

## PRS Inquiry – Crisis notes

### March 2024

- Housing supply is interconnected – by building more social homes, we alleviate pressures elsewhere. Many people who require a social home are turning to the PRS given the long waiting lists.
- It is important to collate more data with rent officers so that the picture of supply and rent levels in the PRS are improved.
- Choice of tenure is important. While we do need more social homes, there will always be people who would choose to live in the PRS because it better suits their needs. We need to ensure the PRS accessible. At the moment, there are clear difficulties and barriers for people experiencing homelessness in accessing the PRS. These include:
  - The filtering of application forms, preventing people who are on housing benefit from viewing properties.
  - The requirement for large deposits, guarantors, credit checks. These can be blockers for many people who we work with including those who do not necessarily have family support networks to act as guarantors. There are alternatives that could be further explored/encouraged and, in addition, it would be helpful to raise general awareness of support that is available too, such as DHP.
  - Bias and discrimination, including against those with a criminal record.
  - Policies such as no-pet clauses. Many of our members have emotional support animals and, having been through exceptionally traumatic experiences with their pets by their side, no pet policies can be a significant barrier to finding a home.
  - A lack of adapted homes for disabilities.
  - LHA rates – our research with Zoopla showed that last year just 2% of PRS properties in Wales were advertised at LHA rates. We welcome the rise in LHA rates from April, but there is a lack of certainty over whether this increased rate will continue in the longer term. There also remain issues with the benefit cap and the reduced rate for under 35s.
  - The type of PRS properties available – in areas there are high levels of student accommodation. A lack of one bed properties is also an issue.
- We are very supportive of the recently published White Paper on Ending Homelessness, which includes a number of proposals that would assist with some of the barriers we see in the PRS. This includes, bringing the homelessness prevention duty in line with the eviction notice period in the Renting Homes Wales Act, and a new duty to support people to retain accommodation. It will be really important to progress with these proposals. However, we do feel that the White Paper could have taken forward a further recommendation from the Expert Review Panel to look at ways to include landlords in duties to support homelessness prevention, including referrals. (See [ending-homelessness-in-wales-a-legislative-review.pdf \(crisis.org.uk\)](#), page 110).
- Regulation: We are aware that the number of inspections carried out by local authorities in Wales under the Housing Health and Safety Rating System (HHSRS) has decreased significantly in recent years and that the Welsh Housing Conditions Survey was last done in 2018. Rent Smart Wales has been helpful in indicating legitimacy of landlords, but we do feel there is also a place for further regulation and consider that the current review of RSW should look into how its enforcement arm might be extended. In addition, we wanted to raise the issue of scams – our landlord liaison officers at our Skylight Centre report that

issues are prevalent with scams which seek out deposits to secure rental properties which do not exist.

- We know that people often don't know their rights in relation to renting properties and would welcome moves to increase awareness.
- No fault evictions can create significant difficulties. The Expert Review Panel on homelessness recommended "That the Welsh Government keeps a watching brief on no-fault evictions from the private rented sector, considering the following points as it keeps under review whether further legislative measures are required in this area: a. trends in the numbers of no-fault evictions as the implementation of the Renting Homes (Wales) Act 2016 is established; and b. how implementation of new legislation around no-fault evictions in Scotland and England develops." (See [ending-homelessness-in-wales-a-legislative-review.pdf \(crisis.org.uk\)](https://www.crisis.org.uk/wp-content/uploads/2018/06/ending-homelessness-in-wales-a-legislative-review.pdf), recommendation 24).
- There is a need to look more broadly across the PRS supply – there are good initiatives such as empty homes and the leasing schemes, but it is important to continuously review how these are working and whether more needs to be done to make such schemes more attractive. In the longer term, this also links back to the need for UK Government investment in LHA.
- We have concerns about hard and fast rent controls, which in the long term can have significant unintended consequences. However, Crisis is open to exploring whether rent stabilisation measures might form a part of a wider package to support tenants and create a fair renting system in Wales. In our 2018 plan to end homelessness, Crisis called for the introduction of limits on annual rent increases linked to an inflationary measure, alongside longer tenancy security. This remains our position, but in times of high inflation it begs the question: which inflationary measure is it most appropriate to use? We think there is room to consider linking rental price regulation to wage growth.
- We are aware that the Committee has been looking at Built to Rent as part of this inquiry. In the past, Built to Rent has typically been at high end rents with luxury properties. If looking into this area, it could be helpful to consider the potential for reserving quotas at affordable social rent. The key is, in the long term, we need more genuinely affordable housing.