(In)security of tenure and mental health: supporting London’s private renters

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• Insecurity in private renting

• Why it matters: The Private Rented Sector in London

• The Mayor’s London Model for private renting
Changing face of the PRS

Figure 6.1: Number of dependent children under 19 in London by tenure, 2005 to 2017

Figure 6.2: Length of time in current home by tenure, London 2013/14 to 2015/16
Power imbalance between renters and landlords

- Insecurity – renters have little control over tenancy length or rent increases
- Poor conditions – complaining risks eviction and homelessness
- Lack of alternatives – renters are vulnerable, they know it and so do landlords
- Landlords don’t trust court system so fall back on s21.

Assured shorthold tenancies

- most common PRS tenancy, minimum fixed term of six months, longer fixed term can be agreed but usually only 12 months
- Section 21 ‘no fault’ evictions cannot be carried out during the fixed term
Why does it matter?

1) Evictions rising

- An increase in the use of s21, but highly concentrated geographically
- 4/5ths in London, East and South East; nearly 2/3rds in London alone, even though London only has 1/5th of PRS stock.
- Even within London, 1/3rd of s21s in only 5 boroughs.

2) Significant barriers to renting for low income households

Biggest cause of homelessness is the ending of a PRS tenancy (78% of the rise in homelessness since 2011)
The Mayor’s vision for the private rented sector

• Dramatically improved enforcement of standards and conditions

• A reformed regulatory framework fit for the 21st century

• All possible steps taken to improve affordability – especially for vulnerable and low income Londoners, and young people.
London Housing Strategy

A fairer deal for London’s 2 million private renters

“The Mayor will work with interested parties from across the sector to create a blueprint for a new reformed tenancy model for private renters and landlords. This ‘London Model’ will balance the interests of landlords and tenants, with the aim of creating a positive vision of reform to support the sector’s sustainability and growth. The Mayor’s proposals will then be presented to Government for consideration. The Mayor will not be able to implement the London Model himself, but will ask Government to work with him to put it into action”

• Greater stability and improved rights for renters
• Protection of rights of landlords
The London Model skeleton

What is it?
1. Open-ended tenancies
2. End to no-fault/s21 evictions
3. Court reform
4. Ending discrimination
5. Legislative implementation

Potentially tricky issues:
1. New and existing possession grounds?
2. Break clauses, notice periods, compensation
3. Vulnerable renters
4. Dispute resolution and tenancy sustainment
5. Exemptions
London Model next steps

• Working with stakeholders to understand complexities and trade-offs
• Towards a London Model that all stakeholders can support
• Formal engagement planned for early in the new year
• Help us!
Any Questions?

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