

# **Private Rented Sector Evidence Paper for the Development of the Local Housing Strategy 2016-2021**

**Housing Development Section**

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**North Lanarkshire Council**  
**Local Housing Strategy 2016-21**  
**Private Rented Sector Evidence Paper**

**1. Introduction**

- 1.1 The private rented sector (PRS) has undergone significant change in terms of the overall size of the sector and the tenant and landlord profile within North Lanarkshire over the lifetime of the Local Housing Strategy (LHS) 2011-2016.
- 1.2 The PRS is an important sector in assisting to meet housing need and its contribution is important for local authorities in terms of implementing the strategic housing role enshrined in the Housing (Scotland) Act 2001.
- 1.3 The sector has almost doubled within North Lanarkshire from 31<sup>st</sup> March 2011 when it made up 4.8% of the stock to 9.8% on 31<sup>st</sup> March 2015. The main driver of growth in the PRS has been linked to general economic conditions and the housing market. Initial growth in the PRS was considered to be due to investment opportunities whereby landlords could both realise a revenue stream (rents) and potential capital growth (increasing house prices). This was also fuelled by the mortgage industry offering Buy to Let products to individuals who wanted to purchase and let a property. The combination of these factors led to an overall growth in the sector (properties and landlords). However, economic circumstances have now changed and whereas there may be an increase in demand for the PRS the irony is that generally residential property is now seen as a less attractive investment. The consequences of the current economic climate have seen a rise in repossessions of Buy to Let properties and many properties becoming PRS as owners have been unable to sell on the open market.
- 1.4 Demand for the PRS has increased due to owner occupation constraints in relation to finance availability, deposit requirements and to a lesser extent the availability of social housing. Changing demographics and rate of new household formation have also contributed to the change in tenure mix.
- 1.5 The PRS has a broad customer base and is recognised as providing a housing option for households who require flexibility and transitional accommodation as well as for those households unable to afford owner occupation but unable to access social rented housing. In this case it is often lower income households accessing PRS of varying quality which can lead to issues in relation to satisfaction.
- 1.6 Evidence from Landlord Registrations indicates that it is typically individuals, couples and families operating as small scale landlords within North Lanarkshire. Buy to Let investment appears to have

become a less attractive option for investment in recent years, reasons for this could include management costs, length of rental period, reputational risk, type and level of return.

- 1.7 Housing quality and energy efficiency are areas where the PRS is generally viewed as being largely worse than other tenures. It is clear from the evidence available that PRS properties are more likely to have poor NHER ratings, this could be attributed to property type (mostly flatted) rather than it being the PRS itself.

## **2. National Policy & Legislative Context**

- 2.1 At national level there have been a number of recent legislative changes that have impacted on the sector. This has led to the introduction of landlord registration, recognition of its potential role in meeting homeless needs and moves towards improving the overall quality of the stock (e.g. the Repairing Standard). Further initiatives include the move towards improving overall management standards through Landlord Accreditation. In addition housing associations have become more involved in the sector in some parts of Scotland providing both intermediate and market rented homes. More recently Section 11 of the Homelessness legislation has been enacted resulting in the requirement for private landlords to notify local authorities of their intention to raise proceedings to recover their property. This requirement also extends to creditors which may include other PRS properties.
- 2.2 One of the biggest national policy changes has been the introduction of the Local Housing Allowance (LHA) which restricts housing benefit payments to a local rate based on property size within an identified Broad Market Rental Area. The Government through the LHA has also promoted direct payment to private tenants to enable a more 'consumerist' culture within the system.
- 2.3 Scottish Government private rented strategy 'A Place to Stay, A Place to call Home' sets out a vision for 'a private rented sector that provides good quality homes and high management standards, inspires consumer confidence, and encourages growth through attracting increased investment.'
- 2.4 The Housing (Scotland) Act 2014 supports this vision by placing requirements on local authorities and private landlords to safeguard the interests of tenants in the PRS and support improvements to housing quality and neighbourhoods. In addition the Private Rented Housing (Scotland) Act 2011 aims to strengthen regulation of PRS by supporting responsible landlords and addressing the problems caused by landlords who act unlawfully.
- 2.5 Other legislation relevant to this sector includes:

- Rent (Scotland) Act 1984
- Housing (Scotland) Act 1987
- Housing (Scotland) Act 1988
- Housing (Scotland) Act 2001
- Anti Social Behaviour etc (Scotland) Act 2004
- Housing (Scotland) Act 2006

2.6 The legislation collectively places duties and responsibilities on local authorities in relation to a number of areas including provision of advice and assistance, regulation, disrepair, HMOs, adaptations and tenant information packs. Furthermore the legislation places responsibility for meeting some of these requirements onto landlords and provides tenants with additional rights.

2.7 'A Stronger Scotland', the Government's Programme for Scotland 2015-16 looks to introduce a Private Tenancies Bill. The purpose of the bill is to give tenants in the private rented sector increased security, while giving landlords, lenders and investors the confidence to continue investing in the sector. It is envisaged that this will provide more predictable rents and protection for tenants against excessive rent increases, including the ability to introduce local rent controls for rent pressure areas. The Bill seeks to improve the experience of tenants in private sector rented housing. This includes ongoing work through the 2014 Housing Act to regulate the letting agent industry, including consulting on a draft Code of Practice for the industry and providing local authorities with the additional powers to improve standards in the private rented sector.

### **3. Local Context**

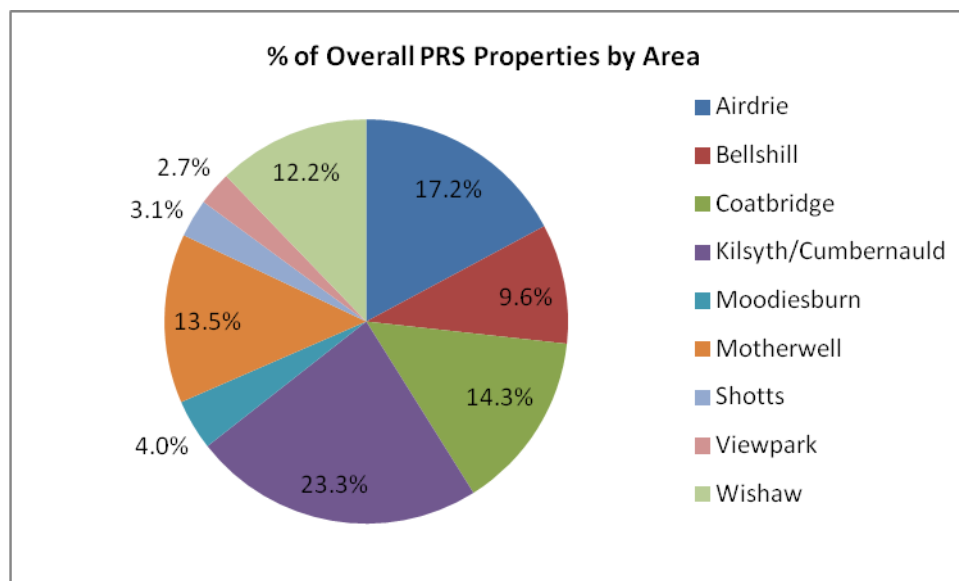
3.1 The PRS plays an important role in providing accommodation to a wide range of groups across North Lanarkshire, this includes low income households, students, older people, newly formed households and generally those unable to access other forms of affordable housing or owner-occupation. The Local Housing Strategy considers the data and research available in relation to the PRS and how this sector could contribute to meeting housing need across North Lanarkshire.

#### 3.2 [Houses in Multiple Occupation \(HMO\)](#)

HMOs are houses or flats occupied by three or more unrelated persons. As at 31<sup>st</sup> March 2015 there were 17 HMO licenses in North Lanarkshire. The majority of which are located in Motherwell Housing Market Area. North Lanarkshire Council's Public Health and Housing Team is a single point of contact for regulation of HMOs and they maintain a register of HMO licences and applications relating to living accommodation within North Lanarkshire.

### 3.3 [Private Landlord Registration](#)

All private landlords letting residential property must register in the register of landlords. This registration scheme is to ensure that all private landlords are 'fit and proper' to be letting residential property. The scheme aims to protect tenants and their neighbours from the impact of antisocial behaviour and mismanaged property. As at 31<sup>st</sup> March 2015 there were 14,895 PRS properties registered in North Lanarkshire. The pie chart below provides a breakdown of PRS properties across the ten Local Housing Market Areas (LHMAs).



Source: North Lanarkshire Council Area Profiles 2015

3.4 The greatest proportion of PRS properties is located within the Kilsyth/Cumbernauld LHMA followed by Airdrie then Coatbridge.

### 3.5 [Rent Deposit Guarantee Scheme](#)

North Lanarkshire Rent Deposit Guarantee Scheme provides a 'guarantee' to a private landlord instead of a tenant providing a cash deposit immediately. The guarantee is to assist people who want to live in the private rented sector but who are unable to raise the cash deposit themselves.

### 3.6 [Private Rented Sector Enforcement](#)

North Lanarkshire Council implement statutory powers to enforce HMO licensing and private landlord registration. However, there is significant enforcement action taken using a range of tools to ensure properties are maintained. This includes issuing penalty notices, works notices, maintenance orders and maintenance plans, carrying out missing shares and reporting landlords to the Procurator Fiscal.

### 3.7 [Scheme of Assistance](#)

The Council can provide help to private landlords carrying out repairs and maintenance to their properties through a range of assistance set out in our Scheme of Assistance. In order to receive assistance landlords would need to meet certain criteria, assistance provided includes provision of information, advice, practical and technical assistance or in specific limited circumstances financial assistance.

Providing a range of assistance empowers landlords to carry out works themselves and will help the council to assist more people in honouring their maintenance and repair obligations.

### 3.8 [Energy Efficiency](#)

The Scottish Government offer private tenants and landlords up to £500 towards energy efficiency measures recommended in either the Energy Performance Certificate (EPC) or Green Deal Assessment. Information in relation to this is available through 'Green Homes Cashback' and 'Landlord Green Appliance'.

### 3.9 [The Repairing Standard](#) and [Private Rented Housing Panel](#)

Private landlords and private tenants have certain statutory rights and responsibilities in relation to the Repairing Standard and Private Rented Housing Panel (PRHP).

Private tenants who are concerned about the condition of their home now have recourse to the PRHP to assist them in ensuring private landlords repair the properties they rent out.

The Repairing Standard modifies and extends landlords obligations and the PRHP makes it easier to enforce these. Most private landlords keep their properties in good repair and make sure they meet their legal obligations. Enforcement action through the PRHP will only be necessary for the small number of landlords who fail to do so.

### 3.10 [Private Landlord Forum](#) and [Newsletter](#)

The twice yearly Private Landlord Forum provides an excellent opportunity for private landlords to hear about national and local issues affecting them and provides an opportunity for landlords to share their experiences and network with other landlords. The events cover various topics including energy efficiency, health and safety, legislation and Local Housing Allowance and Housing Benefit issues. In May 2015 consultation on developing the new Local Housing Strategy for 2016-2021 and identifying future priorities took place with private landlords.

## 4. Evidence

4.1 Along with previous research studies there are a number of relatively new sources that the Council has been using to build up a picture of the PRS:

- Landlord Registration data
- Below Tolerable Standard database
- Scheme of Assistance applications database
- NLC Housing Needs Assessment 2007-08, March 2009
- NLC All Tenure House Condition Survey 2007-08, March 2009
- Census 2011
- Evidence Review of the Private Rented Sector in Scotland, Communities Analytical Services, Scottish Government, April 2012
- A Place to Stay, A Place to Call Home: A Strategy for the Private Rented Sector in Scotland, May 2013
- Scottish House Condition Survey, 2013
- National Records of Scotland, Mid-Year Population Estimates, 2014
- Clydeplan Housing Need and Demand Assessment, February 2015
- Affordability Analysis, 2015
- Local Area Profiles, 2015
- Common Housing Register (March 2015)

4.2 Research undertaken by the Council in 2004<sup>1</sup> found that the PRS at that time accounted for 2.5% of all households, at that time Cumbernauld Housing Market Area was the location of around 33% of all PRS properties. In 2015, Private Landlord Registrations indicates that the PRS accounts for 9.8% of all housing stock with a relatively even spread throughout the authority.

**Table 1: Change in PRS 2012-2015**

NHS Locality	2015	2014	2013	2012	% Change
Airdrie	10.7%	9.3%	7.3%	5.0%	5.7%
Bellshill	10.0%	8.4%	6.8%	5.2%	4.8%
Coatbridge	9.3%	53.7%	6.3%	4.6%	4.7%
Motherwell	8.3%	8.9%	7.3%	5.3%	3.0%
North	10.8%	10.4%	7.7%	5.5%	5.3%
Wishaw	9.1%	8.8%	4.8%	5.6%	3.5%
North Lanarkshire	9.8%	9.3%	6.8%	5.2%	4.6%

Source: LHS Area Profiles 2015, Landlord Registrations Data

<sup>1</sup> *Achieving a Better Understanding of the Private Rented Sector in North Lanarkshire, Craigforth/Newhaven, August 2004.* Note that this research specifically focused on the Housing Benefit sub-sector within the PRS.

- 4.3 The research in 2004 showed that a third of all PRS households in North Lanarkshire were single people with single parents making up a greater proportion than nationally. The Scottish Household Survey 2013<sup>2</sup> indicates that the profile of households within the PRS remains similar to 2004 with one third being single households and almost two thirds single parents or families.
- 4.4 The 2011 Census indicates that the percentage of households living in the private rented sector has increased by 65% since 2001.
- 4.5 The Scottish Household Survey 2013 has for the first time collected information on length of stay at current address. Interestingly just under half of those living in the PRS surveyed had lived in their home more than ten years (47%) whilst 53% have lived in their home for less than ten years. In comparison to other tenures such as owner occupation (74%) and social rented tenants (20%) then the percentage living in the PRS (1%) for more than ten years was extremely low. The tenure distribution of households living in their home for less than five years was more comparable across all tenures.
- 4.6 Table 2 below provides a breakdown by tenure of average years households have lived at their current address. This shows that households in the PRS are more likely to spend shorter periods of time within their home in comparison to other tenures. The Scottish Household Survey doesn't elaborate on the reasons for this but anecdotal evidence from consultation points to lack of security of tenure and aspirations for households to obtain either owner occupation or social rented properties.

**Table 2: Average number of years at current address by tenure**

	2008	2009	2010	2011	2012	2013
Owner Occupied	14.5	16.1	16.5	17.1	16.6	16.9
Social Rented	13.5	12.1	12.4	12.8	11.9	12.3
Private Rented	3.5	3.8	2.1	1.8	2.4	2.8
Other	11.9	10.9	19.4	14.7	13.7	10.4
All	13.8	14.3	15.0	14.7	14.8	14.5

Source: Scottish Household Survey 2013

- 4.7 All private landlords letting residential property in Scotland must register in the register of landlords. The scheme ensures all private landlords in Scotland are 'fit and proper' to be letting residential property. This protects tenants and their neighbours from the impact of antisocial behaviour and mismanaged property. Landlords who fail to register or submit an application for registration before they let or advertise residential property are committing an offence. There is a

<sup>2</sup> The 2014 local authority tables are expected to be published late September 2015



legal requirement under the Antisocial Behaviour etc (Scotland) Act 2004 to register as a landlord. Registration helps the Council to improve the PRS and remove disreputable landlords from the market. Landlord registrations aims to remove unfair competition of landlords who provide poor housing or inadequate management. Table 3 below shows the significant growth in the number of PRS properties registered through Landlord Registrations over the last five years in North Lanarkshire (104%).

**Table 3: Private Landlord Registration Properties 2011-2015**

Year	2011	2012	2013	2014	2015
PRS Landlord Registration Properties	7,277	8,995	10,203	14,104	14,895

Source: North Lanarkshire Area Profiles 2011-2015

- 4.8 The Scottish House Condition Survey 2011-2013 indicated there were 8,000 PRS properties in North Lanarkshire accounting for 6% of all stock. The PRS sample size to determine age of dwellings, attributes, energy efficiency, property type and size was too small to be provide a reliable estimate.
- 4.9 In terms of affordability the average monthly PRS rent in North Lanarkshire for a two bedroom property exceeds the Local Housing Allowance rate. Table 4 below provides a comparison of average PRS rents by property size with social rents and the LHA.

**Table 4: Private Rented Sector Rents 2014/15**

	Studio	1 Bed	2 Bed	3 Bed	4 Bed	
Average PRS Rates	£313.98	£377.06	£460.20	£535.07	£807.56	
NLC Rates	£255.02	£350.00	£425.01	£495.00	£722.54	
	Under 35 – single room rate	1 Bed with 1 shared room				
LHA Rate	£255.02	£255.02	£350.00	£425.01	£495.00	
			1 Bed	2 Bed	3 Bed	4 Bed
			£350.00	£425.01	£495.00	£722.54

Source: NLC Private Rental Monitoring, 2014/15

- 4.10 The Council keeps a record of Below Tolerable Standard (BTS) properties, all properties on the register are within the private sector but there is no categorising into PRS or owner occupation. There are less BTS properties within North Lanarkshire (2%) than nationally (3%) according to the Scottish House Condition Survey 2013. Records show that as at August 2015 158 BTS properties had been recorded since 2011, the majority of properties appear to be located in the Motherwell and Coatbridge Local Housing Market Areas and 91% were BTS due to rising or penetrating damp.

- 4.11 PRS Landlords are able to access the Council's Scheme of Assistance which assists with issues of general maintenance and disrepair to properties, including tackling BTS where appropriate. The assistance includes the provision of information, advice, practical assistance and, in some cases, financial assistance. Some Landlords have been assisted to improve the general maintenance and disrepair of their properties. This has benefited the tenants of those properties and contributes to improving standards within the PRS. Only 0.3% of Common Housing Register (CHR) applicants whose current tenure is private rented sector are seeking to move due to their property being in significant disrepair or BTS.
- 4.12 The Council's Warm Homes Statement aims to tackle fuel poverty across all tenures, including the PRS. It is recognised that household income, energy efficiency of property and fuel costs are the driving factors affecting fuel poverty. The majority of households within the PRS in North Lanarkshire are low income households so it is clear from the outset that there may be issues relating to a households ability to heat their home adequately. The Council aim to continue to promote income maximisation services across all tenures, including the PRS and develop and implement energy efficiency programmes that encourage landlords to improve the energy efficiency of their homes. The Energy Unit are also pro-active in encouraging and assisting households with energy advice and assistance across all tenures.
- 4.13 The Council's CHR potentially provides an indication of how the PRS is viewed within an authority. Around 18% of households in North Lanarkshire on the general waiting list are currently renting from a private landlord, this equate to just over 2,000 households. Of those CHR Applicants whose current tenancy is within the PRS the greatest majority (19.8%) are seeking to move for health reasons whilst 3.8% have requested sheltered housing. This suggests that there is a significant portion of households currently accommodated within the PRS whose reason for moving relates to mobility or illness, where they feel that social rented housing could potentially better meet their needs. Interestingly, 3.2% of applicants currently living in PRS have stated loss of confirmed accommodation as a reason for seeking social housing, with only 2% being homeless. This suggests a small proportion of households within the PRS appear to move due to security of tenure or threat of eviction than could potentially be expected.
- 4.14 In 2014/15 there were 1,957 homeless applications in North Lanarkshire, just under 20% of these were from households specifically identified as living in the PRS. It is unclear from the available statistics to determine how many of these applicants were given priority need status at the time of their assessment. The relationship between the PRS and homelessness is complex with some PRS tenancies failing due to property condition whilst others fail due to household being

unable to sustain or manage a tenancy but on the other hand the PRS is seen as a resource to tackle homelessness given its flexibility and use as temporary accommodation.

- 4.15 In keeping with other parts of Scotland the reasons given for homelessness at the application stage are typically that family, friends and relatives can no longer accommodate. This accounted for 514 or 26% of all applications in 2014/15. Other reasons given include terminating a tenancy in the Private Rented Sector, which account for 288 or 14% of all applications in the same period. Our analysis of affordability in North Lanarkshire does suggest that this has become a more pressing issue since welfare reforms began and is also linked to the growth of the private rented sector.
- 4.16 In addition to the above the Council have undertaken significant consultation with a range of partners and stakeholders, including the Private Landlord Forum where a number of significant drivers have been highlighted which indicate a need to develop a comprehensive way forward in relation to the issues affecting the private rented sector such as:
- Economic impact of private rented sector, including welfare reform
  - Partnership working with private landlords
  - Promoting private rented sector as realistic housing option
  - Provision of advice and information to prevent homelessness
  - Effective regulation and monitoring of private rented sector
  - Factoring
  - Improving property standards, including energy efficiency
  - Common repairs and Council Capital Programmes
- 4.17 There was recognition that these couldn't be delivered in isolation by Housing Services. The need for clear links across a range of Council services, partner organisations, private landlords and tenants to meet the needs of all parties has to be taken forward through by actions identified in this LHS.
- 4.18 The PRS in North Lanarkshire appears to be fulfilling a role associated with demand from households on low incomes and unable to afford owner-occupation and either ineligible for or currently waiting on a social rented housing option. Given the evidence on the age profile of PRS tenants demand appears to be mainly from younger newly forming households and older households perhaps moving into the sector due to relationship breakdown. In addition there appears to be anecdotal evidence to suggest migrant workers who are subject to legal restrictions on accessing social rented housing but who have affordability or other constraints in terms of accessing owner-occupation account for a proportion of households in the PRS.

## **5. Low Demand Private Rented Properties**

- 5.1 Increasingly problems of low demand, poorly maintained and managed housing are within areas that have high density private rented sector properties. Examples of this include particular blocks of flats in the Millcroft Road area in Cumbernauld and Forgewood area in Motherwell. These areas cause for concern as there are increasing problems of empty/ abandoned properties; vandalism; disrepair and poor maintenance in addition to the poorly maintained PRS properties. The market value of such flats is very low and generally properties are being purchased by private landlords which can exacerbate problems due to higher levels of turnover and therefore a more transient population. There have not been any sustainable factoring arrangements in these blocks for many years and owners, particularly private landlords, are unwilling or unable to participate in common repair works, resulting in the properties increasingly falling into disrepair.
- 5.2 The council has used its enforcement powers to try and improve conditions in these areas, including demolition notices for fire damaged blocks in Forgewood and Maintenance Orders in Millcroft Rd. However without a willingness from the majority of owners to pay for works and put factoring arrangements in place, it is unlikely that further use of enforcement powers will provide a long term solution for these areas.

## **6. Health and Wellbeing**

- 6.1 The PRS is increasing across North Lanarkshire and is likely to become a realistic and achievable housing option for many households unable to access social housing or owner occupation. The PRS is also likely to continue to assist in reducing and address homelessness across North Lanarkshire. There is recognition that a good quality and affordable PRS can make a contribution to the health and wellbeing of residents across North Lanarkshire.
- 6.2 The Scottish House Condition Survey 2011-2013 indicates that 20% of households across Scotland within the PRS have one or more household member who is long term sick or disabled. The survey sample for North Lanarkshire is too small to provide a reliable estimate of the number of affected households for North Lanarkshire PRS, however, overall 50% of households are estimated to have one or more households member who are long term sick or disabled. Furthermore 23% of households in North Lanarkshire have had adaptations, equivalent to around 33,000. It is probable based on the evidence available to suggest that there will be households in the PRS who are long term sick or disabled.
- 6.3 In 2012 10.2% of households across North Lanarkshire (all tenure) were within the 15% most deprived datazones, this figure has been

increasing since 2004. The Scottish Household Survey 2013 indicates that North Lanarkshire (5%) has less households in the PRS within 20% most deprived areas than nationally (8%).

- 6.4 A cross cutting theme relating to health and wellbeing is fuel poverty and is covered within North Lanarkshire's Warm Homes Statement provides.

## **7. Identifying Key Issues and Recommendations**

- 7.1 There has been a marked increase in PRS provision across North Lanarkshire over the period of the current LHS 2011-2016. There is no evidence to suggest that demand for the sector is likely to decrease over the period of the new LHS and it is more likely that there will be an increasing demand for supply. This is of particular concern as the financial market that enabled buy to let properties for rent has now been curtailed and if supply cannot keep up with demand then it could have a knock on effect in terms of affordability for lower income households. Furthermore, although the number of house sales and completions has increased steadily for the past two years they are still relatively low which could lead to a continued supply of PRS properties as people moving home decide to let rather than sell.
- 7.2 General Registers of Scotland 2012 Households Projections show a general growth in single person (from 33% to 40%) and single person with 1+ child households up to 2037. The implication of this is that by 2037 there is the potential for the majority of households in North Lanarkshire to be headed by one single adult. The age components of this projected growth in households, particularly in relation to older persons (75+) has implications on housing, for example single person households have less income and are therefore less likely to be able to afford market housing. Households headed by one person are more likely to be excluded from the housing market s affordability is a potential issue. This indicates a greater reliance on the rented sector, including PRS. A significant proportion of the single person growth in North Lanarkshire is in the elderly population who do not traditionally reside in the PRS.
- 7.3 Furthermore, the impact of Welfare Reforms are not yet fully understood as Discretionary Housing Payments have mitigated the shortfall for many households experiencing 'the bedroom tax'. Although demand for the sector may increase it is unknown if there is sufficient supply of the required size and type to make this tenure an affordable option.
- 7.4 There is increasing evidence to suggest that lower income households unable to access either the social rented sector or owner occupation are turning to the PRS to meet their housing needs. Although the PRS provides a more flexible and transient housing solution this can be a key issue for households seeking greater security of tenure.

- 7.5 Private rents are unaffordable for a large proportion of households across North Lanarkshire, especially for younger single people where access to some benefits, including housing benefits, is increasingly limited.
- 7.6 Property condition, warmth and management of private rented properties is a cross cutting theme across a number of evidence papers. There is therefore a requirement to continue to support improvements within the PRS through the Scheme of Assistance and initiatives in relation to improving energy efficiency.
- 7.7 There is evidence of poor property condition in the sector, and of properties not being managed or maintained effectively. There is therefore a continuing need to understand the profile of the housing market to inform future service provision and housing development and address negative perceptions about the quality and affordability of the PRS.
- 7.8 Management and factoring of PRS properties was another recurring issue identified through consultation. The Council have [‘A Guide to Appointing a Property Manager’](#) which assists owners of private mixed tenure blocks to appoint an agent to manage all or some of their maintenance responsibilities for a fee. Less than 1% of registered landlords are accredited, suggesting a lack of awareness, limited appetite or barriers to becoming accredited.
- 7.9 Those able to take advantage of the current housing market in terms of property acquisition are more likely to be established landlords with a significant asset base, cash rich and with high capital to outstanding loan ratios. However, there have been opportunities for Registered Social Landlords and local authorities to become more involved in the PRS through intermediate rent initiatives such as National Housing Trust and through private subsidiary companies.
- 7.10 The use of the PRS as a realistic alternative to social rented housing is a complex policy issue for the Council. It is recognised that satisfaction levels within the PRS are generally good, despite perceptions of poor quality and management issues. This could be in part due the PRS being more flexible and offering greater choice to households to meet their housing needs.
- 7.11 Mixed tenure blocks and large scale common blocks are an issue for tenants, owners, private landlords and the Council as it can be difficult to progress necessary investment works due to non-engagement, unwillingness or inability to participate.

## **8. Consultation**

- 8.1 The Council have carried out considerable consultation with the tenants and residents of North Lanarkshire, our wider stakeholders and partners over a range of priorities, including the PRS. The PRS has been a cross cutting theme across a number of thematic areas however, a specific event was held on 19<sup>th</sup> May 2015 at the Private Landlord Forum to consider what the priorities should be going forward in the Local Housing Strategy 2016-2021 and how these can be delivered in relation to the PRS.
- 8.2 The event was well attended by just over 40 private landlords and has helped to inform this evidence paper. The overall consultation has helped to develop our understanding and knowledge of the local issues and extent and location of the PRS. The consultation has contributed to developing and identifying priorities that will attempt to address issues around supply and quality.
- 8.3 The main issues identified from the consultation to date in relation to PRS include:
- Rapid growth over a short period of time
  - Property Condition
  - Property Management/Factoring
  - New supply models such as MMR (mid market rent)

## **9. Recommendations**

- 9.1 The PRS plays an important role in the housing system in North Lanarkshire. As the strategic housing authority the Council is responsible for engaging with the PRS and ensuring that it is assisting in meeting housing needs. The Council also has various other legal and regulatory duties with regard to the sector in order to raise both property and management standards.
- 9.2 The main recommendations in terms of policy and practice include:
- Improve 'strategic' communication and partnership working with private landlords (newsletter, forum etc), including improving advice and access to the PRS
  - Improve the quality of PRS accommodation and landlord services by promoting accreditation and continue to actively promote advice and assistance to landlords to improve property condition and energy efficiency through landlord forum and media
  - Explore ways to improve access to the PRS to meet identified housing needs where appropriate through wider housing opportunities

- Assist households in the PRS who are threatened with homelessness through provision of pro-active housing advice and information, including referral to specialist external advice agencies or services within the Council
- Investigate opportunities for the PRS to assist in meeting homeless duties (i.e. the discharging of duty where applicant needs are being met).
- Contribute to effective tackling of anti-social behaviour through regulation of landlords and partnership working
- Continuing to implement landlord registration and promoting landlord accreditation across North Lanarkshire
- Raising property standards through the implementation of the Scheme of Assistance
- Take enforcement action where required, including serving statutory notices for disrepair, communal repair issues, electrical safety or dampness to help address poor house condition in the PRS
- Explore long term sustainable solutions to address poor management/maintenance/disrepair within large scale mixed tenure blocks