

HOW THE HOUSING & PLANNING ACT 2016 ADVANCES THE GOVERNMENT'S HOUSING STRATEGY

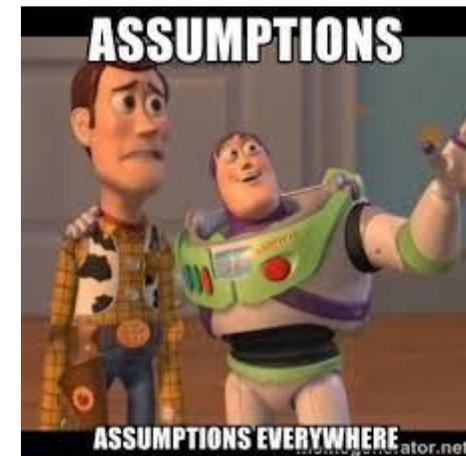
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Assumptions

1. Government have a Housing Strategy.
2. The Act is part of any strategy.
3. That this conference wishes to focus on the private rented sector as a whole, including HMOs.
4. Other speakers will cover particular aspects of the Act – such as the rogues database and banning orders.



Purpose of session

- To put the Housing & Planning Act 2016 in context
- To consider how we got here and what next for the private rented sector
- To identify common themes & understand the new provisions
- To answer questions

Government “Strategy” towards the PRS



- **Recognises** importance of PRS
- **Recognises** that PRS is dominated by “small-scale” landlords – 89% are private individuals and 98% own fewer than 10 properties
- **Recognises** that PRS has overtaken social housing in size – growth since late 1980s (commencement of Housing Act 1988 & buy to let mortgages from 1996)

Approach to the private rented sector

- **Increased importance (e.g. Build to Rent fund)**
 - Homelessness
 - Reduced LA sector
 - Largest sector behind owner-occupation since 2012/13 (4.4m households)
 - Potential to offer longer-term rented homes (average up to 46 months)
- **Rent deregulation**
- **Tax Policy**
- **Regulation of Standards & Local Authority control**
 - Housing Act 2004 Part 1
 - Selective, additional and HMO licensing
 - Karen Buck MP Private Members Bill

Government in March 2015

"A bigger and better Private Rented Sector is good for the housing market; it improves standards and choice for tenants, as well providing opportunities for investment. We have focussed on attracting more investment into the provision of rented homes, avoided unnecessary regulation and have taken action to tackle bad landlords, so they either improve or leave the sector"

[Review of Property Conditions in the Private Rented Sector: Government response]

Examples of necessary “regulation”

- Tenancy Deposits & Retaliatory Eviction provisions
- “Right to rent” – Immigration Act 2014
- From 1 February 2016
- Section 21 notices requiring possession
- Model Tenancy Agreements & Code of Practice on Tenancy management
- Smoke and Carbon Monoxide Alarm (England) Regulations 2015 (SI No 2015/1693)
- Equality Act 2010
- *McDonald v McDonald* UKSC 2014/0234

The Act's twin themes

- **Promotion of home ownership**

- Transform "generation rent into generation buy"
- Starter homes, self/custom build housing, RTB extension

- **Increased supply of ("affordable") housing**

- A "national crusade to get 1 million homes built by 2020"
- Speedier planning system



Headline issues

- Ending of lifetime tenancies
- Sale of higher value council stock
- Extension of right to buy
- Pay to Stay
- Greater government say on brownfield land developments

“Ancillary” PRS matters

- Banning Orders: Chapter 2
- Rogue Landlord/Letting Agents Database: Chapter 3
- Rent Repayment Orders extended: Chapter 4
- HMO Licences fit and proper persons tests & Tenancy Deposit Information: Chapter 5

Does this follow existing policy?

(1)

- **Growth of PRS** has led to increasing focus on standards, rent levels and regulation
- “Review of property conditions in the private rented sector: government response” (March 2015)
- Look at omissions – e.g. no **rent regulation**
- **Advance from Housing Act 2004**
 - e.g. extension of rent repayment orders in Housing Act 2004

Does this follow existing policy?

(2)

- Addressing **letting agents** as well as landlords, as seen with Code of Practice
- Seeking to **improve standards** and involve local authorities
- A desire for **quick remedy** – e.g. financial penalties rather than prosecution
- Continued support for both **voluntary and enforced accreditation schemes**

Last word to the Housing Minister

"The Private rented sector performs a vital role in the housing market, and we are committed to its continuous improvement. We're determined to create a bigger, better private rented sector and are attracting billions of pounds of investment to build homes specifically for private rent, which will increase choice for tenants. Increasing supply is the key to raising quality and choice, and improving affordability. We have also introduced measures to ensure tenants can be confident they will get a fair deal."

