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ALL PARTY PARLIAMENTARY GROUP HOUSING IN THE NORTH

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Terms of Reference & Call for Evidence

Inquiry – Property standards in the North’s Private Rented Sector

About the All Party Parliamentary Group Housing in the North (APPG)

The APPG for Housing in the North provides a forum for Parliamentarians to discuss and advance housing and related policy across the three Northern regions and seeks to ensure the needs and ambitions of Northern communities are addressed in housing policy development.

1. Background

- 1.1 The Private Rented Sector (PRS) plays a critical role in helping to meet growing demand and providing a flexible tenure choice. It is therefore essential that homes are decent and fit to live in.
- 1.2 The PRS has seen a rapid growth in the North, doubling since the mid-2000s and now accounts for 19% of all housing (social housing 19% and owner occupiers 62%).
- 1.3 The Government has taken a keen interest in the role of the PRS. The Housing White Paper: Fixing our Broken Housing Market (2017) introduced a range of interventions intended to drive out rogue elements. This principle was echoed in 2018 when in response to the Housing, Communities and Local Government Committee report ‘Private Rented Sector’, the Government responded by reaffirming a desire to see the PRS increasingly become “*a high-quality, fairer, more secure and more affordable sector*”. The HCLG Committee report made important recommendations covering supply, investment, and the ability of Local Authorities to both tackle poor practice and raise property standards.

2. Reason for the Inquiry

- 2.1 The HCLG select committee Inquiry provided a valuable compilation of evidence on the state of the PRS across the country. This Inquiry will build on the work of the committee report with a focus on the challenges in the North. In doing so, the Inquiry will assess the scale of the problem and identify causes and solutions, focusing attention on the aspects of the sector which are representative of the northern housing market.
- 2.2 The inquiry follows on from previous work carried out by the Smith Institute which highlighted the scale of non-decency in the PRS and owner-occupied sector.¹

¹ The Hidden Costs of Poor Quality Housing in the North, Smith Institute 2018

3. PRS in the Northern Regions

- 3.1 It is essential at a time of housing crisis to make sure that homes across all tenures are fit to live in. Most landlords provide stable and safe accommodation for their tenants, but this is not always the case. In parts of the North there are too many places where properties are undesirable, and where poor condition heightens issues of exclusion. Despite attempts at intervention, the quality and decency of PRS in the North still lags-behind other tenures.
- 3.2 The scale of the challenge in the Northern housing market cuts across several challenging issues:

Decency: 27% of the PRS in the North can be categorised as non-decent compared to 9% in the social rented sector. This often relates to the age of the property, compounded by lack of maintenance by private landlords.

Fit for the Future: Looking beyond basic decency, Government has set out an intention to introduce a Future Homes Standard by 2025, so that new homes are future-proofed with low carbon heating and world-leading levels of energy efficiency. The Inquiry will seek evidence on the scale of ambition and readiness to look to the future.

Stock conditions: Parts of the North have an oversupply of pre-war terraced housing with 34% of properties built before 1919. These are often in geographically or economically peripheral locations. The prevalence of this tenure in some Northern regions means that some neighbourhoods can be dominated by PRS, and where this is poor quality, this can contribute to neighbourhood decline and neglect leading to wider housing market failure with poor stock, high incidence of empty homes and poor environmental conditions affecting demand and investor confidence.

Tenants in PRS: Comparatively, the North has a high share of households with long-term illness/disability, and a high proportion aged over 60 living in non-decent PRS housing. This has wider societal costs and without preventative action it is likely that large numbers of ill and disabled people will remain in poor condition homes, adding a further burden to health services. Additionally, 65% of the Housing Benefit bill for the North is for those in non-decent homes in the PRS, amounting to £9.2m per week.

Local authority capacity to work with landlords: A reduction in service spend across local authorities has been particularly marked for northern authorities where many cities had a higher dependency on grant funding. The Inquiry will explore the challenges faced by northern local authorities in tackling poor standards and the levels of resource requirement local authorities may require managing these issues.

4. Terms of Reference & Call for Evidence

4.1 The APPG is interested in receiving evidence from stakeholders responding to the following areas:

Current PRS in the North

- What do we know about the current quality and standard of PRS housing stock in the North?
- Where is poor quality stock most likely to be found and who is most likely to occupy it?
- What challenges does the current situation present to the occupiers of these properties and to the wider neighbourhood?
- What incentives or barriers, if any, do landlords face in raising property standards?
- What is the capacity of local and combined authorities to respond to issues of poor quality?

Options for change

- What is the role of a) local authorities b) combined authorities and Metro-Mayors in raising standards? What types of intervention are proving successful at present?
- What are the barriers are faced by local and/or combined authorities in expanding or replicating existing good practice? How can these be overcome?
- How could landlords be incentivised to raise the standard of their stock?
- What is the current and future role of Housing Associations in improving low quality private rented stock?
- What are the opportunities and barriers for community organisations in gaining improving PRS standards in the North?
- What options exist for PRS homes to be made fit for the future and energy efficient?

4.2 The APPG welcomes written submissions from a range of stakeholders on these issues and any others which fall within the broad scope of the inquiry. Please see Submission Guidelines below for further information on how to submit evidence.

5. Oral Evidence

5.1 The APPG will host three evidence sessions where the questions will be explored in further detail by those who have submitted evidence and other invited stakeholders. To express an interest in being invited to give evidence please email:

Liam Gregson, Member Engagement Officer, Northern Housing Consortium at liam.gregson@nhc.org.uk

Oral Evidence - Meeting Calendar:

Meeting 1 – 16 July 2019 - 17.00 – 18.30, in the Macmillan Room, Portcullis House (1 Parliament St, Westminster, London, SW1A 2JR).

Meeting 2 – October 2019 TBC

Meeting 3 – January 2020 TBC

6. Outcomes

- 6.1 Written submissions and oral evidence will be used to develop a report concluding with recommendations to Government and other stakeholders on what policy levers are available to enforce and raise a baseline of standards in all private rented stock. It is hoped that the report will contribute to the debate on what a healthy PRS should look like as part of a functioning local housing market.

7. Submission Guidelines

- 7.1 The deadline for submission of written evidence is 9th August 2019.
- 7.2 Submissions should be within the following guidelines;
- No longer than 3000 words;
 - In Word format;
 - State the name, job title, and organisation of the author;
 - Begin with a short summary of main points in bullet point form.

Please note that submissions will be published unless specifically requested not to.

Please send written submissions by email with the subject 'APPG Inquiry' to Liam Gregson, Member Engagement Officer, Northern Housing Consortium:

liam.gregson@northern-consortium.org.uk

8. Further Information

- 8.1 The Northern Housing Consortium acts as secretariat to the Inquiry and is the main point of contact relating to this Inquiry. Please contact:

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