

# Affordable and decent homes for Londoners

How the next Mayor can solve London's renting crisis





### London Renters Manifesto

#### Introduction

On Thursday 6 May, voters in Greater London will elect the Mayor and members of the London Assembly.

The UK is experiencing a renting crisis, and nowhere is this more apparent than London.

Over two million Londoners are private renters, facing high rents, unsafe and even dangerous conditions, all in the knowledge that they can be evicted by their landlord at just two months' notice. Lack of suitable affordable homes in the private rented sector (PRS) is fuelling the unacceptable rise in homelessness and temporary accommodation in the Capital.

More than 1 in every 100 households in London live in temporary accommodation.<sup>1</sup>

This manifesto sets out a plan for the next Mayor to tackle the renting crisis and ensure London renters have access to safe, secure and genuinely affordable homes. Generation Rent is calling on the next Mayor of London to commit to:

 Take action to reduce rents
End the temporary accommodation scandal
Regulate sham holiday lets
Take action on illegal evictions
Back our national calls

on renters' rights

## Delivering affordable and decent homes for Londoners

#### 1. Take action to reduce rents

London is one of the most unaffordable cities in the world, with private renters in London spending nearly half (46%) of their income, on average, on rent.<sup>2</sup>

High rents force renters into poverty and make it almost impossible to save towards the future. No one should have to spend more than 30% of their income on rent, and Londoners urgently need bold action to make renting more affordable. Investment in housebuilding is needed to make renting more affordable long-term, but rent controls would offer immediate protection and relief.

Currently the mayor does not have power to control rents directly. The next Mayor must build the evidence base and develop the case for measures that will ensure rents are affordable and lead a campaign for the Government to devolve the powers the GLA needs to implement them.

Drawing from qualitative research using our Renters Panel<sup>3</sup>, Generation Rent is calling on the Mayor to pledge to introduce:

- Measures to freeze rents within tenancies, to ensure tenants cannot be forced out by an unforeseen rent rise.
- A rent control system in London which goes further than simply capping rent increases and aims to reduce rents overall.
- A clear and transparent system, linked to the quality of the home provided, to ensure standards are not reduced as a result.
- Tough penalties including Rent Repayment Orders for landlords who break the rules, and the Mayor must introduce a city-wide Rent Control Board to oversee and enforce this.

2. End the temporary accommodation scandal

#### In the last 5 years, the number of London households living in temporary accommodation has increased by almost a third (29%).

As of 2020, 62,670 households, including 89,850 children, were living in temporary accommodation, often for years on end.<sup>4</sup> This shocking rise is a direct result of the lack of affordable rented housing, either in the private or social sector. The end of a private tenancy is currently the most common cause of homelessness. A lack of secure and affordable rented housing in London has made more families homeless and made it more difficult to move on from temporary accommodation into the private rented sector.

The next Mayor must commit to building a minimum of 60,000 new homes at London Affordable Rent to ensure that no Londoners are forced to live in temporary accommodation for more than 6 months before moving to a permanent home. The Mayor should use their powers to designate land for specific uses to allocate land solely for this purpose, which would remove competition with speculative for-sale developments and improve the viability of affordable developments.



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3. https://www.generationrent.org/rent\_control\_what\_london\_renters\_think

<sup>2. &</sup>lt;u>https://www.trustforlondon.org.uk/data/rent-affordability-borough/</u>

<sup>4.</sup> https://commonslibrary.parliament.uk/research-briefings/sn02110 and https://www.localgov.co.uk/Nearly-90000-children-set-to-spend-Christmas-in-temporary-housing-warns-London-Councils/51566

#### 3. Regulating sham 'holiday' lets

#### As many as 1 in 50 properties listed for rent in London in early 2020 were Airbnb-style 'short' lets.<sup>5</sup>

The growth in short term lets contributes to the housing shortage and results in fewer homes becoming available for renters in London, pushing up rents. Despite the 90-day limit for short lets in London, many hosts illegally list properties year-round, often setting up duplicate accounts on listing sites. The next Mayor must take urgent action to clamp down on this unregulated market and ensure homes are available for those who need them. Mandatory data sharing with local councils' enforcement teams would enable councils to monitor and crack down on sham holiday lets. Londoners need homes, not hotels.

#### 4. Action on illegal evictions

Illegal eviction is a crime – landlords cannot legally change the locks, harass or otherwise force a tenant to leave their home.

But many police officers lack the training required to recognise illegal eviction and act, as it is often mistaken for a civil matter. Too often, tenants report calling the police for support, only to have the police unable to help them.

The Mayor of London oversees the Metropolitan Police and has powers similar to Police and Crime Commissioners elsewhere in England and Wales. Generation Rent is calling on Police and Crime Commissioners to improve training in the Protection from Eviction Act for their officers and call handlers, record all incidents involving landlords and renters, and work directly with councils to prevent illegal evictions and prosecute criminals.<sup>6</sup>

5. <u>https://www.londoncouncils.gov.uk/press-release/22-january-2020/%E2%80%98one-50%E2%80%99-london-homes-potentially-used-short-term-let</u>

6. Read more here: <u>https://www.generationrent.org/pcc\_manifesto\_2021</u>



## Back our national calls on renters' rights

The next Mayor must play a central role in campaigning for transformative change at a national level.

#### Open-ended tenancies and an end to unfair evictions

Security of tenure in England is among the worst in Europe: Tenancies are as short as six months and the government has yet to make good on its pledge to end Section 21 'no fault' evictions. Eviction from the private rented sector is the leading cause of homelessness.

To ensure that London renters have the security to build a stable life, the next Mayor must call on the Government to introduce open-ended tenancies that offer renters protection from eviction. Landlords should only be able to end a tenancy in very limited circumstances, and relocation payments should be made to tenants who are evicted without being at fault. If the tenant wishes to stay in the property, landlords who wish to sell should sell with the tenant in situ.

#### A national register of landlords

Many London councils lack the information and resources to identify and prosecute criminal landlords; presently, many local authorities do not even know the true number of landlords operating in their borough.

The Mayor must call on Government to introduce a national register of landlords. A register would mean all landlords would be required to register and provide basic information such as address, rent, type of let, number of tenants, tenancy start date and end date. Landlords would also have to provide documents that prove the property is decent and safe, such as an energy efficiency rating, gas and electricity certificates. The requirements would apply to lets of all types, including short term holiday lets. The register would be made available to local authorities, and members of the public could check if a rented property is registered, what type of let is permitted and who the landlord is by searching online. Renting out a property without being registered would be a criminal offence.

#### **Ringfenced funding for enforcement**

London councils are tasked with enforcing standards in a rapidly growing private rented sector in the face of budget cuts.

London councils need increased funding, specifically, ring-fenced annual budgets instead of piecemeal "rogue landlord" grants. Annual ring-fenced budgets would enable council enforcement teams to plan for the future, rather than relying on small, unreliable pots of money. The next Mayor must take an active lead on campaigning for the money councils need from Central Government to keep renters in London safe. Alongside this, the Mayor should develop a London-wide Skills Strategy for enforcement and environmental health specialists, to enable councils to consistently deliver best practice enforcement and use existing resources efficiently.

### Generation Rent's mission is that every home in the private rented sector is safe, secure and affordable.

#### **Generation Rent**

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