

# A New Deal for Renters

Greater Manchester's trailblazing package of housing reform

June 2023



# Foreword

It is common political ground that this country faces a housing crisis. This has been true for most of this century, and the depth and severity of the crisis was made more stark and more obvious through the Covid-19 pandemic and the lockdowns and restrictions which ensued.

In the words of our Greater Manchester Independent Inequalities Commission “Decent housing is the most basic necessity for a good life yet stark inequalities in housing quality have been exposed and amplified throughout the pandemic year and during lockdowns.”

So it is time to ask whether the accumulation of plans, strategies, policies, programmes, standards and regulations that Governments have collectively given us – the housing system – is really delivering for the people of the UK, and for Greater Manchester in particular.

For Greater Manchester, our Trailblazer Devolution deal with Government offers opportunities to rethink how the system is wired and whether it has all the components it needs, and to start rebuilding it to deliver better outcomes for tenants, for landlords, and for local communities.

A safe, warm and secure home underpins people’s ability to build a better quality of life, it improves health and enables people to maintain independence. A healthy home is fundamental to a society where people can grow up, get on and grow old. We must use the Trailblazer Devolution deal to help make that a reality for everyone in Greater Manchester, to invent and deliver new solutions where previous and current tools have failed.



**Andy Burnham**

**Mayor of Greater Manchester**

# 1 Challenge and Ambition

1.1. Greater Manchester's experience of the national housing crisis means that too many of our residents face challenges with:

- **Housing quality:** poor quality or badly maintained homes that impact on their health and wellbeing to sometimes tragic effect as we have seen with the death of Awaab Ishak in Rochdale, but are also nowhere near where they need to be given that around a third of our carbon emissions come from our homes. Experimental official data published for the first time this month by the Department for Levelling Up, Housing and Communities shows that in 2019 almost 12% of all homes in Greater Manchester have a category 1 health and safety hazard, and over 17% did not meet the current Decent Homes standard. In the private rented sector, these rise to more than 15% with a category 1 hazard and over 26% non-Decent.<sup>1</sup>
- **Housing costs:** the rising costs of rent and mortgages are a key element of the cost of living crisis in Greater Manchester, and the support available from the welfare system doesn't provide an adequate safety net for too many of our residents, even though almost 290,000 households now rely on Universal Credit or Housing Benefit to help with their housing costs, at a cost of over £1.5 billion per year.<sup>2</sup> In the time since Local Housing Allowance rates were frozen in April 2020, private rents in Greater Manchester have risen faster than ever on record. ONS statistics show rental growth for all tenancies at an unprecedented 4.8% in the North West in the year to April 2023<sup>3</sup>. Research conducted by Dataloft in 2022 found that rents on new tenancies are rising much faster, up 12% across Greater Manchester between April and October 2022. The research also found that only 4% of new tenancies in Greater Manchester were affordable within Local Housing Allowance rates. This contrasts with the 30% of

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<sup>1</sup> DLUHC, *English Housing Survey: local authority housing stock condition modelling*, 2019; June 2023.

<sup>2</sup> DWP StatXplore, *Housing Benefit - Data from April 2018 and Households on Universal Credit*, February 2023.

<sup>3</sup> ONS, *Index of Private Housing Rental Prices, UK: April 2023*

properties that were affordable within Local Housing Allowance rates when they were frozen less than three years earlier.<sup>4</sup>

- **Housing availability:** fundamentally, we don't supply enough of the homes we need, where we need them, at costs people can afford to pay. We have only managed to deliver more than 10,000 net additional dwellings in a year six times in the last 20 years. Net additional dwellings stood at 11,354 in 2021/22, with 2,036 of those completions being affordable housing.<sup>5</sup>
- **Housing access:** there are too many people falling through gaps in the safety net who simply can't find a stable roof over their head, and find themselves homeless or at risk of homelessness as a result – while we continue to sell off vital assets cheaply through Right to Buy There are 69,000 households on social housing registers in Greater Manchester, of which 33,000 are in a 'reasonable preference' category meaning they may be in housing need due to homelessness or the risk of homelessness, overcrowding or insanitary property conditions, or due to medical reasons (among other circumstances).<sup>6</sup>
- **Housing inequality:** these challenges fall disproportionately on people and communities who face discrimination because of who they are, or because of the generation they have been born into. For example, the 2021 Census shows that in Greater Manchester, 22.5% of households from black backgrounds, 28% of households from other ethnic groups, 35% of households from mixed ethnic backgrounds and 57% of households from Asian backgrounds are homeowners, compared to 62% of white households. The average first time buyer in Greater Manchester is 31 years old, an increase from 29 in 2011.<sup>7</sup>

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<sup>4</sup> Dataloft research for GMCA, November 2022.

<sup>5</sup> DLUHC Statistical Dataset: *Live Table 122: housing supply; net additional dwellings, by local authority district, England, 2021-22, Live Tables 1006-1009: Affordable Housing Supply Statistics, 2021-22.*

<sup>6</sup> DLUHC, *Local Authority Housing Statistics dataset, England 2021-22: Section C – Allocations.*

<sup>7</sup> ONS Census 2021, *Tenure by ethnic group - Household Reference Persons – customised*, March 2023.

- 1.2. Our ambition is to get from where we are now to the point where everyone in Greater Manchester lives in a home that is safe, secure, affordable, healthy and environmentally sustainable – simply stated, **a healthy home for all by 2038**.
- 1.3. We choose the language ‘healthy home’ deliberately, because we know that when your home is insecure, when you worry about finding your rent or it being raised beyond what you can afford, about being evicted, about fire safety or feeling safe and welcome in your neighbourhood, whether you can keep it warm and dry and free of damp and mould, whether your children can play and learn and study safely, whether you’re safe on the stairs or in the bathroom if you’re not too steady on your feet – all of those basic requirements for living in the 21st century and all of those worries impact on people’s mental and physical health and wellbeing and hold them back in the rest of their lives. And if you’re homeless, sofa surfing, on the streets or in temporary accommodation or a refugee from war, it’s worse still.
- 1.4. A healthy home is one that you can afford to rent and keep warm. It is a home that is free of hazards to your and your family’s physical health, and where you have the space you need to live. It is a safe and secure place – physically safe, but also with security that you can stay and make it a home without the fear of imminent eviction. We should be aiming higher, but as the evidence we summarise above shows, we need to get the basics right and to make them accessible to all our communities, if we are to give everyone in Greater Manchester a solid foundation to grow up, get on and grow old.

## 2 Turning ambition to action

- 2.1. So how do we achieve a healthy home for all in Greater Manchester by 2038? Why shouldn't that be a realistic ambition? Can we afford not to deliver? Can we get there faster?
- 2.2. We see three pillars we need to have firmly in place if we are to turn that headline ambition into practical action:

### 1. Good Landlord Charter: Better renting

For all renters, in private or social rented homes, to feel secure and safe in their home, and for their landlords to know that Greater Manchester will work with them to provide healthy, low carbon and affordable homes for their tenants, and will take swift and effective action against landlords who let their tenants and the whole sector down by failing to do so.

The Good Landlord Charter we are developing now will be a positive route for those who want to take it, but we know that significant numbers of landlords won't sign up for it. Especially if you rely on Universal Credit or Housing Benefit to help pay your rent, and with so little affordable alternative accommodation available, it is easy to feel disempowered when your landlord doesn't meet even the minimum standards.

So we are proposing a system of Property Checks to identify the homes that pose a risk to residents, and using those Checks as the basis for our teams to engage directly with the landlords whose properties have failed. We know we have to protect tenants who feel they don't have the power to demand better, and we know that the resources and capacity to make this work at scale don't currently exist. But change is necessary and overdue.

### 2. Home improvement: Your homes, better

Bringing all our existing 1.2 million homes up to decent standard so Greater Manchester residents have a safe, secure, healthy home, and where

investment in energy saving and carbon reduction is part of ensuring that they are more affordable to live in, whether you are a renter or an owner.

### **3. New homes fit for the future: New homes, better**

Delivering future-proof new homes, net zero carbon by design, and with affordability and healthy living built in from day one, including 30,000 social rented net zero homes by 2038.

## 3 Using devolution to unlock rapid progress

- 3.1. The Trailblazer gives us new tools and levers that could transform our ability to deliver these ambitions. This paper is intended as a starting point for discussions with Government and others about how we can work together to turn those possibilities into practical, deliverable reality.
- 3.2. We sketch out below where we see elements of the Trailblazer deal as potentially contributing to the delivery of healthy homes for all under two of our three pillars: home improvement and delivery of new homes.
- 3.3. We then examine the private rented sector in more detail, as this is arguably where the current system is under the greatest stress and where a fragmented approach to policy and intervention from the public sector needs the greatest attention.

### Home improvement

- 3.4. Huge investment is needed to bring Greater Manchester's existing homes up to 21st century standards, making them healthy places for current and future generations to live in, and making them energy- and cost-efficient to heat and cool while massively reducing carbon emissions as a significant part of our path to net zero. Homeowners and landlords will likely make the majority of that investment over coming years, but they need an understanding of and access to the right solutions for their properties, and many will not have the financial and other capacity to do it all for themselves.
- 3.5. The task we face is to bring together funding for low carbon retrofit, public health, social housing delivery and improvement, skills and innovation to



construct a long-term investment, finance and delivery programme to improve 61,000 homes per year across all tenures over the term of the next Parliament.

- 3.6. This should be based on a 'go in once' philosophy so that where feasible each home is comprehensively improved in a single intervention, starting with insulation and other measures designed to reduce energy demand and maximising the impact that can be achieved when a property is entered. This also requires parallel investment in building a local skills, supply chain and employment base able to carry that work forward to completion by 2038.
- 3.7. The Trailblazer Devolution deal points toward net zero funding allocated to Greater Manchester as part of the proposed Single Settlement for the city region, with likely target outcomes including reducing both greenhouse gas emissions and fuel poverty.
- 3.8. This potential source of investment sits alongside the provisions of the deal around skills, amplified in our recent paper *Towards an Integrated Technical Education, Skills and Work City-Region: Starting the Conversation*<sup>8</sup>. The need for a workforce skilled in the trades and professions required to deliver a substantial, extended programme of home improvements has never been clearer.

## **New homes fit for the future**

- 3.9. The homes we build now should be designed with sustainability in their bones – we know the scale of the task we face to bring our older homes up to the task of meeting modern demands and expectations, we must surely avoid building more homes which will need scarce time and money to be brought up to scratch.

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<sup>8</sup> <https://www.greatermanchester-ca.gov.uk/media/7867/toward-1.pdf>

- 3.10. So we must accelerate progress toward making net zero homes the business as usual standard achieved across all new build in Greater Manchester. This means removing barriers to investment in a rapid system transition to hit the required building standards, and to deliver the 30,000 truly affordable social rented homes needed by those most impacted by the housing crisis by 2038. We have to quickly lead the construction ecosystem and skills base to the point where new homes for all parts of the market are net zero by design – making them low impact, healthy, low running cost homes for their residents. And this applies to all new homes, including the additional specialist and supported housing that is required to meet the specific needs of our residents.
- 3.11. We have already established a Strategic Place Partnership with Homes England, bringing joint working, shared expertise and combined capacity with a vital arm of Government, alongside our tripartite partnership with Greater Manchester Housing Providers and NHS Greater Manchester Integrated Care<sup>9</sup>. The Trailblazer Devolution deal adds additional influence to flex the priorities for Homes England’s grant funding for affordable housing, additional funds to bring forward brownfield land for development and promises better engagement around the use of central Government’s land and assets where they can play a part in development projects.
- 3.12. But we can also look to apply the deal’s provisions for supporting innovation as levers to drive new methods of building design, manufacture and construction, and to the connections across to skills and workforce development as noted under the Home Improvement point above, given the many overlaps between new build and improving existing homes.

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<sup>9</sup> GMCA, Greater Manchester Housing Providers, Greater Manchester Health and Social Care Partnership, *Better Homes, Better Neighbourhoods, Better Health*, 2021

## 4 Private renting: a system failure?

- 4.1. As a country, we've not taken the private rented sector seriously enough – in legislators' minds it's still too often seen as a stopgap for people who will move onto home ownership. But we know that it's the long term home for millions of people, and that's not going to change.
- 4.2. But we have a very limited picture about what's going on in the private rented sector – we don't reliably know how many private rented homes are below decent homes standard, or have health & safety hazards like damp and mould. We're starting to get fresh insights coming through from the 2021 Census, but we can't set policy or drive local strategies on a ten year cycle for such a dynamic and significant part of our housing market.
- 4.3. We need to build a system piece by piece that brings together fragmented powers, enforcement tools, capacity and funding mechanisms, gives the right encouragement and support to landlords who are trying to do the right thing, and effective enforcement routes against the landlords who won't.
- 4.4. Renting is here to stay as a longer term reality for millions of people – even if we transform our delivery of new, net zero, affordable homes tomorrow. If we're serious about improving the renting experience, we need to:
  - simplify, clarify and demystify housing's multiple layers of stakeholders, legislation, enforcement routes, sources of support and advice for landlords and tenants alike
  - put substantial resources behind a new, integrated approach to making renting better – proper enforcement, proper information, proper investment
  - encourage, recognise and provide real, tangible, practical support to good landlords

4.5. We should bring this altogether under the umbrella of a Good Landlord Charter so that everyone involved knows what they can expect, what their obligations are, where they can get support, and who to go to if things aren't right.

4.6. What could that new world of renting look like?

- There would be much better information, starting with the Property Portal that's in the Renters Reform Bill – so tenants, local authorities and enforcement agencies know who landlords are, which properties they own, that essential safety checks have been done – providing a solid basis for accountability and communication that's been missing for too long
- We would have a clear, co-produced set of expectations of what good renting means – not just minimum legal standards, but ambitious, realistic commitments that mean that people's homes are a healthy, safe, secure, foundation for their lives
- As a tenant you would be empowered – whether or not you get help from DWP to pay your rent – to challenge a landlord who isn't doing their job. You would know you have the effective backing of local, accessible experts with the power to make sure that you don't need to fear eviction, intimidation or punitive rent increases
- The many good landlords would be regarded and supported as partners in tackling the housing crisis, with a positive part to play in providing homes for people, sometimes at a time of crisis in their lives, or when they're just striking out independently for the first time. There would be training and recognition of the skills and experience of being an effective, ethical landlord, but also access to expert advice and low cost finance to drive improvement and retrofitting of homes through an online portal
- There would be a streamlined toolbox of regulatory levers available to enforcement teams, which would be properly resourced so they have the capacity to use them proactively and imaginatively. There would also be a more effective set of tools to deal with and ultimately remove landlords

from the market who seek to exploit their tenants through either neglectful or malicious failure to provide a safe, secure home.

- Enforcement teams should have connections to offer quick and positive routes out of the sector for landlords who are unable to achieve higher standards, protecting the interests of their tenants by offering acquisition and management by an ethical, investment backed landlord.

## How do we get there?

- 4.7. The **Renters Reform Bill** is undoubtedly a huge opportunity, and makes some big steps forward – abolition of section 21 ‘no fault’ evictions, the move to open ended periodic tenancies as standard, and the establishment of a national landlord register or ‘Property Portal’. The legislative process will need to make sure that apparent loopholes are closed – for example so that landlords don’t misuse new eviction grounds for when they intend to sell or move a family member into a property, which as drafted would only trigger a three month ‘no reletting period’ which appears a weak disincentive to use of these as alternatives to section 21 eviction.
- 4.8. But we need more, including the promised **extension of the Decent Homes Standard to the private rented sector**, and the updating of the Standard itself (unchanged since 2006) to reflect what we know about the impact of housing on health and wellbeing, and to help drive carbon reduction and improvements in energy efficiency.
- 4.9. We need solutions for the whole private rented sector – people deserve a safe and healthy home whether they are paying their rent themselves or with support from DWP. But we have to explore how we **make use of the massive leverage that DWP have** but don’t use – well over £0.5 billion a year of Universal Credit (housing element) and Housing Benefit helping to pay private rents in Greater Manchester alone, but with no assurance about the quality of the homes that is providing. The logic of extending the Decent

Homes Standard to the private rented sector is that Government (rightly) expects that a decent home is available for all renters. If it is unacceptable for anyone to live in a non-decent home, how can it be acceptable for the taxpayer to subsidise rents being paid for just that to happen? We must move to a position where non-decent homes are an exception to be dealt with swiftly, rather than a substantial proportion of the private rental market.

- 4.10. With Local Housing Allowance rates lagging well behind the actual rental market, we are giving people little choice about where they live and leaving them making terrible choices between rent, heating and eating. We know that there are risks if we get this wrong. We can't afford to lose homes – especially (relatively) lower cost homes - from the private rented supply when the pressure on supply of social and private rented homes is so great. But neither should we accept that the current system is the best that we can do, with continued long term stagnation in real household earnings meaning that rising rents are eating away increasing proportions of people's incomes. The status quo is not sustainable.
- 4.11. We also must match the system's **capacity for enforcement and intervention** to the scale and importance of the task. As even the Economist noted recently "Passing laws sends a signal, which deter some landlords from misbehaving. But without proper enforcement, that signal is badly muted"<sup>10</sup>.
- 4.12. We have been **investing our own resources in Greater Manchester** to start to turn around the long decline in our enforcement capacity in the face of pressures on local government finances. We have established a trainee programme to bring a new generation of housing enforcement officers, and are investing in upskilling officers who are already working in our local authorities, including providing specific training for all our enforcement officers in the risks and remediation of damp and mould and excess cold in housing. Working with DLUHC, we are already exploring the scope for civil penalty

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<sup>10</sup> 'The missing ingredient in Britain's new law on tenants' rights', The Economist 18 May 2023

income to underpin the finances of local authority enforcement teams on an ongoing reliable basis. But, even if this is successful, with 240,000 households in the private rented sector in Greater Manchester as at 2021 Census, the scale of operations needed to make landlords feel there will be consequences if they let a property in an unsafe condition is at least an order of magnitude greater than current resources allow.

- 4.13. Crucially, our **Trailblazer Devolution deal** offers opportunities to drive this agenda forward – for Greater Manchester, but potentially leading national change too. Greater Manchester is a place where we can test out ideas – starting small where we have to, making sure negative unintended consequences can be ironed out and positives maximised before we roll out. That is the intention behind the ‘policy sandbox’ agreed as part of the deal, where Greater Manchester can work with Government Departments including DLUHC and DWP to explore changes to the current operation of the welfare, housing, health and social care systems. We have agreed to use this to try to drive improvements to the renting experience for tenants and landlords, and in the quality of homes in the private rented sector.
- 4.14. This should include a review of the options available to local authorities to force bad landlords out of the sector while protecting tenants. We need to be fair to landlords, but we can’t let people stay in terrible conditions without quick and decisive action. There is no shortage of machinery at least in theory available including:
- selective licensing
  - mandatory and additional HMO licensing
  - interim and final management orders
  - prohibition orders
  - banning orders
  - enforced sales
  - empty dwelling management orders
  - civil penalties

- improvement notices
- rent repayment orders
- prosecution
- abatement notices
- works in default

and a range of public sector agencies with a potential interest, including various teams in local authorities, Fire & Rescue Services, police, courts and HMRC (Annex A provides a glossary of some of the powers and tools on the statute book).

- 4.15. But as things stand the whole is less than the sum of its parts in terms of delivering real improvements to the conditions that too many tenants are experiencing. We want to use the ‘policy sandbox’ to put the pieces together, find the gaps and the missing connections between those pieces, and start to build an effective, integrated system where the balance of incentives and consequences for landlords drives the behaviour that we want to see.
- 4.16. That also requires practical support for landlords to help them do the right thing. We briefly set out above our ambitions for driving home improvement as an essential part of our move toward a healthy home for all by 2038. The private rented sector has to be a prime focus for that work – if we are to tackle the worst conditions, we need to develop effective models that help landlords to invest in improving their properties. Our new Your Home Better service shows how this might be structured – providing property owners with a bespoke improvement plan for their property, setting out what investments should be made and in what sequence to bring any home up to and beyond Decent Homes and net zero standards. This is available for landlords as well as owner-occupiers, and if we can provide access to low cost finance, contractors and a supply chain able to do the work, we can make it much easier for landlords to raise the quality of their properties.
- 4.17. That offer should be put alongside support on the skills that make people good landlords – a mix of technical, legal, financial and people skills that is



often underestimated, and access to specialist advice and support, for example mediation and tenancy sustainment services, and ensuring landlords are able to effectively signpost their tenants to support and assistance.

- 4.18. There is also a need for a route for landlords to exit the sector that means we can retain the properties within the rental sector to meet demand, and that those homes can be brought up to Decent Homes Standard and be managed in line with Good Landlord Charter standards.

## 5 A new deal for renting

5.1. We are at very early stages of our work with Government in the policy sandbox, and we know that we are delving into a complex set of agendas. We have to be ambitious – the need for change is clear, and the scale of the task is massive. But, as we have hopefully drawn out in this paper, transformational change is not beyond our reach.

5.2. Where could we get to? We want to build an integrated system of intervention and support which add up to a new deal for renting. Many of the components exist wholly or in part, are already in development, could be worked up in the policy sandbox, or developed and tested in Greater Manchester:

- A universal, mandatory Property Portal (register of landlords) – already in the Renters Reform Bill
- A universal, mandatory and ambitious Decent Homes Standard – which Government has already consulted upon and may be added to the Bill
- Better evidence and intelligence about the condition of rented homes, backed up by a regular independent ‘GM Property Check’ inspection of rented properties, with neighbourhoods where poor conditions are known to be prevalent prioritised for attention, and tenants given the right to request a Check if there are issues with their home their landlord is failing to resolve
- Using the GM Property Check as a foundation for a ‘Property Improvement Plan’ for every home, giving landlords a tailored, practical blueprint to get each of their properties up to Decent Homes Standard and beyond, and connecting them to funding and skilled contractors who can get the work done
- Support, training and practical resources to help landlords be better landlords
- Properly resourced, pro-active enforcement teams in local authorities using a reformed and simplified set of regulatory tools, protecting

empowered tenants who have easily accessible routes to seek help if they have problems with their landlord or their home

- A formal, direct, proactive partnership between DWP and local authority enforcement teams, so that tenants who rely on Universal Credit or Housing Benefit to help pay their rent can expect their homes to meet Decent Homes Standard
- An ethical investment vehicle which could acquire properties from landlords who are unable or unwilling to meet requirements, to ensure their rapid exit from the sector while retaining and improving their properties for use by Greater Manchester residents in housing need
- A comprehensive, accessible Good Landlord Charter which brings these different elements together, sets high aspirations for renting, and offers recognition to those landlords who meet and exceed those aspirations

5.3. Central to this is the determination that a revised Decent Homes Standard, universally applicable to all rented homes, means that no property that falls short of that Standard should be rentable, and that the systems in place will make life extremely difficult for any landlord with non-Decent properties.

5.4. We would welcome the opportunity to pilot this approach in Greater Manchester, putting the building blocks together in a place-based model, creating multi-agency teams perhaps initially at a neighbourhood scale before sharing and applying our learning and experience to a bigger scale. If the Renters Reform Bill reaches the statute book and the next phase of our Trailblazer Devolution discussions with Government are fruitful, we will be able to start that pilot work on the ground in earnest in 2024, complementing and building on the launch of our Greater Manchester Good Landlord Charter.

# How the new system could work

## For tenants

As a tenant, you will have transparency and assurance about the home you're renting and the support to put things right when they go wrong.

Before you rent a new home, you will be able to check online to see that it has passed a property check. A pass will mean it meets the standards required by law, including the Decent Homes Standard, and having the proper gas and electrical safety checks. If it hasn't passed, you will be able to see in the Property Improvement Plan the changes that the landlord has been told to make and how serious they are, similar to the assurance that a survey provides someone buying a home. The days of having to take it on trust that your future home is free of major issues will be a thing of the past.

When you're in your home, you will know the time limits that your landlord has been given to make any improvements that are needed in your home to bring it up to standard. If they fail to make them, your local council will have a straightforward route to taking enforcement action against your landlord and you could be able to reclaim rent that you've paid for the period your home was non-compliant. You'll also know the next time that your property is due a check.

So, if you encounter a new problem, you will have the choice to wait until the next check, removing the anxiety that you might feel raising it with your landlord directly. If it can't wait and if your landlord is unresponsive, you will have the right to request a Property Check and can have the confidence that your council will be in a stronger position to hold your landlord to account and take enforcement action. If you use housing benefits to help pay your rent, the council team and DWP will work together to ensure you are protected while any necessary action is taken with your landlord to get your home up to standard.

## For landlords

The new system will simplify landlords' complex obligations into a simple checklist, giving you the confidence that the properties you are renting are legally compliant and that your tenants are safe. If there is a problem in your property, you'll be given a clear roadmap to how to put it right, and you will have access to support, training and practical resources to help you be a better landlord.

Before you rent out a property for the first time it will need to have a property check. This will be completed by an independent, qualified housing safety assessor to ensure that your home meets the Decent Homes Standard, and that the other necessary checks for gas and electrical safety have been completed.

After each check you will receive a property improvement plan, which will provide a roadmap to bringing your property up to the current legal standards and any forthcoming standards that are due to be introduced, including connections to finance options and skilled contractors who can get the work done. The improvement plan will include the following vital information:

- A prioritised list of the changes that need to be made to your property to bring it up to the required standards
- A time period to make the changes, which could be immediately for serious hazards, a few weeks for less serious issues, or could even be several years in the future for forthcoming legal changes
- The date when your current property check will expire. The length of time your property check is valid will depend on the outcome of your current check, with properties that need improvements due for a follow-up check more quickly than those that currently compliant

## 6 Conclusion

- 6.1. We will be pursuing this vision in Greater Manchester, using all the powers, funds and capacity we can bring to bear to give everyone in our city region a healthy home by 2038. We need central Government on board with us on that journey if we are to make the best progress. Our Trailblazer Devolution deal gives us a number of opportunities to take that debate forward with Ministers and Departments.
- 6.2. There are some crucial changes that can only come from national level – Local Housing Allowance rates are lagging too far behind the market and simply need to be raised as a matter of urgency. It cannot be right that only 4% of properties in a place like Greater Manchester are affordable to a household that rely on housing benefits to help cover their rent.
- 6.3. But the case for a deeper system redesign is a strong one. The historic decisions that have led us to the current layering and complexity of powers, players and programmes were taken with good intentions. But if we are serious in our intention to give people decent, healthy homes, then we need to rebuild a housing system that's not working for the people who need it most. The alternative is that we keep drifting deeper into crisis.

## Future engagement on this document

We have worked with partners across the sector and listened to people's experiences of renting to help to inform this policy. However, now that it's been written, it's important that we listen to people again about the focus of the document and whether our ambitions and aspirations are the right ones to improve homes and living standards for renters across the city-region.

There will be an online survey published on [www.gmconsult.org](http://www.gmconsult.org) by early July 2023 which will give people the opportunity to tell us about which parts of our plan they like and where our priorities should be. We also want to know if people have any new ideas or thoughts that we should consider as part of the plan for improving rented homes.

If you want any more information on this process, then email [engagement@greatermanchester-ca.gov.uk](mailto:engagement@greatermanchester-ca.gov.uk)

## Annex A

# Glossary of selected existing powers and tools relevant to private renting and poor housing condition

### **Abatement Notice (under the Environmental Protection Act)**

When the state of a property is poor enough that it is deemed 'prejudicial to health', such as serious damp and mould, the landlord can be issued an abatement notice under the Environmental Protection Act 1990. Similar to an improvement notice.

### **Article 4 Directions**

A local authority can restrict usually permitted development under planning rules through an article 4 direction. In the context of private rented sector enforcement, most importantly this means that landlords would require planning permission before converting single household dwellings into small HMOs.

### **Banning Orders**

A banning order applied for by a local authority and issued by the First-tier Tribunal prohibits a landlord or letting agent from letting out or managing privately rented properties. Landlords and letting agents must have committed relevant housing offences to face a banning order.

### **Civil Penalties**

An alternative to prosecution that local authorities can issue to landlords or letting agents for a variety of offences, including failing to comply with an improvement notice, failing to license an HMO, breaching a banning order or failing to comply with an overcrowding notice. The penalty is a fine of up to £30,000 for each offence.



## **Clearance Areas**

An area that a local authority has ordered to be cleared of all buildings. If all residential buildings within an area contain a Category 1 hazard or are dangerous to health in some way, a clearance area can be declared.

## **Demolition Orders**

A local authority can issue a demolition order on a property with Category 1 hazards present. The order requires the owner of a property to demolish it. If a displaced tenant has been in the property more than one year, they are owed compensation and potentially entitled to be rehoused by the local authority.

## **Empty Dwelling Management Orders**

An order that allows a local authority to take over management of a residential property that have been empty for more than two years, bringing more properties back into the private rental sector.

## **Enforced Sales**

If a property is left empty for more than six months, and a local authority has completed works on the property that have not been paid for by the owner, the local authority can force the sale of the property to recover the debt. This recovers public money as well as brings an empty dwelling back into use.

## **Improvement Notices and hazard awareness notices**

An improvement notice is issued by a local authority to a landlord requiring they carry out work to fix a Category 1 or 2 hazard. The notice will say what the hazard is, what is causing it, what work needs doing and when the work to fix it should start. Some local authorities will charge the recipient for an issued improvement or hazard awareness notice. A hazard awareness notice informs a landlord of a Category 1 or 2 hazard in their property, and what should be done to deal with it, but does not require the landlord to fix it.

### **Licensing: Mandatory HMO**

A licence required on any House of Multiple Occupation (HMO) occupied by five or more people living in two or more separate households. Children of any age count towards the occupancy. To be licenced certain conditions must be met including the property being suitable for the number of occupants and the manager of the property being a fit and proper person.

### **Licensing: Additional HMO**

Local authorities can expand HMO licensing to include properties with three or more tenants from separate households, as well invalidating as other exemptions.

Additional HMO licensing can be applied in areas where problems with management or property conditions are found.

### **Licensing: Selective**

Requires all landlords to license the privately rented properties they own within a designated area. To gain the licence, certain conditions must be met, which may be about the property or its management. Introduced in areas where there is a low demand for houses, reports of significant antisocial behaviour or poor housing standards.

### **Management Orders: Interim and Final**

If the manager of an HMO is considered to be unable to manage the property, the local authority can take over its management for a maximum of 12 months through an interim management order. Only used in cases where there is a health and safety or wellbeing concern for the occupiers, which would include threats to evict tenants to avoid licensing the property.

A council can apply for the interim management order to be made final if the manager of the property has failed to license the property by the time the interim management order expires.

### **Prohibition Orders**

An order from a local authority stopping the use of a building, part of a building, or restricting the type or number of people who can live there. Usually due to the

presence of Category 1 or 2 hazards. The order will contain a description of the hazards as well as what work is needed to revoke the prohibition order. Failing to comply with a prohibition order can result in a rent repayment order or banning order.

### **Prosecution**

Local authorities can bring a prosecution against landlords or letting agents for a variety of offences under many different pieces of legislation. This will usually be for serious offences, or if the landlord or letting agent refuses to cooperate with the local authority.

### **Rent Repayment Orders**

A landlord or letting agent, having committed a relevant offence during a tenancy, can be required to pay back up to 12 months' rental income. This order can be applied for by either the tenant or local authority and is decided by the First-tier Tribunal. If Housing Benefit or Universal Credit has been used to pay some or all of the rent, the local authority will receive that portion of the RRO rather than the tenant.

### **Rogue Landlord Database**

A national database of landlords who have committed relevant offences. Councils are required to make an entry on the database of any landlord who has received a banning order, and have discretion to make an entry on landlords who have committed offences that could have led to a banning order.

### **Works in Default**

Councils have a range of powers to do works themselves if it is urgently needed or if a landlord fails to do them, registering the costs incurred against the owner or the property. These are generally referred to as works in default. For example, the Housing Act 2004 gives councils power to take emergency remedial action where there is a Category 1 hazard and an imminent risk of serious harm.