

LONDON BOROUGH OF BRENT

# **Private Sector** Housing Strategy [2024-2029]



## Foreword

It is with great pleasure that I introduce the London Borough of Brents' new Private Sector Housing Strategy for the next 5 years.

It is well understood that good quality housing is vital to individual health and wellbeing, as well as being an essential part of ensuring safe and thriving communities.

Through the delivery of this strategy we will support privatesector tenants to know their rights, access help when needed and live safely and securely in their homes.

We will also be tough on rogue landlords, tackling poor property conditions through strong enforcement action and a strengthened landlord licensing scheme, ensuring a good quality of life for those living in the private sector across the borough.

This strategy supports our aim for the private sector to be a safe, stable and accessible housing option for all who call Brent their home.

#### **Councillor Promise Knight**

Cabinet Member for Housing, Homelessness and Renters Security

### Introduction

In the London Borough of Brent, we believe that everyone deserves a safe, comfortable and stable place to call home.

In London, almost half of all households own their home and 30% rent privately. For Brent, these levels are even higher, with an estimated 46% renting privately and 40% owning their home.

Through this strategy, we want to achieve good quality, safe and secure housing for Brent residents. We recognise a persons' experience of their home and how they feel about it can substantially impact their health, quality of life and life chances. Improving housing conditions, particularly in the private sector, can help to reduce poverty, mitigate climate change and generally contribute towards a healthier and happier society. This means that now, more than ever, addressing instances of poor condition and instability in the private sector is vital.

Though this strategy has a focus on improving property conditions, it is the people living in these homes that are at the centre of our commitments. Whether this be through supporting people to better understand their rights, the help that is available or tackling landlord negligence.

This strategy supports the councils' wider borough plan to <u>Move Brent</u> <u>Forward Together</u> and sets out how we will work to deliver our vision for the private housing sector in Brent:

The private housing sector in Brent is a safe, stable and accessible housing option for our residents.

### National and local context

#### Size of the private housing sector

The private housing sector as whole has been steadily growing since the early 2000's and today accounts for approximately 83% of all households across England. This is made up of 4.8 million households living in private-rented homes and 14.6 million owner-occupiers.

In Brent, like other London Boroughs, the private sector has taken two different paths; with the significant growth in private-rented properties and significant drop in owner-occupied. The table below shows how the proportion of households have changed in Brent across the different tenures over the last three census surveys:

#### Tenure breakdown in Brent 2001 - 2021

	Owner-occupied	Private rented	Social rented	Other
2001	56%	18%	24%	2%
2011	44%	30%	24%	2%
2021	40%	36%	24%	-

Whilst the 2021 census estimated the Private Rented Sector to be in the region of 36%, independent research undertaken by Brent in 2022 shows that the real size of the Private Rented Sector is considerably larger and equates to 46% of all housing stock or approximately 58,000 properties.

#### Affordability and tenancy sustainment

Whilst an increasing number of people across the country have accessed the private sector to find a home, those households are often impacted most harshly with wider affordability pressures. This is particularly the case for private renters, who spend an average of 31%

of their household income on rent in comparison to 27% for those in social rented properties and 18% for homeowners with a mortgage.

Private sector tenants are also found to move home more frequently, often not by choice, but down to the ending of a tenancy through a 'no fault' section 21 eviction. This means that these households are impacted more often with the costs associated with frequent moves, both financially and socially, because of the disruption to home life and the inability to put down roots in a community.

Similarly to elsewhere across the country, private rented properties are one of the least affordable tenures in Brent. A review carried out by Cambridge University on behalf of Brent Housing Service found that, when looking at single people, lone-parents and family households, more than half of each group would struggle to afford the majority of rental properties available on the open market across the borough.

These challenges of affordability and instability in the private housing sector can sometimes cause significantly negative outcomes for someone's housing circumstances. The Brent Homelessness Review, which took place in 2019 to inform an updated Homelessness and Rough Sleeping Strategy, highlighted that the ending of a private rented tenancy was the most common reason for someone approaching the council for help with housing. This is still the case today, with over a quarter of accepted homelessness duties in 2022 being as a result of a private tenancy ending. In contrast, less than 1% of accepted homelessness duties were a result of inability to continue to afford a mortgage.

## The private housing sector role in addressing homelessness

The private sector, specifically supply of good quality, affordable homes in the private sector, is pivotal in supporting the Council to help

prevent and relieve homelessness. A recent report commissioned by London Councils found that the number of available rental listings has been falling nationally, down by 33% since 2017 and this is compounded in London, with a fall of 41%. This reduction in supply is leading to increasing rental prices, with February 2023 asking rents being close to 20% higher than they were three years prior.

Due to a shortfall of social housing in London, securing PRS accommodation is often the only viable option when it comes to securing a home for those experiencing homelessness and Brent homelessness service heavily relies on the private sector to meet its statutory duties to prevent and relieve homelessness.

#### **Empty homes**

Central government statistics state that as of October 2022, there are 676,452 empty homes across England, with approximately 13% of these being located in London. Not only do empty properties mean less homes available for those who need them, they also negatively impact the surrounding neighbourhoods and the lives of people who live in them by causing blight, attracting vandalism and other forms of anti-social behaviour.

As of the end of March 2023, there are a total of 2325 empty private sector homes in Brent. This number includes properties that are empty for a variety of reasons, such as probate, second homes, transactional vacancies of new housing stock, or properties in the process of being sold. Vacant properties are a normal part of a functioning housing market. However, if they are left empty and unattended for long periods, they can fall into decline. Long term empty properties are classified as those that have been empty for 6 months or more. Of the 2325 empty properties in the borough, 745 are considered long term empty properties, this figure does not include Council tax exemptions.

#### **Property conditions**

A key indicator of housing quality is whether a home meets the Decent Homes Standard as set by central government. A decent home is one that:

- Meets the statutory minimum standard for housing
- Is in a reasonable state of repair
- Has reasonably modern facilities
- · Provides a reasonable degree of thermal comfort

The English Housing Survey 2021-22 highlighted that around 3.5 million homes across England are non-decent. The survey estimates that around 23% of privately rented, 14% of owner-occupied and 11% of social rented homes are in non-decent condition. It is evident that privately rented properties are at risk of poor conditions, as this tenure also has the highest prevalence of category one hazards (risk of serious harm or death) when compared to owner-occupied and social rented homes.

A whole market review of Brents PRS sector carried out in 2022 found that around 18% (more than 10,000) of PRS properties across the borough have at least one Category 1 Hazard (excl. known HMOs). A Category 1 Hazard suggests an immediate risk to the health and safety of the resident. This distribution of Category 1 Hazards in Brent is higher than the national average, which is 12%.

Energy efficiency is a key indicator of whether a property provides a reasonable degree of thermal comfort. Under the current Minimum Energy Efficiency Standard (MEES), properties must have an Energy Performance Certificate (EPC) rating of E and above before they can be let out. Currently in Brent, 1.3% of the PRS have an F and G rating, which means approximately 755 PRS properties are likely to fail the MEES statutory requirement.

#### **National policy interventions**

Whilst a number of national policy interventions have aimed to address some of the above discussed challenges over the last five years, there is continued acknowledgement that more work is needed to truly overcome them. The recent focus on private sector housing in central government white papers suggests a desire for more regulation, which has been generally welcomed by the sector.

Examples of some recent policy interventions:

- Homes (Fitness for Human Habitation) Act 2018 which
  provides tenants with an alternative route to address health and
  safety concerns in their rented property.
- Tenant Fees Act 2019 which banned most letting fees and capped tenancy deposits.
- Electrical Safety Standards in the PRS Regulations 2020 which ensures all privately rented properties receive electrical safety checks at least every five years.

In February 2022, central government published their white paper, 'Levelling up the United Kingdom'. This set out the intention to create a housing system that works for everyone through increasing access to home ownership, reforming the planning system and putting a focus on improving housing quality, especially within the private rented sector, setting a target for the number of non-decent rented homes to have fallen by 50% by the year 2030.

More recently, in June 2022, the Department for Levelling Up, Housing and Communities published their follow-up white paper – 'A Fairer Private Rented Sector' – which detailed a plan to address challenges across the private rented sector, including a proposal for a new Renters Reform Bill. Some of the key proposals included in this white paper were:

- The abolishment of 'no fault' Section 21 evictions
- Extending the Decent Homes Standard to private landlords
- The launch of an ombudsman service for private renters
- Ending the use of rent review clauses and restricting rent increases to once per year
- Increasing of enforcement powers and fine regimes for local authorities

The Renters Reform Bill was published on 17 May 2023 and has started its journey through parliament.

## **Engagement with private rented sector residents in Brent**

In September 2020, a <u>Poverty Commission Report</u> for Brent included a recommendation for a whole market review of the PRS across the borough, with a specific focus on the resident perspective. In 2022, a research exercise was carried out with Brent PRS residents which included 371 responses to a survey and 18 in-depth interviews. Some key findings from this research included:

- Affordability is a key concern for PRS residents with 25% stating that, after rent expenditure, they do not have money for food and other essentials.
- More than half of those surveyed didn't feel that they have enough space in their home with 45% stating that they feel over-crowded with no access to outside space.
- Only four residents out of those surveyed stated that they
  would contact the council for support in relation to their home,
  and those who had contacted the council previously reported a
  negative experience.

• A number of PRS residents report health issues exacerbated by overcrowding and poor property conditions.

A set of recommendations were provided based on the findings from this research and, where appropriate and not already complete or underway, have been included in the commitments of this strategy.

# The private sector housing offer in Brent

#### **Property licensing and tackling poor standards**

Brent residents deserve to live in safe, secure and comfortable accommodation. The Private Sector Housing Service in Brent uses powers and duties under The Housing Act 2004 to tackle poor property standards through the <a href="Housing Health and Safety Rating System">Housing Health and Safety Rating System (HHSRS)</a>.

Brent has also introduced a selective licensing scheme, which means landlords must apply for a licence if they want to rent out their property in an area covered by the scheme. This allows the council to check that the property is being managed and maintained in a way that ensures the health and safety of the tenant and take any necessary enforcement action where this isn't happening.

This strategy should be read in conjunction with the Private Housing Service's Enforcement Policy, which sets out in more detail, the council's approach to enforcement and the range of statutory and discretionary powers we use to address poor property conditions and tackle rogue landlords.

#### Disabled adaptations and other housing assistance

With the intention of supporting people to live independent and healthy lives in their own homes for longer, with fewer people staying in hospital or residential care unnecessarily, Brent Council uses the Housing Grants, Construction and Regeneration Act 1996 (the 1996 Act) to offer:

- Discretionary Disability Adaptations Grants (DDAG) which can be used to provide and maintain disabled facilities in the home i.e. mobility lifts, dementia appropriate assistance and a fast-track pathway for urgent clinical need where required.
- **Small Works Grants (SWG)** which can be used to support homeowners requiring essential repairs, up to a total value of £7,000 in any rolling three-year period. This service can also be used to provide repairs or modifications required to maintain disabled facilities or to quickly provide minor disability-related adaptations.
- Hospital Discharge Assistance Service (HDAS) which is a free dedicated in-house service to support facilitation of difficult hospital discharges, up to a value of £7,000 for each applicant. Can also refer onto DDAG and other support, such as Tele-care, social workers and equipment services.

#### Bringing empty properties back into use

Brent's dedicated Empty Property Team are committed to reducing long term empty properties within the borough to maximise the existing housing stock, increase the supply of housing and reduce the negative environmental and social impact associated with empty properties. This is achieved by encouragement, working directly with the owners of empty properties, or enforcement where necessary.

The Council has a generous grant scheme for owners and managers of empty properties that can be used to contribute towards the cost of renovation as needed. Properties receiving an Empty Property Grant must be used to house families in housing need for a 5-year period. Grants can be given to refurbish a property or for the conversion of one dwelling into several separate units, this is applicable to residential and commercial properties.

If required, enforcement action can be taken to bring an empty property back in to use. Enforcement action can include:

- Compulsory Purchase Orders (CPO) which allows us the power to acquire a property and transfer the ownership.
- **Enforced Sales** where we will seek to reclaim monies for work that is carried out on a property by placing a charge on the property and taking the owner to court to force the sale of the property for the repayment of the debt.
- Empty Dwelling Management Orders (EDMO) which allow the Council to secure a management order to take over the management of a property for a period of 7 years.

## The commitments

Taking into consideration the context of the private rented sector at both a national and local level as detailed above, the council is making the following commitments which aim to deliver our vision of the private sector in Brent being a safe, stable and accessible housing option for residents.

#### **Commitment one**

#### We work to increase the supply of private sector homes available in Brent, so it is an accessible housing option for our residents

There are several ways that we increase the number of private homes within the borough, including increasing affordable home ownership e.g. through shared ownership schemes, as well as working to bring empty properties back in to use. The private sector also contributes towards the delivery of affordable homes for residents through developer contributions under S106 provisions. We will continue to drive forward these initiatives in Brent over the lifespan of this strategy to increase the availability of homes in the private sector and in turn, support our homelessness service to deliver their statutory duty to find good quality, affordable homes for those experiencing homelessness.

#### To achieve this, we will:

- Commission a study into the demand for Shared Ownership and best practice within the sector to establish a 'Brent Shared Ownership' standard for all new builds in the borough.
- Promote the work of our Housing Initiatives Team who work with property owners and developers to discuss available options for their empty properties and offer Empty Property Grants which helps to provide homes for homeless families.
- Pursue owners of empty properties and take enforcement action where necessary to ensure that they do not allow their properties to fall into disrepair.

#### **Commitment two**

## We effectively tackle poor property conditions across the private sector in Brent

Living in poor property conditions has a detrimental effect on the health and wellbeing of our residents. In Brent, we have a dedicated Private Sector Housing Service who prioritise tackling poor conditions and taking action against landlords and other private sector property managers who do not meet the required standards. We want to build on this over the lifetime of this strategy by strengthening inspection regimes and enforcement approaches.

#### To achieve this, we will:

- Tackle health and safety concerns in private sector properties by taking formal action to resolve category one and serious category two HHSRS hazards.
- Build upon our current landlord licensing scheme by extending it to cover more areas of the borough, inspecting 50% of all selective licenced properties and all licenced HMO's.
- Strengthen our enforcement against property owners and managers who breach required standards through prosecution and fines, as well as publishing enforcement results to name and shame failing landlords.
- Build on our partnerships with other services and agencies across the borough to enable a wider reach in effective enforcement against landlords and property managers who breach required standards.

- Strengthen signposting processes between the service and Trading Standards who can help to raise awareness of, and take enforcement action against rogue landlords, letting agents and property management businesses.
- Increase awareness of, and prioritise, the engagement work the service does with local landlords, including offering training and promoting accreditation opportunities.

#### **Commitment three**

## We prioritise supporting residents to access and stay in their private-sector home, living safe and comfortable lives

Through surveys and interviews with tenants living in private rented properties across Brent it was identified that tenants aren't always aware of where to find information that can support them in managing their tenancies. Conversations with Brent staff and other external agencies demonstrated that whilst there are many activities and services available to support PRS residents, they aren't marketed at them directly which can make them difficult to find and access. We want to use this strategy to make information and support more accessible for PRS residents in Brent.

#### To achieve this, we will:

 Develop and promote an accessible Tenant Toolkit which will inform PRS tenants of their rights, services available to them and what to do in case of issues such as waste management and recycling

- Widely promote our Disability Adaptations Grants, Small Works Grants and Hospital Discharge Assistance Service to support making homes more accessible for disabled and vulnerable residents and address essential repairs and maintenance action where needed.
- Include ongoing advice and guidance about developing legislation and what this means for private sector tenants and local landlords in ongoing communication plans to ensure we're keeping residents informed.
- Work with households at risk of homelessness or experiencing homelessness to sustain effective tenancies and access affordable housing options in the private rented sector.

## Moving forward

This strategy commits to delivering a safe, stable and accessible private housing sector in Brent, prioritising a resident-centred approach to providing services.

By focusing on increasing the range and supply of homes available in the private sector across Brent, more people who need a home will be able to access one that meets their needs. Tackling poor property conditions and challenging under-performing landlords in the borough will ensure the safety of residents and improve their health and wellbeing in relation to their home. Providing advice, guidance and support to private sector residents will empower them to know their rights, obligations and so manage their tenancies confidently. Greater focus on the support available for disabled and vulnerable residents

will also enable more people to remain living independently in their home for longer.

The delivery of this strategy will be monitored by an ongoing action plan and performance indicators.