

Name of meeting: Economy and Neighbourhoods Scrutiny Panel

Date: 4th March 2021

Title of report: Private Rented Housing Sector (Support as a result of Covid)

Purpose of report: To provide information on the support offered to the private rented sector by the Council's Housing Solutions Service as a result of and during the Covid 19 pandemic.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Not Applicable
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)?</u>	Key Decision – No Private Report/Private Appendix – No
The Decision - Is it eligible for call in by Scrutiny?	Not Applicable
Date signed off by <u>Strategic Director</u> & name Is it also signed off by the Service Director for Finance? Is it also signed off by the Service Director for Legal Governance and Commissioning?	Joanne Bartholomew, Service Director Skills and Regeneration on behalf of David Shepherd, Strategic Director for Regeneration and Growth Not applicable Not applicable
Cabinet member portfolio	Councillor Cathy Scott

Electoral wards affected: All

Ward councillors consulted: None

Public or private: Public

Has GDPR been considered? Yes. The information in this report does not identify any individuals.

1. Summary

- 1.1 The Kirklees Council Private Sector Housing Policy sets out how we work to drive improvements in the private rented sector (PRS) through advice and assistance to private landlords and tenants. This can be both reactive, responding to tenants complaining of disrepair, harassment or illegal eviction, and through proactive interaction with private landlords. [Private Sector Housing Assistance Policy \(kirklees.gov.uk\)](https://www.kirklees.gov.uk/private-sector-housing-assistance-policy)
- 1.2 The Council's Housing Solutions Service offers information, guidance and support on renting privately, good landlord / tenant practices and tenancy law and requirements and takes enforcement action against landlords and lettings agents when necessary.
- 1.3 Throughout the Covid pandemic the Housing Solutions Services has continued to deliver essential services to private sector tenants and landlords. This has been achieved by all but a few key staff working from home and providing services online or by telephone. During the first national lockdown all non-essential home visits/inspections in the private rented sector were suspended. However, where emergency hazards existed physical inspections continued while adhering to safe working practices and bespoke Covid related risk assessments. New and safe ways of working have continued to be developed and revised in line with National and corporate guidelines.
- 1.4 Over the 12 months period, covering the Covid restrictions, our Housing Compliance team received 938 private rented disrepair enquiries. This is 13% lower than over the preceding 12 months period. Earlier during the restrictions many tenants were reluctant to contact the service or to allow anyone to visit their homes. This included their landlords, contractors or our housing inspectors. Homeless applications taken to date represents a 30% decrease compared to the previous year.
- 1.5 Licensing and relicensing of larger shared accommodation (Houses in Multiple Occupation – HMOs) have continued throughout the year although associated inspections have been suspended until a greater relaxation of restrictions. (There are 305 licensable HMOs)
- 1.6 At the start of the pandemic, a ban on private rented evictions was introduced. There remains a ban on bailiff evictions extended now until the end of March 2021. Our Housing Compliance team within the Housing Solutions Service have received 179 tenancy relations enquiries dealing with landlord harassment and actual or threatened illegal evictions over the year. This is 18% lower than the preceding period. Initially, tenancy relations enquiries were low level frustrations between tenants and their landlords but generally there was a compliance or truce between both parties. Volumes and levels of enquiries are increasing. Most are resolved through telephone mediation and advice although this may only be a temporary solution.

- 1.7 As a result of the ban on evictions, fewer households have been assessed as threatened with homelessness from the private rented sector, however there is high likelihood that this is masking pent-up demand which will start to materialise once evictions re-start and court backlogs ease. The Housing Solutions Services continue to offer advice and support to tenants whose jobs have been affected by furlough or redundancy and therefore risk falling into arrears and refer to relevant partners for benefits and/or debt advice. Along with all other local authorities, we are anticipating a significant increase in the need for this support in the next few months.
- 1.8 Within Kirklees, most landlords have small property portfolios and are 'accidental landlords'. A recent report (*'Lockdown, Rundown, Breakdown' - The COVID-19 lockdown and the impact of poor-quality housing on occupants in the North of England* by P. Brown, D. Newton, R. Armitage, L. Monchuk: October 2020) concluded that many residents in the study suggested that their landlords were reasonable and non-exploitative. However, the findings of this report support the notion that many tenants experience issues, not through criminal intent, but through ignorance and inertia on the part of their landlord.
- 1.9 It is likely that the restrictions and legislative changes in place currently are creating a stockpile of unreported disrepair and tenancy issues. The financial impact on both tenants and smaller landlords is likely to be significant through rent arrears, family breakdowns, repairs affordability and missed mortgage payments. A recent report (*Getting ahead on falling behind Tackling the UK's building arrears crisis*, Lindsay Judge, February 2021) explores how families have managed their housing costs over the Covid-19 crisis and estimates that just shy of 6% of private rented sector families are behind in part or full with their housing payments in January 2021.
- 1.10 We continue to contribute to relevant Task & Finish Groups aimed at assisting vulnerable groups during the COVID pandemic. This includes those living within Houses in Multiple Occupation (HMOs), accommodation with shared facilities such as kitchens or bathrooms. These properties may be used by students, asylum seekers and low-income single people as general needs housing.
- Licensable HMO – a bespoke communications and poster programme aimed at both landlords and tenants around mitigating risks more prevalent within shared homes.
 - Non-licensable HMOs – the smaller HMOs are harder to target but a co-ordinated approach within the communities hopes to reach such households.
- 1.11 In addition to our reactive Housing Compliance team, we provide a small Private Lettings Service. The proactive service includes liaising with landlords and property agents in facilitating appropriate and affordable properties. We aim to remove the barriers to accessing private rented properties through a bond guarantee scheme, rent negotiation and rent in advance. We also inspect properties to identify any issues prior to the commencement of a tenancy. Currently, volumes of private rented tenancies facilitated are low.

We are exploring further options and resources to help stimulate the market further.

- 1.12 In April 2020, the National Landlords Association (NLA) and the Residential Landlords Association (RLA) merged into the National Residential Landlords Association (NRLA). Prior to this merger we established closer links to their regional representative to develop a proactive mutually beneficial relationship. To help professionalise and support the local private rented market.

2. Information required to take a decision

- 2.1 No decision is required; this information report is submitted at the request of the Economy and Neighbourhoods Scrutiny Panel.

3. Implications for the Council

3.1 Working with People

The service mainly supports private rented sector residents who are on low incomes and or are in some way vulnerable and are living in the most affordable rented accommodation. The work to improve property conditions and management practices has positive impact on the health, safety and general wellbeing of residents.

3.2 Working with Partners

The service continues to work with private sector landlords and the National Residential Landlords Association to help professionalise and support the local private rented market.

3.3 Climate Change and Air Quality

The move towards providing more services online and by phone has reduced the need for housing officers to travel to properties across the district.

3.4 Improving outcomes for children

Improving the management of and property conditions of family homes in the private rented sector has a positive impact on the health, safety and general wellbeing of children.

3.5 Other (e.g. Legal/Financial or Human Resources) Consultees and their opinions

None.

4. Next steps and timelines

The impact of the Covid 19 pandemic on the private rented sector will continue to

be monitored and support and services adapted to support Kirklees private rented sector residents and landlords.

5. Officer recommendations and reasons

That information in the report be noted.

6. Cabinet Portfolio Holder's recommendations

That Panel members note and comment on the information provided and note the work carried out by the Housing Solutions Service to maintain services to some of our more vulnerable residents during the pandemic.

7. Contact officer

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8. Background Papers and History of Decisions

None

9. Service Director responsible

Joanne Bartholomew, Service Director Skills and Regeneration