It's broke, let's fix it

Improving redress for private renters



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Summary

The government has stated its ambition to make consumer markets fairer. The Queen's Speech announced a green paper on consumer issues and a Tenants' Fees Bill: key opportunities to make this a reality. Disputes over disrepair in the private rented sector are still too hard to resolve. If the market is to work fairly for the growing number of private renters, simpler ways to resolve problems are essential.

Consumer rights when renting a home are more difficult to assert than in other consumer markets. Along with the cost, time and stress involved in formal routes to redress, tenants also face the threat of retaliatory eviction. As a result, it can be difficult to get repairs or refunds, or to leave a fixed-term contract - even when the landlord is acting unlawfully.

Other markets have seen improvements in redress. The Consumer Rights Act brought clarification, Alternative Dispute Resolution schemes have been expanded and automatic compensation is increasingly the norm for basic goods and services such as broadband. However, the Private Rented Sector (PRS) is not keeping pace with these changes.

With a fifth of England's population living in the PRS, including a growing number of families with children, it's vital to have effective measures in place to help tenants get repairs when things go wrong. This is a basic tenet of any functioning market - it improves the overall quality of the housing stock, enforces basic standards and protects tenants' health and safety. Our research finds that:

Many tenants are waiting for repairs that aren't fixed in a reasonable time. 41% of tenants have waited longer than is normally reasonable for repairs their landlord has a legal responsibility to carry out. Many of these instances are urgent repairs, or emergencies which threaten the tenant's health and safety.

Most tenants do not make use of formal routes to repair and redress. Only 5% of tenants who waited longer than is normally reasonable for repairs reported disrepair to their local authority's Environmental Health team. Only 1% applied to court to claim compensation.

Instead, they take risky, informal steps to fix the problem. 31% fixed the disrepair themselves, and 13% paid for the repairs out of their own pocket. A

¹ Based on national accreditation scheme timescales.

third (33%) did not take any action beyond complaining to their landlord or letting agent. 7% relocated, temporarily or permanently, due to the disrepair.

Low take-up shows that existing repair and redress processes aren't working. As a consequence, some tenants are left living with disrepair, paying for repairs that are their landlord's responsibility, or risking eviction.

To provide an effective route to repair and redress, the PRS needs to meet the standards of other markets and have:

- **Clear rights.** 35% of tenants say lack of knowledge about their rights to repairs makes negotiating with a landlord more difficult.
- **Simple process**. The time involved in taking a disrepair claim to court puts off just under half (45%) of tenants whose landlord took longer to complete repairs than is normally reasonable. More than half (54%) said the complexity of the process stops them.
- **Support throughout.** 7 in 10 tenants (71%) said they would find it helpful to have support when negotiating with their landlord.
- **No cost to tenants.** The cost of going to court stops 66% of tenants who experienced unreasonable delays from doing so the main reason cited.
- **Protection from eviction.** 44% of tenants we surveyed said fear of eviction would stop them from continuing to negotiate with their landlord over disrepair the most common reason cited.

Recommendations

1. Require certification that a property meets a national minimum health and safety standard before it is let out.

Standardising a minimum level nationally would help define what is acceptable, which can currently vary greatly across local authority boundaries as a result of local licensing.

2. Introduce Alternative Dispute Resolution for freestanding disrepair disputes between landlords and tenants in the private rented sector.

While court is the right platform for more complex disrepair disputes, ADR could offer a cheaper, timelier and clearer route to redress for many renters.

3. Enable tenants to leave a fixed-term contract early, without penalty, if their landlord fails to uphold their legal responsibilities.

If a landlord has breached their obligations and not rectified the breach within a reasonable time, tenants should have the right to end the tenancy with 28 days' notice. If the landlord's behaviour causes imminent danger of death or serious injury, the tenant should have the right to end the tenancy with 7 days' notice.

Research method

The Citizens Advice service covers England and Wales. Housing is a devolved matter and this report focuses solely on England.

This report uses a mix of qualitative and quantitative methodologies:

- Survey that is nationally representative of private renters. This explored attitudes and experiences of tenants when there is disrepair in their home, and when they have disputes with their landlord. Sample size was 762 Private Renting Adults in England (18+). Fieldwork was undertaken between 10th March 17th March 2017. The survey was carried out online. Citizens Advice carried out their own analysis of the data supplied by YouGov.
- Network panel of 187 advisers. We also conducted a more in-depth online survey with 54 Citizens Advice advisers exploring similar issues
- Analysis of Citizens Advice data: the issues we have advised on relating to private renting and legal issues, and online trends for these areas.

This report includes data from the Citizens Advice network in England. Last year, the Citizens Advice network helped 2 million people with 5.7 million issues. In addition, our website pages had 36 million visits. Nearly 75,000 people have come to Citizens Advice in England over the past 12 months with a private rented sector issue.

Case studies

Throughout the report we tell the stories of tenants helped by Citizens Advice, gathered from anonymised notes from advice sessions. We also carried out 3 more detailed interviews with private renters who have had extended disputes over disrepair. Direct quotes from these 3 tenants are included throughout the report. Their stories are summarised below:



Jo² is in her 40s, suffers from several mental health problems and has a disability. She moved into a flat in South England and quickly noticed problems including mould, faulty windows and unstable floorboards. More problems developed as the weather changed. Over the 12 month tenancy, Jo developed a chest infection, was electrocuted and suffered a nervous breakdown. She was also repeatedly verbally abused by the letting agent.

Environmental Health negotiated informally with the letting agent without success, and did not issue a formal notice for improvement. Jo was served with three Section 21 eviction notices and an invalid Section 8 notice, and

² All names used in this report have been changed.

was eventually evicted at the end of her fixed term. She believes this was in response to her complaints about disrepair.



Shafeeq is in his 60s and has multiple disabilities. He used to own a home, but started renting when he moved to the South West to retire, a region he'd always loved. When he viewed the property he said, "it was fabulous, it was the most idyllic Cornwall cottage."

Not long after moving in, Shafeeq faced a string of problems. There was no heating, the drains repeatedly blocked, and the home was infested with rodents and other pests because of holes in the roof and walls. Because the landlord failed to take action, Shafeeq paid more than £10,000 towards essential repairs and is now seeking redress through the courts.



Dina is a Londoner in her 20s who has privately rented all her life. Last year she moved into a property in serious disrepair. The letting agent had assured her the problems would be fixed, but this didn't happen. After a month, Dina moved out. She lived at a friend's for 3 months before moving into a flat run by an institutional investor, which developed a serious sewage leak. The property manager failed to address the problem quickly, leaving Dina there for 3 days. After temporarily vacating the flat she returned, but the effect and stench of the leak remained. As Dina has been recently made redundant, and therefore has no recent payslips, she is not able to move.

We would like to thank the private renters and advisers who were interviewed, as well as those who contributed to surveys. A particular thank you to the local Citizens Advice that helped organise interviews.

1. Redress in consumer markets

Our evidence points to a consumer market leaving tenants facing disputes over disrepair because of inadequate ways to solve problems. Consumer rights to redress when renting a home are less easy to assert than when renting or purchasing other goods. As a result, it can be difficult to get repairs or refunds, or to leave a contract, even when the landlord is acting unlawfully.

The Queen's Speech highlighted the government's intention to make markets work fairly for consumers, both through a green paper on consumer issues and the Tenants' Fees Bill. Redress is central to fair markets and the PRS is one of the most important consumer markets of all. Not tackling redress over disrepair impacts people's health and wellbeing as well as their pockets.

The role of redress

Whether you're paying for flat-pack furniture or a flat, you expect certain standards to be met. If the product is not fit for purpose on purchase, or if it breaks, you expect to have it replaced, repaired or refunded.

Having a simple, accessible and efficient way to solve problems when they do occur is essential in all consumer markets. It enforces basic standards, protects consumer safety and drives up quality. Without a simple way to solve problems, rogue traders can thrive.

This is even more important if that consumer good is also your home. While a faulty toaster may ruin your morning, disrepair can have serious, long-term effects on your health and well-being.

On top of this, renting privately is a major consumer expense, with the average private renting couple spending about half their salary on rent.³

Our data shows a market functioning poorly

Evidence from our local Citizens Advice points to widespread problems getting repairs carried out. We advised on **16,000 repairs and maintenance issues** in the PRS in the past year - the most common advice need among private renters. The issues they face are varied, but highlight common difficulties getting repairs carried out and subsequent problems with accessing redress.

³ DCLG, <u>English Housing Survey 2014-15</u>, February 2016. As cited in the <u>Housing white paper</u>, February 2017.

There are initial hurdles for some tenants even to report disrepair and get an adequate response. As one adviser put it,

"Often just getting through to letting agents is a major issue for clients. Often they are unaware of who their landlord is or more commonly how to contact them directly."

Dina, a Citizens Advice client and one of our interviewees, experienced this problem:

"I just kept emailing and emailing them [the letting agent]. Calling them every day. They were really rude, they were not taking my calls anymore, they were not replying to emails."

If a tenant does get through to their landlord or letting agent, but they refuse to carry out the repair, often tenants simply don't know what to do next. A common reason for private renters visiting Citizens Advice is to find out their options - 1 in 10 tenants (11%) sought independent advice if their landlord took longer than normally reasonable to fix disrepair.



Mal rents a flat in the South West. When he moved in, the property was very dirty, with a broken window and bathroom ceiling. These had not been repaired in advance of his moving in, although he had been assured they would be. Mal has been chasing the landlord and letting agency about these issues but they are refusing to carry out the repairs. He doesn't know what to do about his situation and is frustrated by the behaviour of his landlord.

These problems are more widespread than the Citizens Advice service. Nationally, unsafe homes remain a persistent problem. While the proportion of privately rented properties that are non-decent has dropped (from 47% in 2006 to 28% in 2014), the actual number has increased (from 1.1 to 1.2 million) because of the growth of the sector.⁴ One part of this picture is tenants facing systemic problems with getting repairs carried out. The legislation and consumer rights in this area highlight some of these problems.

While the Consumer Rights Act 2015 cemented and strengthened consumer rights, these rights don't always translate clearly to private renters. Housing law offers similar protections, but these are dispersed across a number of pieces of legislation and years of case law. This makes it hard for tenants to understand their rights or act on them.

⁴ DCLG, English Housing Survey 2015-16, March 2017.

Enforcement

Because of these difficulties, a clear and accessible route to redress is essential.

In many consumer markets, Alternative Dispute Resolution (ADR) schemes provide this. These schemes independently mediate between the consumer and the trader, forming a mid-point between a business' internal complaints process and the courts.

The PRS is not a regulated sector and there is no mandatory ADR scheme for private landlords. This differs from letting agents, housing associations and local authority landlords, who are all required by law to join an ADR scheme. Landlords are ultimately liable for disrepair, so even if a letting agent is managing a property, letting agent redress schemes cannot adjudicate over these cases. Private landlords can choose to join The Housing Ombudsman, which mediates on all social landlords' disrepair disputes, but few do. While there are 4.8 million privately rented dwellings in England,⁵ fewer than 24,000 of them are covered by ADR for disrepair disputes.⁶

This means private tenants are largely reliant on local authorities and the court system to enforce their rights regarding disrepair. This is problematic for a number of reasons.

Local authorities have limited resources. As a result, they are largely reactive - rather than proactive - in response to disrepair and only tend to tackle the most serious cases. There are also some disrepair issues that local authorities do not have a duty to tackle because they fall outside of their remit or are considered insufficiently serious.

This means court can be the only way to get some repairs enforced and is the sole way to get compensation granted. Previous Citizens Advice research has found that consumers are unlikely to take cases to court, even when they have a legal right to do so.⁷

⁵ DCLG, <u>Dwelling Stock Estimates: 2016, England</u>, April 2017.

⁶ Housing Ombudsman Service, <u>The Housing Ombudsman Annual Report and Accounts 2015-16</u>, July 2016.

⁷ Citizens Advice, <u>Consumer detriment: counting the cost of consumer problems</u>, September 2016.

2. Waiting for repairs

Our research indicates that 2 in 5 tenants (41%) have waited longer than is normally considered reasonable for repairs to be carried out in their home.

Landlords are legally responsible for fixing certain types of disrepair, including most structural, electrical and sanitary issues, in a reasonable time. We explored how many tenants are likely to have waited longer than they normally should for these types of disrepair to be fixed.

How many tenants experience disrepair?

- 64% of tenants have had a disrepair issue in the past 4 years that their landlord was responsible for fixing.
- 40% of tenants have experienced disrepair in the past 4 years that had a major impact on their level of comfort, for example loss of hot water.
- 13% of tenants have experienced disrepair in the past 4 years that was a serious risk to their health or safety, for example a serious electrical fault.

How quickly should repairs be fixed?

Landlords have a legal duty to fix certain repairs in a 'reasonable time', from the point the tenant notifies the landlord. Determining the reasonable timescale for fixing a specific repairs issue depends on the severity and impact on the tenant, and can only be definitively determined by a tenant taking a disrepair case to court.

For the purposes of this research, we looked to national accreditation schemes. These set out expected timescales for landlords to carry out repairs under normal circumstances, from the point they are notified of the problem:

| | Significant risk of danger to the health, safety or security of a tenant | convenience of | Less urgent repairs / all other repairs |
|---|---|----------------|---|
| Residential landlords association accreditation scheme ⁹ | 24 hours | 3 working days | 20 working days |

⁸ This is based on Section 11 of the Landlord and Tenant Act 1985, which requires landlords to keep in repair the structure and exterior of the house, installations for water, gas and electricity supply, and for sanitation, heating and hot water.

⁹ RLA, <u>RLAAS Management Code of Practice for Landlords</u>, 2013.

| National landlords association accreditation scheme ¹⁰ | No timescale set out | 3 working days | As soon as practicable |
|---|----------------------|----------------|---------------------------|
| Private Rented Sector Accreditation scheme ¹¹ | 24 hours | 3 working days | 28 working days |

In some instances there will be legitimate reasons for taking longer or for acting more quickly. For instance, it could be reasonable to expect it to take longer than usual to carry out significant structural repairs such as replacing a roof. Similarly, a reasonable time period could be shortened, for instance to fix broken heating if temperatures are low.

Based on the timescales set out in national accreditation schemes, we used the following timescales in our research:

| Emergency repairs Serious risk to ten health and safety serious electrical | ant's e.g. | Urgent repairs: Major impact on tenant's level of comfort, e.g. loss of hot water | Other repairs: All repairs the landlord is legally responsible for |
|--|---------------|---|--|
| 24 hours | | 3 working days | A month |

These timescales were applied from the point that the tenant notified their landlord of the problem.

How quickly are repairs fixed in practice?



2 in 5 tenants have waited longer than is normally reasonable for repairs **41% of tenants** have had disrepair in the past 4 years that their landlord was responsible for, which wasn't fixed in the above timescales. That translates to **1.85 million households** that have waited longer for disrepair to be fixed than is usually considered reasonable, according to national accreditation schemes.

¹⁰ NLA, NLA Code of Practice, April 2017.

¹¹ PRS Accreditation Scheme, <u>Code of Conduct</u>, accessed 10/07/2017.

Our research looked at whether tenants were waiting too long for basic, urgent or emergency repairs. A number of tenants had problems across more than 1 of these categories.

We found that tenants were most likely to wait longer for their landlord to complete a basic repair than is normally reasonable. However, our research also found that some tenants are waiting too long for urgent and emergency repairs. In these cases, the continuing disrepair is likely to have a significant impact on the tenants' quality of life or even put their health and safety at risk:



33%waited longer
than a month
for their landlord
to fix a repair



29%
waited longer
than 3 working
days for their
landlord to fix an
urgent repair



11% waited longer than 24 hours for their landlord to fix an emergency repair

3. Fixing the problem

A large number of private renters who have waited longer than they normally should for repairs do not seek formal redress. An extremely small number go to court. More tenants take risky steps, such as withholding rent or fixing the disrepair themselves. This points to a flawed redress system and the need for reform.

Tenants who have waited longer than they normally should for disrepair to be fixed take a range of actions in response:

35% 31% 30% 25% 20% 15% 13% 9% 10% 5% 5% 1% 0% Arranged and Arranged the Contacted Negotiated a Withheld rent Contacted a Fixed the Applied to landlord disrepair paid for the repairs and Environmental rent reduction court for themselves. repairs deducted the Health association compensation costs from rent

Figure 1: Actions taken by tenants who waited longer than would normally be considered reasonable

Private Rented Sector Redress Survey March 2017: YouGov for Citizens Advice. Base: 762

Court

If a landlord is taking unreasonably long to carry out repairs, tenants can apply to the local county court. The courts can award compensation and order landlords to carry out uncompleted repairs.

At Citizens Advice, **6% of private renters** who got advice on a repairs and maintenance issue in the past 12 months also received legal advice, most commonly on Small Claims processes. This is where smaller disrepair claims are

conducted. Our Small Claims webpages have been viewed **more than half a million times** over the past 12 months.



1% applied to court with a disrepair

But very few of our clients - and of tenants more widely - take cases to court. In our sample of tenants whose landlord had taken longer than they normally should to complete a repair, only **1% had involved the courts**.



Vulnerable tenants, as many of Citizens Advice's clients are, are often less able to successfully engage with the court process. One of our interviewees, Shafeeq, went to court to claim damages for disrepair. Shafeeq has multiple disabilities which impact on his day-to-day life, and he found that the court system was not set up to support him effectively. As well as making his experience of court more difficult, Shafeeq also felt this hurt his chances of being awarded compensation. Reasonable adjustments weren't made to cater for his needs, for instance court hearings were held at unsuitable times of the day, even following several doctors' letters setting out his needs. This made it difficult for him to attend hearings and was unnecessarily detrimental to his wellbeing.

Other routes to redress

Though the number of tenants going to court is extremely low, this could be because other options - formal or informal - are working for tenants. However, our evidence suggests this is not the case.

Applying to Environmental Health

Local authorities are responsible for the health and safety of properties in their area, even if they are privately let, through their Environmental Health department. Not all disrepair issues that a landlord is legally responsible for fixing will fall under Environmental Health's duties, but some will. In these cases, tenants can apply to Environmental Health for an inspection of their home.

Only **5% of tenants** who waited longer than they should for repairs reported the problem to their local authority's Environmental Health team. This finding

reflects our experience advising clients. Councils can force landlords to carry out repairs by issuing notices, but our advisers find that local authorities can be reluctant to take action:

"Local councils rarely raise improvement notices - [they are] costly and time-consuming" - Citizens Advice adviser

"Often the Council inspects the property and declares it is not in a Category 1 hazard status" - Citizens Advice adviser

Councils have a duty to act where a property has a Category 1 hazard - the most serious kind. They have the power - but no duty - to act where a property has a less serious hazard, classified as Category 2. Our interviews showed how hard it can be for tenants to get an Environmental Health notice.



Jo first went to Environmental Health less than a month into her tenancy. Environmental Health negotiated with the landlord informally, and were able to speed up the replacement of some faulty windows. However, disrepair problems continued to develop. The window replacement had created new problems and, as the weather heated up, the window ledge started to wobble up and down. In April 2016, an electrical fault caused the cooker switch and overhead lighting to fail, the floorboards began moving up and down, and the immersion heating broke several times.

Environmental Health returned to inspect the flat formally in July 2016, in response to a contested Section 21 notice. However, while their report found a number of problems, no single issue was severe enough to qualify as a category 1 or 2 hazard. This meant Jo wasn't protected from eviction - despite the long history of disrepair at the property.

Negotiating a reduced rent

The threat of court action or other formal interventions, can lead to landlords informally offering compensation. However, our survey found that **only 4% of tenants** whose landlord hadn't fixed disrepair in a reasonable time had managed to negotiate a reduced rent.

Contacted a landlord association

Landlord associations can deal with complaints about their members, offering resolutions or even removing the landlord as a member. Only a minority of

landlords are a member of a landlord association, so for many tenants this is not an option. In addition, some tenants may be unaware that their landlord is a member. Of the tenants who had waited longer for repairs than is normally reasonable, **3% contacted a landlord association**.

This means that only **12% of tenants** who had disrepair that wasn't fixed promptly took formal action via their council, court or a landlord association, or managed to negotiate a reduced rent.

Riskier ways to tackle disrepair

Our research has found that tenants are more likely to pursue other approaches, which can put the tenant, and potentially other properties, at risk.

Arranging repairs independently

Our research found that **3 in 10 tenants (31%)** whose landlord had not fixed disrepair in a reasonable time have fixed the disrepair themselves. This potentially leaves the tenant out of pocket. In this situation, the tenant is also responsible for the quality of the work, meaning that the tenant is left covering the cost if anything goes wrong. More than **1 in 7 tenants (13%)** have arranged and paid for repairs themselves at a median expense of £150, with a quarter **(24%) of these tenants spending £500** or more. The amounts spent by tenants can reach the thousands:



Bea and her family lived in a privately rented property in the South East for several years. During that time, they made numerous complaints to the landlord about disrepair, a lack of central heating and resulting damp. The family eventually undertook the repairs themselves, costing them around £10,000. They have not received any compensation for either the cost or the inconvenience of the repairs.

Doing nothing

A third (33%) of those whose landlord took longer than is normally reasonable to carry out a repair did not take any action beyond complaining to their landlord and letting agent. This leaves the tenant living with disrepair, in some cases with health and safety risks. This may be more common where tenants are in a fixed-term contract, and therefore liable for the rent for the remainder of the contract.

Withholding rent or deducting costs from rent

Almost 1 in 10 (9%) arranged the repairs and deducted the costs from their rent, and 4% withheld rent as a result. In both cases tenants are potentially putting themselves at risk of eviction for rent arrears. This is an issue a number of our advisers have highlighted as a concern.



Harry lives in the North East and receives Employment and Support Allowance because of his disability. He has requested his landlord repair his accommodation which has damp. The damp has damaged his health and his belongings, and he is awaiting a visit from Environmental Health. The client has withheld his rent because of the disrepair and has now received notice from his landlord that he will be evicted. He has since reported feeling suicidal.

Relocating

Some tenants choose to move, or are forced to, because of disrepair. Our survey found that **6% of tenants had moved out**, either temporarily or permanently, as a direct result of disrepair. Where tenants are in a fixed-term contract, they face being liable for months of rent. In the worst scenarios, people are made homeless because their home becomes uninhabitable. In the past year, **a third of our advisers (35%) helped clients who became homeless as a result of disrepair.**



Annie and her young child lived in a rental property in the South East. While works were being carried out on the building she was left without hot water for 12 days and there were additional health and safety concerns with the property. As a result of the state of the property, Annie and her young child are currently sofa-surfing.

Many tenants are choosing informal ways to resolve disputes rather than pursuing formal routes, often leaving the tenant out of pocket or at risk of eviction. This shows that the redress system isn't working for tenants.

4. Bringing renting in line with other consumer markets

Accessible routes to redress are integral to fair consumer markets. In this respect, the PRS falls short of other consumer markets by being over-reliant on the courts and overstretched local authorities. Based on our research with private renters, advisers and clients, 5 areas stand out as vital for improving renters' ability to resolve disputes over disrepair:

- 1) Clarity of rights
- 2) Simplicity of process
- 3) Support throughout
- 4) Free access for tenants
- 5) Protection from eviction

1) Clarity of rights

"I had no clue about my rights... it's only when you're involved with it that you learn... I was without a computer... [so] I went to the courts... [and] the library, I did research. I've got massive reams on landlords' rights, on tenants' rights... I've been obsessed". - Shafeeq, 60s, South West

Basic information about tenants' rights to repairs is often inaccessible. Understanding what processes are in place when things go wrong can be daunting.

Lack of knowledge of rights to repairs makes negotiating with a landlord more difficult for more than **a third of tenants (35%)**. We know this affects vulnerable people, such as those we advise, more negatively. More than **7 in 10 Citizens Advice advisers (72%)** thought that not knowing their rights stops clients from being able to negotiate with their landlord.

2) Simplicity of process

"[The adviser] was saying if you're going to take them to court you want to get a lawyer. I didn't know where to get a lawyer from, or how much a lawyer should cost... That's what was worrying me about going to court, I just didn't have a clue about that sort of thing... [I] lost a month of my life. I just remember feeling how lucky I was that my job was so flexible and that I could get away with all that time it took sorting it out." - Dina, 20s, London

Private renting redress can be exceptionally complex. Environmental Health's risk-based categorisation is difficult to disentangle, and if a tenant wants to know how much they may receive in compensation from a court, they have to get legal advice, usually at a cost.

People lead busy lives. Consumer markets' dispute resolution processes should take this into account by being as simple as possible. We found that the time involved with taking a disrepair claim to court puts off just under half of tenants (45%) who waited unreasonably long for repairs, while **more than half (54%)** said the complexity of the process stops them.

3) Support throughout

"In terms of help with writing emails, if you don't have a good command of the English language, or if you're younger or if you're older or whatever, if you can't use a computer – I don't know – then you're going to be done. I was lucky, very lucky, that I won't accept it and that I've got people that helped me." - Dina, 20s, London

Many tenants struggle to advocate for themselves, even once they have been informed of their rights. **3 in 10 tenants (31%) don't feel confident negotiating** with their landlord - a first step in getting repairs done. **7 in 10 tenants (71%) would find it helpful to have support when negotiating**. Those we interviewed relied on support from both advice organisations and family and friends. Dina received lots of help from a friend who she described as "very good at complaint emails". Shafeeq was also heavily reliant on the help of a nearby relative, who negotiated with the landlord when he was unwell.

With more formal redress, support is even more vital. **Less than a quarter of tenants (23%) feel confident applying to court** and only a third (34%) feel confident applying to Environmental Health for an inspection. More than a quarter of tenants (26%) who waited longer than is usually reasonable for repairs said that difficulty completing court forms and other paperwork stopped them.

4) Free access for tenants

"[I thought] I can't be handing over my life-savings... putting up with all of this... I've always looked after my money, been taught how to manage my money... It's so hard to lose your money like that when you're in later life." - Shafeeq, 60s, South West

The main reason cited by tenants for not pursuing a court claim was cost. Shafeeq, who paid over £1,000 in court and solicitor fees, found the cost of going to court crippling, both financially and emotionally, describing himself as "basically broke". **The costs stopped two-thirds of tenants (66%)** who'd had disrepair that wasn't fixed in good time from going to court.

Legal aid eligibility was severely restricted for housing disrepair cases in 2013. These limitations are seen as a major barrier for many of our clients:

"Few [Citizens Advice clients] can access legal advice due to the expense, proximity of legal aid and strength of case required for legal aid funding." - Citizens Advice adviser

5) Protection from eviction

"There is this thing now of 'Shut up, don't complain, don't talk about disrepair, don't report disrepair, or you're going to get thrown out" - *Jo, 40s, South England*

A basic requirement for an effective redress system is that tenants feel able to use it. Without security for tenants when they raise a disrepair issue, this is difficult, if not impossible. Along with the very real danger of homelessness, moving is expensive, time-consuming and stressful. This creates a powerful disincentive to speak up about disrepair, particularly for the most vulnerable.

The 2015 Deregulation Act protects tenants from retaliatory eviction in cases where the local authority's Environmental Health team has issued the landlord with a formal notice. However, this protection only lasts for 6 months, and such action is only taken in very specific, very severe cases of disrepair.

Tenants don't think the current system is adequate or fair. Our research found **92% think they should be protected from eviction if a landlord hasn't fixed repairs in a reasonable time.**

Fear of losing their home affects many tenants. Of the tenants we surveyed, **44%** said fear of eviction would stop them from continuing to negotiate with their landlord over disrepair - the most common reason cited.

Conclusion

The government is right to focus on making markets fair for consumers. Accessible and effective redress is an essential part of achieving this aim. The Queen's Speech commitments to the Tenants' Fees Bill and a green paper on consumer issues are key opportunities to act on this. The government should bring the PRS in line with other consumer markets, recognising the importance of the sector as the home of a growing proportion of the population.

Our recommendations set out 3 clear steps the government could take to improve the private rental market. This package of measures would improve the quality of homes placed on the market and speed up the rate at which disputes over disrepair are solved.

Recommendations

Improve the standard of homes on the lettings market

1. Require certification that a property meets a national minimum health and safety standard before it is let out

This certification would sit alongside existing provisions, such as gas and electrical safety and fire safety compliance. Certification would reduce the number of hazardous properties being let out, freeing up capacity for local authorities to tackle the remaining poor quality housing in their area. Defining a minimum level nationally would also help standardise what is acceptable, which can currently vary by local authority as a result of local licensing.

Make it easier to resolve disrepair disputes

2. Introduce Alternative Dispute Resolution for freestanding disrepair disputes between landlords and tenants in the private rented sector

The green paper on consumer issues should explore the potential for ADR to be made mandatory across the private rented sector. As other consumer markets shift increasingly towards non-court based dispute resolution, the PRS appears increasingly behind the times. As in other consumer markets, ADR would serve as a complement to court, rather than a replacement. More serious or complex cases should remain within the court system, for instance where there are counterclaims. Existing ADR schemes, such as the deposit protection schemes or Housing Ombudsman, could be expanded. Alternatively, the government could

fund a national mediation service. ADR would also provide an opportunity to further protect tenants from retaliatory eviction, with legitimate claims leading to protection in a similar way to existing retaliatory eviction legislation.

Enable tenants to move out of poor quality homes

- 3. Enable tenants to leave a fixed-term contract early, without penalty, if their landlord fails to uphold their legal responsibilities.
 - If the landlord has breached their obligations and not rectified the breach within a reasonable time, the tenants should have the right to end the tenancy with 28 days' notice
 - If the landlord's behaviour causes imminent danger of death or serious injury, such as not repairing Category 1 hazards in a reasonable time, the tenant should have the right to end the tenancy with 7 days' notice

Many countries have built in provisions so that tenants can terminate a tenancy where a landlord breaches their legal responsibilities and does not fix the problem in a reasonable time. English tenants struggle to do this in practice, even where there are serious health and safety concerns. This means that, while a landlord can evict a tenant for breach of agreement at any point during a tenancy, tenants can find themselves trapped in unsafe or sub-par properties if their landlord breaches the agreement until the fixed-term is concluded. Allowing tenants to leave in these circumstances, as is already the case in Ireland, would protect tenants and improve responsiveness within the sector. The government should use the opportunity presented by the Tenants' Fees Bill to introduce this right for tenants.

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