Improve standards in renting by "driving improvements in standards in rented accommodation, including by ensuring all tenants have a right to redress, and ensuring well targeted, effective enforcement that drives out criminal landlords, for example exploring the merits of a landlord register".
- Publish a White Paper detailing this reform package and legislation later.
- Require private landlords to join a redress scheme to improve standards, to drive up standards.

The Government says: "The reforms will aim to "deliver a private rented sector that works for both tenants and landlords, while also learning from the pandemic and its impact on the sector".

UNISON IS CALLING FOR

UNISON calls on the Government to bring forward plans to reform the PRS, to provide renters with greater security and stability. UNISON calls for the reforms to:

- Repeal Section 21 of the Housing Act 1988, to ensure that landlords are no longer able to ask a tenant to leave without giving any reason simply because their fixed term has ended
- Provide tenants with indefinite security of tenure so that tenancies are open-ended, and can only be terminated where the landlord uses specified grounds for possession
- Provide tenants with flexibility to leave the tenancy should their circumstances change by giving their landlord at least two months' notice
- Provide tenants with longer notice period of at least 3 months to give them enough time to find suitable and alternative accommodation
- Provide more predictable rents and protection for tenants against excessive rent increases through the introduction of a system of rent caps to limit rent increases
- Provide an effective, transparent Alternative Disputes Resolution (ADR) that tenants and landlords can understand and access easily as part of the process
- Provide local councils with funding and resources to empower them to use their enforcement powers (under various pieces of legislation) to hold bad landlords and letting agents to account.

UNISON COMMENTARY

UNISON welcomes the Government's plans to reform the PRS and calls on Government to deliver reforms that give tenants more flexibility and stability of tenure.

The pandemic has shone a spotlight on the inadequacies of the PRS, which is characterised with insecurity and unaffordability, leaving renters facing uncertainty over their housing situation.

Private renters are the hardest hit of housing consumers during the pandemic. Tens of thousands of them have fallen into rent arrears; leading to a 'rent debt crisis' and leaving many facing eviction and homelessness. UNISON's housing survey revealed increasing

numbers of our members who rent have built up rent arrears and are struggling to meet household bills.

Coronavirus 'emergency measures', including eviction bans and longer notice periods for evictions, an uplift in Universal Credit, and the furlough scheme provided housing security and relief for some, but have ended. These helped most renters to sustain a roof over their heads, but with the lifting of these protections renters' situation could worsen.

The lifting of the protections also means unfair evictions are back, whereby renters can be evicted with very short notice (Section 21 no-fault evictions) for no reason.

With Section 21 being the leading cause of homelessness, the Government's plans to reform the PRS, including scraping Section 21 and redress the balance between landlords and tenants are steps in the right direction which will help give protections to ordinary citizens and hardworking UNISON members.

UNISON will work alongside campaign groups, such as Generation Rent, and engage with the Government to deliver a Renters' Reform Bill that is in the interest of both landlords and tenants alike.

UNISON will:

- □ Respond to a Renters' Rights Reform White paper when this is published
- □ Respond to consultations on reforming tenancy law, abolishing Section 21, and improving security for tenants in the PRS and engage our members in this process
- Engage in the legislative process when a bill on Reforming renting is formally introduced in parliament

UNISON Members can:

□ Share this briefing with UNISON members

□ UNISON is a member of Generation Rents' campaign to "End Unfair Evictions", sign up to the campaign to keep abreast of the issues and to receive updates here: https://www.generationrent.org/end_unfair_evictions

For more information contact:

Email: policy@unison.co.uk

UNISON Housing resources: UNISON Housing Website: <u>https://www.unison.org.uk/at-work/community/key-</u>issues/housing/

UNISON Housing manifesto:

https://www.unison.org.uk/content/uploads/2020/01/UNISON-Housing-Manifesto-JANUARY-2020-FINAL.pdf