



ethical lettings

WHITE PAPER - A FAIRER PRIVATE RENTED SECTOR

BRIEFING FACTSHEET



**LEVELLING
— UP —**

On 16 June 2022, the Department for Levelling Up, Housing and Communities produced a new Policy Paper setting out proposals for changes in legislation that will reform the Private Rented Sector.

In this factsheet, Ethical Lettings summarises the legislative changes and how they will affect Private Landlords.

What is the Rationale for the Proposed Changes to the Private Rented Sector?

The Government wants to tackle injustice across the Private Rented Sector and tackle affordability, quality, fairness and security of tenure.

The Government believes that;

- 1.All tenants should have access to a good quality, safe and secure home
- 2.All tenants should be able to treat their house as their home and be empowered to challenge poor practice.
- 3.All landlords should have information on how to comply with their responsibilities and be able to repossess their properties when necessary.
- 4.Landlords and Tenants should be supported by a system that enables effective resolution of issues.
- 5.Local councils should have strong and effective enforcement tools to crack down on poor practice.



How are Government going to Achieve their Aims?

They have introduced a 12 point plan of action.....



1

Halve the number of non-decent rented homes by 2030 and require privately rented homes to meet the Decent Homes Standard

A "Decent Home" meets the following four criteria;

1. It meets the current statutory minimum standard for housing – the property is free from Category 1 hazards under the Housing Health and Safety Rating System (HHSRS)
2. It is in a reasonable state of repair – one or more of the key building components (heating system, roof, for example) are old, and because of their condition, need replacing or major repair is a fail of this criterion. Two or more of the

other building components are old, and because of their condition, need replacing or repair will also fail this criterion.

3. It provides a reasonable degree of thermal comfort – the property has effective insulation and efficient heating.
4. It has reasonably modern facilities and services – properties will fail this criterion if they lack three or more of the following;
 - A reasonable modern kitchen (20 years old or less)
 - A kitchen with adequate space and layout

- A reasonable modern bathroom (30 years old or less)
- An appropriately located bathroom and WC
- Adequate insulation against external noise
- Adequate size and layout of communal areas for blocks of flats

Properties will need to meet EPC Band C by 2030, where practical, cost-effective and affordable.

ACTIONS ETHICAL LETTINGS ARE TAKING;

- **Assessing and inspecting full portfolio of 250 properties**
 - **Notifying landlords of expected changes**
- **Highlighting any works that may be required to comply with expected legislation**



Pilot schemes for Decent Homes Standard

The Government will identify some Local Authority areas where they believe private rented sector property quality improvements are needed the most and pilot the implementation of the Decent Homes Standard in these areas first.



Abolition of Section 21 Notices, Introduction of a more Secure Tenancy Structure

A tenancy will only end if the Tenant ends it or the Landlord has a valid ground to seek possession. Tenants will be required to give two months notice to leave a property. Landlords will only be able to end tenancies with a valid reason. All tenancies will become periodic tenancies from the start.



Reformed Grounds for Possession

The Government will introduce new and reform grounds for possession to assist landlords with gaining possession of their properties when necessary.

New grounds will be included for;

- Landlords wishing to sell their property - not to be used in the first six months of a tenancy
- Landlords wishing for a family member to move into the property - not to be used in the first six months of a tenancy
- Introduction of a new mandatory ground for serious arrears offenders - where someone has been in more than two months arrears three times in the preceding three years regardless of the balance at the of Court hearing

More support is promised to landlords with tenants committing criminal behaviour or serious antisocial behaviour.

**To view the White Paper in full;
<https://bit.ly/3NvX7CK>**

The notice periods for grounds are expected to change as well. Notice periods for serious rent arrears are expected to rise from two weeks to four weeks and notice periods for serious antisocial behaviour lowered.

There will also be increased protection for tenants in receipt of benefits where their arrears may be down to timing issues within the benefits system itself.



5

Rent increases limited to ONCE per year

Landlords will only be able to increase rents once every 12 months. To increase the rent will require two months notice.

It will be easier for Tenants to challenge excessive rent increases through tribunal.

6

New Single Ombudsman that all Landlords MUST join

The Government will introduce a new single Ombudsman for Private Landlords. The Ombudsman will be free for Tenants to use and provide resolution for common disputes and complaints made by Tenants.

The Ombudsman will have the power to put things right for Tenants, compelling landlords to

issue an apology, provide information, take remedial action and/or pay compensation up to £25,000.

Rent can also be ordered to be repaid to Tenants for substandard properties.

7

Improved Court Service

The Government will tackle Court delays in partnership with HM Courts Services and look at the introduction of mediation / Alternative Dispute Resolution to prevent cases escalating.

It will also bring in a system that allows for priority cases to be expedited.

8

New Digital Property Portal

The proposed single access point online will be a one stop shop for landlords to access helpful information about their responsibilities and it will also allow tenants to check a landlord's compliance. Local Authorities will also be able to use the portal to crack down on rogue and criminal landlords working in their areas.

9

Strengthening Local Authority Enforcement Powers

Local Authorities will be given additional powers to investigate criminal and rogue landlords operating in their areas and the fining system will be strengthened for serious offences.

Eligible offences will be included on a national database and there is the intention to be able to share this information with tenants (subject to meeting information sharing requirements).

10

No More Blanket Bans on Benefit Tenants

Landlords and Agents will no longer be able to use blanket bans on Tenants in receipt of benefits if the property is affordable. This will make the practice of putting "No DSS" or "No Benefits" on adverts illegal. This will also apply to families with children and blanket bans on children will also become illegal

practice.

The Government is aware of restrictions currently imposed on Landlords by insurance providers and as such will be working with the sector to ensure that families and those on benefits are more supported into the Private Rented Sector.

Ethical Lettings is pleased to see this inclusion as for too many years those on benefits have been unfairly discriminated.

Landlords it is essential that you improve your knowledge on the benefits system or use an Agent like Ethical Lettings who know the benefits system.

**11**

Pets Cannot be Unreasonably Refused

Landlords will no longer be able to refuse reasonable requests made by Tenants to have pets in the rental property. Tenants will be able to challenge decisions made by Landlords.

Landlords will be able to require their Tenants to purchase a Pet Insurance policy that would cover any pet damage to a

property. Amendments will be made to the Tenant Fees Act 2019 to allow for this.

In addition to pets, Tenants will also be able to request consent (again not to be unreasonably withheld) to redecorate, hang pictures and change appliances so long as the property is put back to its original state at the end of the tenancy.

12

Implementation of Ways to Passport Deposits

Many renters experience difficulties when moving from one rental property to the other due to the time delays involved in deposits being released from one scheme and then the same deposit used to secure the next rental property.

Many renters choose not to move because

they can't afford to place a new deposit down whilst the previous one has not been released.

The Government will be monitoring the effects of this and looking at market solutions through the Tenancy Deposit Protection Working Group.

Who are Ethical Lettings?

At Ethical Lettings we offer peace of mind to landlords with our high-quality property management service - we have offices in Surrey and London and manage property across south east England. Our team are experienced, highly skilled and passionate about their work.

Our approach means we can offer a unique property management service that gives landlords much-needed peace of mind;

Guaranteed rent - we guarantee over £2 million of rents to landlords every year. You can be confident that rent will be paid throughout the tenancy

No fees - no set up, one off or regular fees to pay

Protection against risks - our deposit bond gives landlords security

Tenants - we find and check tenants and support them throughout the tenancy



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Office number: 01483 429157
Email: info@ethical-lettings.com
Web: www.ethical-lettings.com

2nd Floor
Council Offices
The Burys
Godalming GU7 1HR