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# **Private Rented Sector Strategy Progress Update**

Housing Scrutiny Commission: 7<sup>th</sup> November 2022

Assistant Mayor for Housing: Cllr Elly Cutkelvin

Lead Director: Chris Burgin

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## Useful information

**Ward(s) affected:** All

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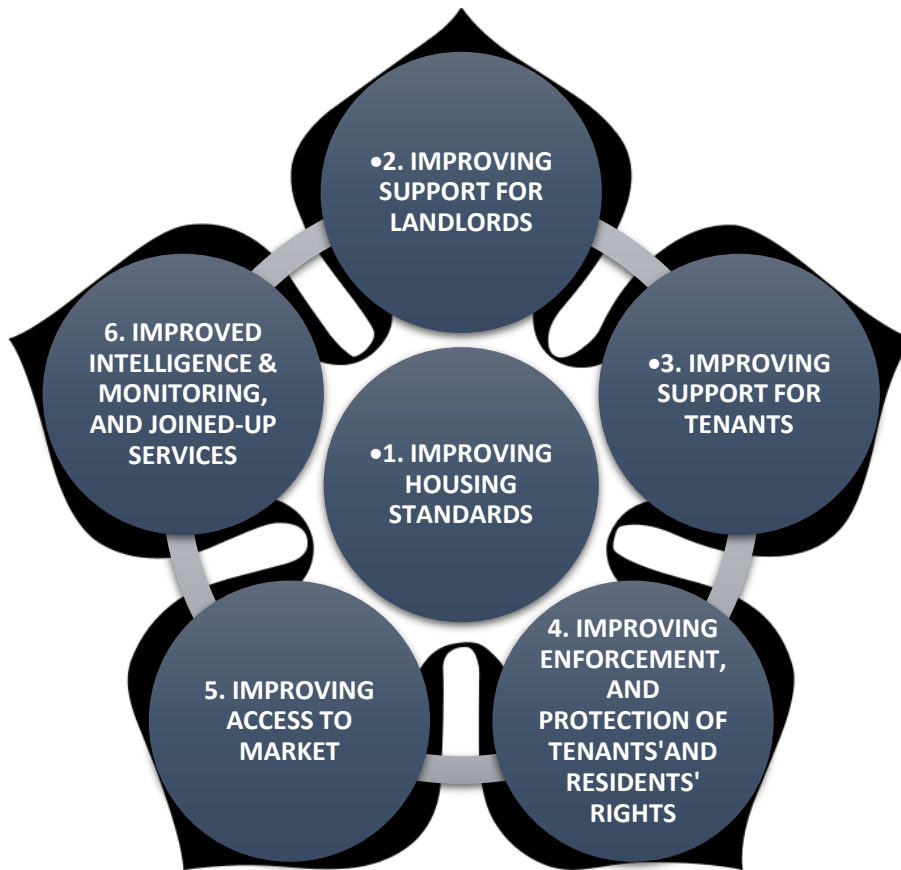
**Report version number:** 1.1

### 1. Purpose & Summary

- 1.1. This report provides a summary-style update on the implementation of LCC's Private Rented Sector Strategy objectives.
- 1.2. Good progress has been made across a range of workstreams, with some key workstreams now launched, others already ongoing with monitoring or further development/improvement, and the remainder on track for completion before end 22/23.
- 1.3. Monitoring and work to continuously improve and optimise initiatives will then be undertaken to ensure that the benefits of the Strategy are being realised.

### 2. Background

- 2.1. The City Council have an ambition to ensure the private rented sector in Leicester is fit for purpose and to address where this is not the case by raising housing standards.
- 2.2. The overall objective of the strategy is to have a holistic approach that ensures tenants and landlords are appropriately supported, as well as retaining and improving our ability to protect tenants' safety and rights, and tackle rogue/poor landlords. Maximising this, whilst maintaining a balanced, fair, and proportionate approach, will ultimately lead to the raising of housing standards within the sector.
- 2.3. This strategy focusses on six high-level priorities, five 'feeder' priorities with one central principle objective at the core – improving housing standards in Leicester's private rented housing sector:



### 3. Progress against the 6 priorities

#### 3.1. IMPROVING HOUSING STANDARDS ACROSS THE SECTOR

##### 3.1.1. Selective licensing (workstream O.1.9)

Lead Service: Regulatory Services. Status: Implementation pending

The Selective Licensing scheme was granted approval at Full Council on the 7<sup>th</sup> July 2022. There followed a short intense period of formal notification of the intention to implement to all potential landlords in the areas covered and publication of the intention in the local press.

The service was launched early October, and applications are being received, as well as the first inspections being completed. Recruitment processes continue to complete the set-up of the new team to manage the expected workloads. Resources are being planned against predicted workloads but with some uncertainty we are building a base team to ensure we can implement and then scaling up after 3 and 6 months. Delivery Board are meeting regularly with executive members to ensure this is carefully managed.

Note: Two streets were omitted in the original plan, and those have now been added. This will not affect the overall scheme but means that the two streets will have slightly differing start and end dates.

##### 3.1.2. Making better use of Landlord Accreditation Schemes (workstream O.1.2)

Lead Service: Regulatory Services. Status: Implementation pending

Landlord Accreditation has been incorporated into the proposed Selective Licensing scheme with license fee discounts offered to accredited landlords. DASH accreditation is available to all Landlords with property in Leicester City.

Promotion of this will be undertaken as part of the comms package for Selective Licensing. This has now started following approval for the scheme. It's envisaged that while the promotion of accreditation is part of the selective licensing scheme and therefore applicable to those areas where the scheme applies, there will be a knock-on effect. Many landlords will have properties outside the Selective Licensing areas and therefore accreditation will be a positive impact on a wider basis.

##### 3.1.3. Consider the viability and benefits of extending Repayable Home Repair Loan (RHRL) into the private rented sector (workstream O.1.5)

Lead Service: Housing Development. Status: Implementation pending

A bid has been submitted via the General Fund capital bidding process for £200k in 23/24 to be able to continue with this scheme, and if successful we will look to extend the scope of the scheme to the private rented sector.

##### 3.1.4. Carry out a range of planning-based initiatives (workstream O.1.6)

Lead Service: Planning. Status: Implementation pending

The Draft Local Plan under preparation includes extensive policy and supporting evidence on design expectations, managing the impacts of HMOs and other typologies. The policies do however need to comply with Government Guidance and pass Examination by

a Government Inspector. The Draft Plan will be brought to Members for approval in the coming months.

'Article 4 Direction expansion:

Extensive assessment and consultation has been undertaken to recommend the substantial expansion of Article 4 Directions to allow control of overconcentration of Houses in Multiple occupation. The Draft Direction was published in November 2021, and it is proposed to formally approve the implementation of this as soon as the 12-month Notice period expires in November 2022. Upon confirmation, around 22,000 homes will be added into the area of control resulting in significant amenity improvements to residents.

'Planning enforcement:

In the last 5 financial years (01/04/2017 - 31/03/2022) there were 156 cases reported to the Planning Compliance and Monitoring Team alleging change of use of property as flats and houses in multiple occupation.

Of these, 43 cases were found to be no planning breach. Planning enforcement action is only taken in cases where there is evidence of significant harm to amenity, and in line with this there were 20 cases where it was decided to take no action due to the absence of such harm. There was one case where enforcement notice was served and complied with and there were 29 cases where retrospective planning applications was granted planning permission. 40 cases were resolved through negotiations without the need of a formal enforcement notice and there were 10 cases where formal enforcement notices were served.

The current on hand action/workload of the team has 28 cases which are related to unauthorised flats including 11 cases where formal enforcement notices have been served. In 1 case an injunction for the removal of unauthorised flat has been served. In 5 other cases enforcement notices are expected to be complied with. 4 Cases are where appeals against enforcement notices have been dismissed and further prosecution action is being considered. There is one case where an appeal against an enforcement notice is not decided.

A substantial achievement was the longstanding case St Clement's Court case which was resolved in July 2022 where an injunction to secure the removal of 2 unauthorised flats was complied with.

3.1.5. Operation EPC - Programme of works around pro-actively ensuring energy efficiency standards are met (workstream O.1.8)

Lead Service: Regulatory Services. Status: Ongoing, with developments planned

PSH Team have been successful in bidding for funding from East midlands Energy Hub to look at Minimum Energy Efficiency Standards in the Private Rented Sector. This funding will support a small team to concentrate on identifying low energy efficiency rated rented properties and then engage with landlords to support/require improvement. There is cross over with the Selective Licensing scheme.

Funding is to be utilised by end of 22/23.

### 3.2. **IMPROVING SUPPORT FOR PRIVATE SECTOR LANDLORDS**

#### 3.2.1. Website and information improvements for landlords (workstreams O.2.1 & O.2.2) Lead Service: Combined. Status: Implementation pending

A project is underway with the LCC Comms & Marketing Team to look at how best to introduce a dedicated section on leicester.gov.uk that provides a range of resources for landlords e.g. information about legal obligations & eviction processes, centralised bank of information on grants and incentives.

Work has been completed to benchmark offering from other local authorities, and analysis is now being undertaken on our offer, the customer journey, gaps, outdated information, and other aspects, before bringing the sum together within a new online 'portal'.

It is intended to complete this work and launch by end of 22/23.

#### 3.2.2. Leicester Landlord Forum and landlord liaison (workstream O.2.3) Lead Service: Homelessness, Prevention & Support. Status: Live and ongoing

Forums were re-launched in July 2021 with a positive and collaborative focus. The forum was well received, and continued with a second successful forum in January 2022, albeit attendance lower than desired.

Another Forum is now taking place in November, and some enhanced marketing efforts will be made to improve attendance.

We have also begun a series of less formal liaison groups with local Landlords and Managing Agents. These groups are aimed at creating a genuine 2-way dialogue, and we have started to now see these groups develop with some meaningful conversations being enjoyed by all in attendance.

#### 3.2.3. Implementation of 'Call Before You Serve' (workstream O.2.4) Lead Service: Homelessness, Prevention & Support. Status: Live and ongoing

This service was successfully launched on 4<sup>th</sup> August 2022. A comms and marketing plan is underway, and implementation is being closely monitored to allow for optimisation.

After 6 months of activity, a set of KPIs should be available to scrutinise the performance of the team, and whether the intended benefits are being released, namely an increase in prevention of homelessness, and a reduction in use of temporary accommodation for customers originating in the PRS.

### 3.3. **IMPROVING SUPPORT FOR PRIVATE SECTOR TENANTS**

#### 3.3.1. Website and information improvements for tenants (workstream O.3.1) Lead Service: Combined. Status: Implementation pending

As part of the project mentioned at 3.2.1, we are also looking at how best to introduce a dedicated section on leicester.gov.uk that provides a range of resources for tenants e.g. information about their legal rights and where they can get help and support.

It is intended to complete this work and launch by end of 22/23, alongside the landlord portal.

3.3.2. Implementation of Specialist PRS Housing Advice / Homelessness Prevention  
(workstreams O.3.2 & O.3.3.)

Lead Service: Homelessness, Prevention & Support. Status: Live and ongoing

This service was successfully launched on 4<sup>th</sup> August 2022 alongside the Call Before You Serve Offer. The launch included an extension to our Floating Support provision to provide ringfenced support for team and their tenant-customers.

This team will work closely alongside the Call Before You Serve to ensure that tenant and landlord expectations are met and managed, whilst maintaining a degree of independence to ensure that the support given to each group remains impartial.

After 6 months of activity, a set of KPIs should be available to scrutinise the performance of the team, and whether the intended benefits are being released, namely an increase in prevention of homelessness, and a reduction in use of temporary accommodation for customers originating in the PRS.

3.4. **IMPROVING ENFORCEMENT, AND PROTECTION OF TENANTS' AND RESIDENTS' RIGHTS**

3.4.1. Continuing to establish the new "Corporate Landlord Taskforce" (workstream O.4.1)

Lead Service: Regulatory Services. Status: Ongoing, with developments planned

Progress has been made in formulating a wider strategy to coordinate operations and the compliant landlord taskforce, a partnership / multi-agency approach to dealing with rogue landlords. The Recruitment of a Senior EHO would be part of this strategy however this workstream must be resourced and linked in across wider Housing Services to be effective. Work will continue on this and a further update will be available at the next juncture.

3.4.2. Improving the Council's level of involvement in enforcement of rights within Protection from Eviction 1977 (workstream O.4.1)

Lead Service: Homelessness, Prevention & Support. Status: Implementation pending

This work will build on creation of the Specialist Team, discussed at 3.3.2. The team will be developed further to ensure LCC improves its level of advocacy regarding enforcement of rights within Protection from Eviction 1977 – Unlawful Eviction, Landlord Harassment, Breach of Quiet Enjoyment.

This will involve introducing practices around interviewing and warning landlords, helping with defence forms, helping with court representation, and potentially taking legal action where landlords are in breach of the Act.

This work is intended to be active by the end of 22/23.

3.5. **IMPROVING ACCESS TO MARKET FOR HOUSING SOLUTIONS**

3.5.1. We continue to monitor the impact of the improvements made to the scheme in July 2021, alongside the converse impact of rising rents and changing markets. Work is currently underway to review the viability of the schemes in the current market, and work through options and recommendations on any changes necessary to keep them attractive and competitive.

A report has been submitted to the Strategic Director City Development & Neighbourhood Services on 18<sup>th</sup> August 2022 and actions will follow feedback.

3.6. **IMPROVED INTELLIGENCE & MONITORING, AND JOINED-UP SERVICES**

3.6.1. Workstreams within this priority will follow the creation of the new teams so that clarity is available on which systems are being used, at which point an analysis will be required to establish opportunities for sharing and integration.

4. **Summary of appendices:**

- Appendix 1 – Key Performance Indicators and revised high level timeline.

5. **Financial, legal, equalities, climate emergency and other implications:**

- Not required

6. **Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?** No

7. **Is this a “key decision”?** If so, why? No – update only.



## Appendix 1 – Key Performance Indicators and revised high level timeline.

	Baseline	Target direction	Forecast for 22/23
<b>Compliance and Standards*</b>			
Number of mandatory licensed HMOs	901	Increase	▲ 1075
Number of properties licensed through Selective Licensing	N/A	Increase	Too early to produce
Accredited landlords	N/A	Increase	Too early to produce
<b>Homelessness &amp; Housing Need</b>			
Tenancies created via Incentive Schemes	164 <sup>1</sup>	Increase	▲ 203
PRS Tenancy sustainment	45%	Increase	Too early to produce
Prevention interventions resulting in homelessness	15%	Decrease	Too early to produce
Reduction in temporary accomm use as a result of PRS evictions	**	Decrease	Too early to produce
Reduction in non-budgeted temporary accomm cost as a result of PRS evictions	**	Decrease	Too early to produce

\* Note: Additional KPIs to be established as a result of Selective licensing to monitor the impact on the areas.

\*\* To be established as comparator at point of forecasting

Workstream	2022/23			2023/24			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Compliance Landlord Taskforce	Live and ongoing - monitoring for KPIs						
Bringing empty homes back into use	Live and ongoing						
Increase in take-up of DFGs	Live and ongoing						
Leicester Landlord Forum and landlord liaison	Live and ongoing						
Planning to meet Housing need through the Local Plan process	Live and ongoing						
Operation EPC - energy efficiency standards	Live and ongoing - monitoring for KPIs						
Improved Landlord Incentive Schemes for housing solutions	Live and ongoing - monitoring for KPIs						
Call Before You Serve	Live and ongoing - monitoring for KPIs						
Specialist Housing Advice and Homelessness Team inc. extension of floating support	Live and ongoing - monitoring for KPIs						
Range of Planning-related activities	Conf	Adopt initiatives					
Improved legal advocacy re Protection from Eviction	Implementation		Go live				
Website improvements and centralised information – landlords & tenants	Planning & design		Go live				
Selective Licencing and opportunities around Landlord Accreditation	Full Cncl	Launch	Scale up				

<sup>1</sup> Based on total for the 4-quarter period directly before launch of the new incentives.