Bil Rhentu Cartrefi (Diwygio) (Cymru) Renting Homes (Amendment) (Wales) Bill

Ymateb gan: Generation Rent Response from: Generation Rent

Background

Generation Rent is the National Private Tenants Organisation. We represent private renters throughout the UK, and campaign for changes to improve their rights and conditions in the rental market, including security of tenure.

We have campaigned for the abolition of Section 21 in England and welcome the intention of the Welsh Government to improve security of tenure in Wales.

Section 21 makes it easy for landlords to evict tenants, which means that tenants have little real control over their home. A landlord could evict their tenant in order to sell, leaving the tenant to find a new home at their own expense and inconvenience. The worst landlords use Section 21 to evict tenants who try to exercise their other rights, for example by complaining about disrepair in their home.

If we accept that there will always be some legitimate reasons for a landlord to evict a tenant who is not at fault, any reform must:

- keep the number of no-fault evictions to a minimum
- offer tenants who lose their homes adequate support to find a new home, with minimal upheaval, and
- improve tenants' confidence to exercise their rights without fear of retaliatory action by the landlord such as eviction

Measures in the Bill

By requiring a notice period of six months, as the Welsh Government proposes, landlords who wish to evict tenants who are at fault would have an incentive to use the at-fault process.

Landlords who wished to sell or move back in could still do so and while tenants would have more time to plan they would still bear the cost of moving without support to do so. Those without savings would face a longer period of uncertainty and the same risk of homelessness. It would be important that tenants given six months' notice be able to move out before that time is up without penalty, if they find a suitable home.

Landlords who evade their responsibilities by evicting tenants who seek to exercise their rights to a safe home may still use no-fault evictions, calculating that tenants would not challenge the eviction in court out of ignorance, lack of confidence in the evidence they have, or lack of means to employ legal support.

Furthermore, we believe that because the tenant faces losing their home, this fact deserves recognition in law and the tenant deserves the dignity of having a reason for losing their home. This is why we are calling for a requirement on landlords to provide grounds for eviction.

Requiring the landlord to provide grounds would shift the burden of proof away from the tenant and on to the landlord. This would reduce the number of landlords who seek evictions for petty reasons.

Need for reform

We welcome the Welsh government's decision to legislate now. This acknowledges that the debate has moved on in Scotland and England, and relying solely on tenants to challenge retaliatory evictions will have a limited impact.

Security is very important for private renters, not just in terms of being free of the fear of losing their home but more positively having a stake in their home, and in turn the incentive to invest time in the home and the local community. Private renters are less likely than people in other tenures to feel that they place they live is their home, less likely to know lots of people in their local community, and more likely to worry about losing their home in the next 12 months.¹

When we ask our supporters about what is wrong with renting, many of them cite pets, decorating and starting a family, while others tell us of their fear of requesting repairs. These would all be addressed with better security of tenure.

At the same time, tenants value flexibility as their circumstances can change, requiring a move at short notice. The law should recognise that tenants need flexibility alongside security and this balance is inherently in favour of the tenant because while the property is the landlord's asset, it is the tenant's home.

Evidence base

Aside from surveys of tenants and landlords, the Ministry of Justice is the closest data we have to understanding the scale of evictions. We find that Section 21 "accelerated" evictions are closely related to demand in the housing market — measured in rents and house prices. This is because when rents and house prices are up, landlords are more confident about evicting tenants in order to get a higher rent or to sell up.² MoJ statistics don't give the full picture because many tenants receiving a Section 21 will move out before the case reaches court (and is recorded in the data).

The significance of no-fault evictions is similarly illustrated in England's homelessness figures which show that 11% of homelessness cases arise from landlords evicting to sell, to re-let or in response to a complaint.³ Again, these statistics relate only to households actually made homeless so don't provide the full picture.

We should not discount reported or anecdotal evidence. It is difficult to quantify the feeling that renters have that they can never fully trust their landlord when they can be evicted without grounds.

¹ https://www.generationrent.org/insecure_tenancies_drag_down_quality_of_life

² https://www.generationrent.org/here s another reason to boo rising house prices

³ https://www.generationrent.org/these are the places you re most at risk of a no fault eviction

Detail of the proposals

The aim of the legislation should be to minimise the number of evictions. Where the landlord wished to sell or move back in, we should want to design the policy so that selling with a sitting tenant to another landlord (or finding a different place to live) would be the obvious choice. But assuming there will always be circumstances where eviction of a tenant who is not at fault is unavoidable, requiring the landlord to pay the tenant's costs is essential, to minimise upheaval for the tenant.

Illegal evictions already take place and some landlords may attempt to bully or force tenants out instead of going through the legal process. Councils will need appropriate guidelines for dealing with these cases and advising tenants – and the Police need to be well-versed in the law on protection from eviction, so they don't inadvertently assist the landlord.