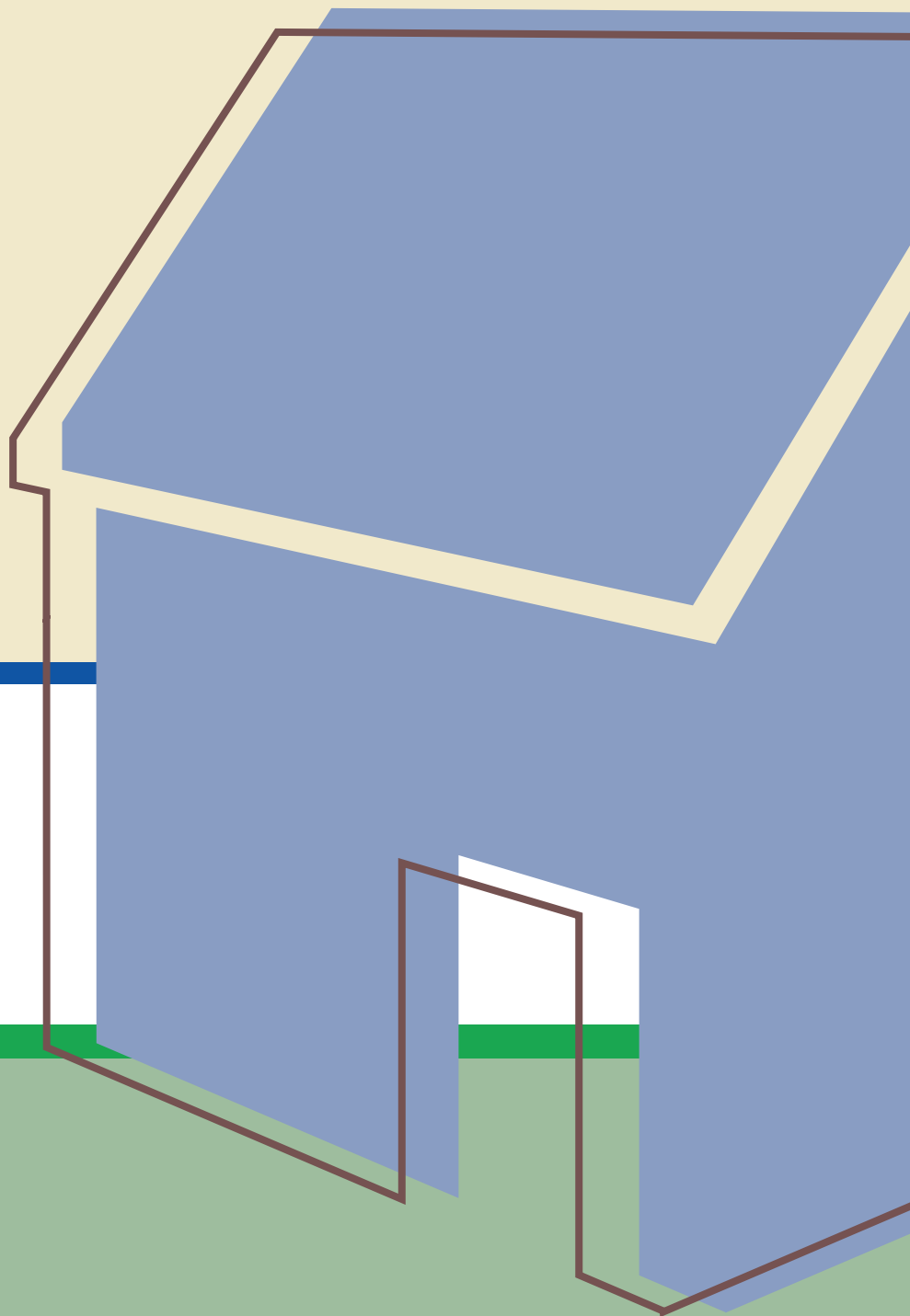


PRIVATE RENTERS' RIGHTS: SAFE AND STABLE HOMES IN KENSINGTON AND CHELSEA 2015



Trust for London

Tackling poverty and inequality



AUTHOR

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Christine Whitehead and Melissa Fernandez, LSE London

“We are very pleased to have been involved in this piece of research which has helped to clarify the problems for private tenants in Kensington and Chelsea, one of the highest rent areas in Europe. Up to date information on how tenants cope and the particular issues that they face when they have to move is of great value not only for the local authority but also for those pressing for longer leases. The recommendations provide a way forward for those working to improve conditions”.

Angela Fox, Caseworker, Age UK Kensington and Chelsea

“Private rented housing is the poor relation of housing and research into this area was much needed, particularly in Kensington and Chelsea, an area of high rents and old properties. I endorse the recommendations of the report and sincerely hope that it will help to generate changes which will improve the lives of people living in the sector.”

Brian Robson, Policy and Research Manager, Joseph Rowntree Foundation

“JRF’s evidence shows that the number of people in poverty in the private rented sector has more than doubled in the last decade. As such, it’s important that local practitioners and policy makers understand the impact in their area. KCSC’s report provides valuable insight into the experience of private renting in the Royal Borough.”

Megan Jarvie, London Poverty Project Coordinator, Child Protection Action Group

“With over 250,000 London children living in poverty in the private rented sector, CPAG welcomes this research into families’ experiences of renting privately. It provides a valuable insight into how well the sector is working for Kensington and Chelsea residents.”

Allison Roche, Policy Officer, UNISON, the public service union

“This timely report by Kensington and Chelsea Social Council demonstrates the urgent need for new intervention in the private rented sector. The recommendations outlined in the report are welcome, and if implemented would help to drive up PRS standards, stabilise rents and strengthen tenant rights, thereby making private renting more accessible, affordable, stable, secure and decent.”

Betsy Dillner, Director, Generation Rent

“Too little is known about the private rented sector, even in areas with the highest population of renters, which is why this research is so important. This report reveals the true experiences of conditions and costs facing renters in the borough. We hope that the findings will push the council into taking action – and wider research into the sector.”

Ade Sofola, Strategic Manager, 4in10

“The levels of child poverty in London owe much to the high cost of housing, particularly in the private rented sector. This research by KCSC gives real insight into the lived experiences of Londoners trying to secure accommodation with increasingly challenging requirements and costs. It is a vital tool for any policy maker wanting to intervene to support local people in the housing market and keep communities diverse across the capital.”

Karen Tostee, Project Manager, Kensington and Chelsea Citizens Advice

“This piece of research by KCSC is especially pertinent for a borough with such high housing costs as RBKC. The evidence collected by the research team gives clear insight into the problems private tenants are facing in RBKC - insecurity of tenure, high costs and living conditions. This is a valuable resource for policy makers and practitioners as well as the voluntary sector. I hope it is widely read and discussed, and that its practical recommendations will bring about positive change.”

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EXECUTIVE SUMMARY

The Private Rented Sector (PRS) is now the second largest housing tenure in London (27%), home ownership is the largest (51%) while social housing the smallest tenure (22%) (GLA 2015). The Royal Borough of Kensington and Chelsea has one of the greatest concentrations of private renting in London (GLA 2014). While the PRS is growing, the number of tenants living in poverty (associated with housing costs), and poor housing conditions are simultaneously increasing (see NPI 2013, JRF 2014, Shelter 2014). The evidence that exists currently is based on national research. This study therefore explores the experiences of private tenants in relation to cost of living and conditions of renting locally in the Royal Borough.

The main findings are:

- **The cost of rent** - almost 1 in 4 tenants we surveyed perceived the cost of rent as their worst experience of renting in the borough.
- **The cost of living** - 52% of tenants receiving benefits reported that they find themselves unable to pay for other essentials once they had paid rent.
- **The average income of a housing benefit recipient was £24,589 per annum** (inclusive of housing benefits). Even with this income a single person living in a studio would be living below an acceptable standard of living in London, for which the Inner London equivalent is £27,000 per annum (Trust for London 2015).
- **Cost of moving** - 35% of the lowest income quartile fell into debt or greater debt as a result of the cost of moving compared to the highest income quartile at 23%. The highest income quartile could rely on their savings at 70%, while only 35% of those on low income could rely on their savings for support with moving.
- **Tenant satisfaction** - almost 1 in 3 (32%) tenants reported that their home did not meet their expectations regarding its conditions. This related mainly to damp, infestation and maintenance.
- **Customer service** - 13% of tenants were not confident to report a problem to their landlord. Reasons given related to repairs not being resolved (58%), fear of eviction (15%), and fear of rent increase (27%).
- **Women were less likely than men to be confident to report a problem.** Only 20% of men were not confident, while 80% of women were not confident. More female tenants reported that their landlords were likely to respond negatively (64%) than male tenants (36%).
- **Evictions** - 1 in 10 tenants reported to have been evicted in the past (although not necessarily in the Royal Borough). Many older people, 29% of our sample, reported fear of eviction as their worst experience of renting in the borough.
- **Advice services** - 24% had sought advice on their tenancy rights. 61.5% of these sought legal advice. 21% sought advice on conditions.

KEY AREAS FOR LOCAL AUTHORITY ATTENTION

The report outlines some key areas where improvement can be made:

Cost of renting: The true cost of renting in a borough, such as Kensington and Chelsea is precluding some tenants from enjoying a decent standard of living. Some tenants experience difficulties in paying for other essentials after paying rent. Additionally, the cost of moving and short tenancy periods can induce poverty for private renters. The Council should explore in detail the potential for a rent stabilisation model and better regulation of letting agents (see chapter 2).

Conditions of renting: All age groups and diverse sections of society were affected by poor housing conditions, although this was more the case for those from lower socio-economic backgrounds. Tenants reported poor conditions to be mainly related to dampness, lack of heating and renovation amongst other concerns. The Council should promote a tenancy relations service, and strengthen the Environmental Health department. A comprehensive landlord register will support with better training and informing landlords (see chapter 3).

Customer service: Some tenants are living in unsafe and poor conditions and discouraged from reporting, since some landlords fail to take action, while other tenants worry of retaliatory eviction. This suggests renters lack basic consumer power to bargain for decent conditions of renting. To gain confidence in the rental market, a Tenants Charter could be introduced to raise awareness of tenant rights. Better enforcement and prosecution of rogue landlords could be enabled by a staged approach to complaints (see chapter 4).

BACKGROUND

WHY THE PRIVATE RENTED SECTOR?

The PRS now consists of 4.4 million households in England (Citizens Advice 2015). There has been a decline in the number of households buying with a mortgage and those living in the social rented sector. This has meant a significant reliance and spurt in the PRS.

The PRS is now the second largest housing tenure in London (27%). Home ownership is the largest (51%) and social housing the smallest tenure (22%) (GLA 2015). Nearly a fifth of London private tenant households are now families with children. About a quarter of households privately renting in London are single people under 65 (Whitehead et al 2014). The private rented sector is now home to people from all walks of life.

While the PRS is growing, poverty is also increasing in the sector. The average poorest private renter (bottom fifth of the income distribution) spends 57% of their income on housing, while the average household spends 15% (JRF 2013) – showing how housing costs induce poverty. The New Policy Institute have shown that poverty is now more concentrated in the PRS than in social housing (2013).

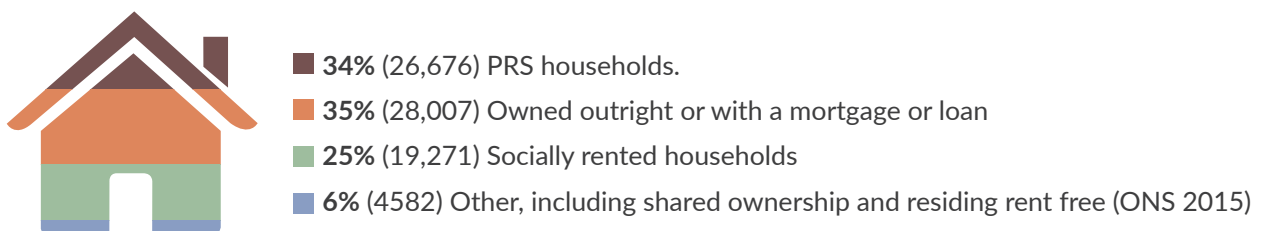
Research has shown how the acceleration of the sector has not matched the deal offered to tenants. Poor housing conditions are affecting a cross-section of those renting – although the most vulnerable suffer the worst effects. Maintenance and repair issues, insecurity of tenure and fear of reporting concerns that could escalate into landlords evicting leaves families, young professionals and older people unable to gain stability and wellbeing (Shelter 2014).

PRS IN KENSINGTON AND CHELSEA

Kensington and Chelsea has a population of 156,100 (GLA 2015). According to the 2011 census, there were:



Breakdown of housing by tenure in Kensington and Chelsea:



Some evidence is suggesting that the extension of the Right to Buy will increase numbers living in the PRS (Inside Housing 2015).

The Royal Borough has some of the highest rents in comparison to the rest of London. The average cost of a studio in London is £192 per week whereas in Kensington and Chelsea it is £295 (GLA 2015). This means the cost of a studio in Kensington and Chelsea is 54% higher compared to the rest of London.

Older housing in Kensington and Chelsea can perpetuate poor conditions and quality of homes. Approximately 80% of private dwellings were built before 1919 (RBKC Tenant Strategy 2013). In comparison to Tower Hamlets that has the most 21st century homes as a proportion of its stock 28% (among the highest in the country), Bexley and the Royal Borough have the least at 3% each (among the lowest in the country) (GLA 2014). Older housing may be associated with problems of disrepair, lack of modern facilities and poor energy efficiency (RBKC Tenant Strategy 2013).

METHODOLOGY

A CASE FOR LOCAL INTELLIGENCE

On seeking to build a picture of the private rented sector in Kensington and Chelsea we found a shortfall of evidence. It is therefore apparent that an analysis on the current status of the sector is required.

In this report we make the case for better renting, and propose some new approaches to improving customer experiences that benefit both tenant and landlord. At a time when Local Authorities are developing their own housing policies to suit local circumstances, we believe that the Royal Borough should be at the forefront, promoting change for those in the PRS by championing progressive housing strategies.

The research project was steered by the Poverty and Inequality Network, consisting of local charities in Kensington and Chelsea responsible for direct service provision to local residents. The expert Advisory Board also informed the initial design of the research. Following consultation with these groups it was decided to focus on two particular themes: AFFORDABILITY AND STANDARDS.

The project took a bottom-up approach to explore the experiences of people living in the private rented sector in the borough. We used a mixed-methods approach of a survey (quantitative), and triangulated this with more in-depth semi-structured (qualitative) interviews and a focus group.

The survey received 230 responses. Survey participants were recruited by field researchers who conducted 150 surveys, the remaining 80 were conducted by KCSC staff and member organisations. Researchers were briefed on recruiting tenants from across the borough, with a particular focus on those on low incomes living in the low-end of the private rented sector.

To gain a fuller understanding of the experiences of tenants, eight in-depth interviews were conducted with the survey sample. We interviewed five females and three males, their ages ranged between 32 and 80, paying between £440 and £1560 per month on rent. Three of the participants were receiving benefits (two pensioners and one receiving Employment and Support Allowance) and the other five were in employment. The final approach was a focus group with an additional seven tenants taken from the survey sample. There were six females and one male aged between 36 and 70. It also included a local councillor and was designed to stimulate discussion on ideas for local solutions to improve the private rented sector.

The tables in the report represent the number of tenants that responded to each question in the surveys. The research uses quartiles to analyse tenant incomes, we divided the number of tenants who told us their salary into four equal parts to provide us with the values for each quartile. The data collected on incomes was based on individual tenants, and is likely to be their gross income which excludes benefits. All quotes are from research participants and have been anonymised to maintain confidentiality.

We draw on our findings to develop our analysis and local policy recommendations. We also make connections with national and regional findings to bolster our analysis.

CHAPTER 1: WHO RENTS IN THE ROYAL BOROUGH

The Royal Borough has one of the greatest concentrations of private renting in London (GLA, 2014). To understand the dynamics of this sector it is important to draw out some defining characteristics of tenant profiles. The private rented sector houses a mix of households and ages, it is therefore no longer a tenure common only among young people. About a third of families with children in England now rent in the private sector (Citizens Advice 2015). In this section, we map the demographic picture of the tenants that participated in this research.

TYPE OF DWELLING

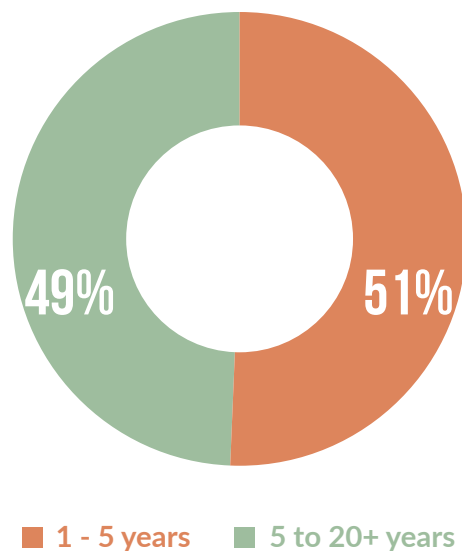
Our survey asked tenants what type of dwelling they currently live in. Over half (59%) lived in a flat, followed by 16% in a studio, 5% in a house in multiple occupation, 17% in a house and 3% in any 'other' (which included bedsits and hostels). This compares somewhat differently at a national level, the English Housing Survey taken from 2013-14 suggests that 62%, a majority of private renters, reside in houses and 35% in flats (English Housing Survey 2013-14).

COMMUNITY

The borough is situated near the centre of London attracting corporate head offices and small businesses. There are approximately 18,000 businesses employing around 120,000 people. The largest employers consist of business services, retail, hospitality, real estate and medical and personal services. The borough is also home to several arts and cultural museums and shopping districts adding to its vibrant and mixed character (RBKC 2015).

Our research indicated a number of reasons why tenants chose to live in the Royal Borough. 36% of our sample informed us that the main reason for their choice of location was based on the borough offering good transport and services (36%). The second most cited reason related to tenant's occupations (32%), followed by the motivation to reside close to family and friends (27%). Tenants also particularly favoured the strong community vibrancy.

LENGTH OF STAY



Our findings show that just over half (51%) of tenants had lived in the Royal Borough for between 1-5 years whilst 49% lived in the borough for between 5 to over 20 years.

Research by Shelter also suggests that a longer length of tenure can support individuals living in the PRS be rooted and stable in their homes and communities (2012).

Sara, 69, lived in the borough for 49 years:

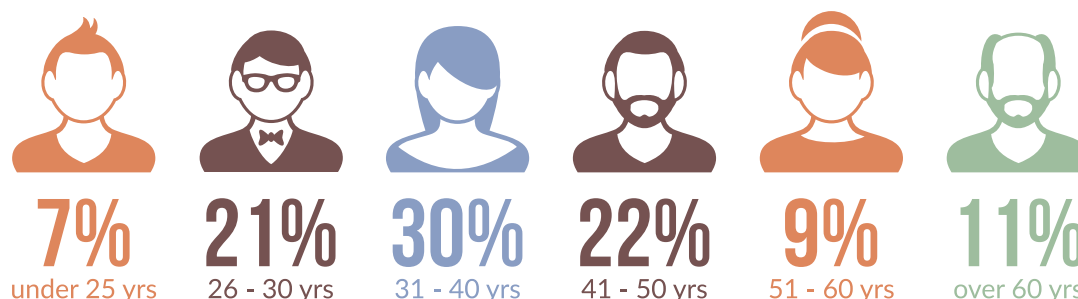
"the community is fantastic. It is a totally mixed community."



AGE AND HOUSEHOLD COMPOSITION

Private renting has become the most common tenure for young people aged 25-34 in England while home-ownership has fallen for this group. Young people, as a result of the costs incurred by renting and paying a deposit, have struggled to get onto the housing ladder (Citizens Advice 2015).

The age categories of our research sample are illustrated below:



A high proportion of the tenants we surveyed were single (61%), as also reflected in the census data, which revealed the Royal Borough to have the highest proportion of single person households in London (Baker 2012). Our survey also included 16% that were married, 10% cohabiting, 6% divorced, 4% separated and 1% widowed.

A third of private rented households in London include children. The number of children in the PRS has risen from 1 in 4 a decade ago to 1 in 3 (GLA 2015). In our sample almost 1 in 5 (19%) of tenants lived with children. This changing character in the PRS suggests that more policy attention needs to be paid to the diversity of tenants, now entering this tenure, seeking a stable home life (Shelter 2013).

WORK AND INCOME

The table below shows the income brackets for the tenants in our research:

Annual Income Ranges	Frq	%
£0 - £9,999	9	8.5%
£10,000 - £19,999	15	14.3%
£20,000 - £29,999	23	21.9%
£30,000 - £39,999	38	36.2%
£40,000 - £49,999	10	9.5%
£50,000 - £59,999	2	1.9%
£60,000 - £69,999	4	3.8%
£70,000 - £79,999	0	0%
£80,000 - £89,999	2	1.9%
£90,000 - £100,000	1	1%
Over £100,000	1	1%
TOTAL	105	100%

Income ranges not inclusive of benefits

The table demonstrates the range of incomes that individuals told us they were earning. Income ranged from £2500 to £150,000.

Income Quartiles	Average Annual Salary	Frequency
Lowest Quartile	£2,500 - £20,000	26.2
Second Quartile	£20,000 - £30,000	26.2
Third Quartile	£30,000 - £36,000	26.2
Highest Quartile	£36,000 - £150,000	26.2

Income quartiles

The above table represents the average income quartiles for tenants. The table shows a wide disparity in income with the lowest quartile representing up to £19,999 and the highest going up to £150,000 that is 60 times higher between the highest and lowest in the sample.

In Employment Data	Frequency
Average salary: £31,515.38	
In employment	105 out of 230
In employment and receiving benefits	12 out of 105
Not In Employment Data	
Not in employment	78 out of 230
Not in employment and receiving benefits	36 out of 78
Did not respond or miscellaneous income	47 out of 230

Employment statistics

Table 3 demonstrates that in addition to those in employment, at least 33.9% tenants were not in employment.

GENDER

Gender-specific issues are less attended to in reports regarding the PRS. The ratio of female to male tenant survey respondents in our research was 62% to 38% respectively. There could be a number of reasons for this - including access issues - where the research was more successful in approaching female participants over males, nonetheless in the absence of national or regional data it is uncertain to assume that more women head up rented households. Our findings show that women were more representative at the second income quartile. For women their average income was £26,927 per annum - below the overall average income for all participants at £31,515 per annum. More women in our survey were also likely to be in receipt of benefits at 60%.

ETHNIC BACKGROUND

The respondents to our surveys generally reflected this composition of ethnic groups.

Ethnic Category	RBKC Census 2001	RBKC Census 2011	Our Tenant Survey (2015)
White British	50%	39.3%	72 33%
Other White	29%	31.3%	77 38%
Black	7%	6.5%	11 8%
Asian	5%	10%	24 33%
Mixed	6%	5.7%	15 6.2%
Other Ethnicity	5%	7.2%	25 6.6%

RBKC Ethnic group categories

The largest group were a combination of white groups (71%), followed by Asian (10%). The least represented groups were Black (8%), other backgrounds (6.6%) (this would have included tenants from an Arab background) and all Mixed backgrounds (6.2%). In the above table we show how our survey compares with census data from 2001 and 2011.

CHAPTER 2: THE COST OF RENTING

In the last decade, across England, private sector rents have risen twice as fast as wages, with rents increasing particularly sharply over the last few years (Shelter 2014).

THE TRUE COST OF RENTING IN KENSINGTON AND CHELSEA

There is significant variation in the monthly market rents across London. The average cost of a studio in the Royal Borough is £1212 per month whilst the average for London is £800. The average cost of a one bed flat in the borough is £1800 per month whilst the average for London is £1104. There is a significant London and borough median difference of 66% for a studio and 61% for a one bedroom flat (GLA 2015).

When asked what was the worst experience of private sector renting in the borough nearly 1 in 4 (23%) of our respondents considered it to be the cost.

Charlotte:

I went to [an] agency in Earls Court. I told them that I want to rent. In one day I paid £5000, I borrowed from my sister. ””

Peter, aged 34, living on his own:

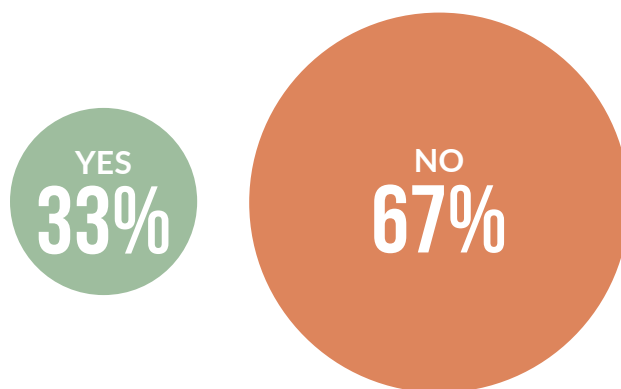
I moved to my current accommodation for seven years but I've lived in the borough for about ten years. There isn't a contract. I didn't pay a deposit or anything like that. I'm running to the food banks. That's the only way really I am getting by. ””

COST OF LIVING

When asked about how much paying rent impacts on paying for essentials, almost 1 in 3 tenants told us they were unable to pay for other essentials after paying rent.

Our findings in this section suggest that the true cost of renting in the Royal Borough is preventing some renters from enjoying a decent standard of living (see Trust for London's 2015, minimum income standards).

Unable to pay for essentials after paying rent?



Number of tenants reporting inability to pay for essentials after rent (Frequency surveyed: 182)

Janet, single mother living with son:

Every month I have to live on £10 a week with a teenage son. I am never allowed any help with benefits. ””

Melissa, 54, lives on her own:

Sometimes not enough [money] for food. I budget as best I can. ””

It is well established that poverty amongst private rented tenants in London has overtaken that in social housing (though poverty is still high in social housing). In London, an estimate of 830,000 people are living in poverty in the private rented sector, compared to 700,000 in social housing and 605,000 in owner occupied housing (GLA 2014). The true cost of private renting means that for residents on low to middle incomes having an affordable lifestyle based on JRF's study on an acceptable standard of living is more of a challenge.

RENT STABILISATION

In 2014, following a report on rent stabilisation, the Borough of Camden recommended a roll out of new voluntary rent stabilisation schemes to its landlords and for future landlords entering the private rental market (Whitehead). These recommendations were based on good international practice models of rent stabilisation as below.

RENT STABILISATION IN GERMANY

Rents can be raised at most once every 15 months, and by a maximum of 20% over three years unless the dwelling has been modernised or benefited from energy-efficiency investment. In this case the landlord can charge 11% of the investment cost every year. This has also led to an increase in energy efficient investment in the private rented sector (cited in Whitehead 2014).



HOUSING BENEFIT

In November 2014 there were 269,000 households claiming housing benefit in the private rented sector in London (GLA 2015). Between January 2011 and November 2013, the number of Housing Benefit recipients in London's private rented sector rose by 15,250. During this time, the housing benefit claimants in Inner London fell by 3,110, while rising in Outer London by 18,360. Two boroughs had the sharpest falls in caseloads: Westminster (with a fall of 2,500) and Kensington and Chelsea (a fall of 1,060). The largest increases were in Enfield and Barnet (GLA 2014).

The drop in housing benefit claimants in Kensington and Chelsea is likely due to caps on Local Housing Allowance payments introduced in 2011, while growth in caseloads in outer London could result

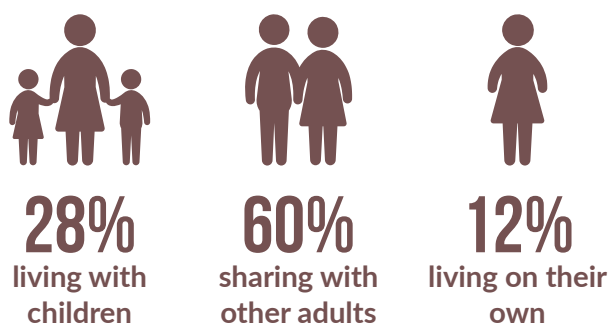
from movement of benefit recipients, rising rents or falling incomes (GLA 2014).

The table below shows the number of housing benefit claimants among the tenants we surveyed:

Receiving Housing Benefit	Frq	%
YES	53	29%
NO	127	71%
TOTAL	180	100%

Numbers receiving housing benefit

From the total number of tenants we surveyed receiving housing benefit:



The average income of the individuals receiving any benefits was £11,173 per annum.

52% of these tenants receiving any form of benefits also reported that they find themselves unable to pay for other essentials once they had paid rent.

In 2015, the government announced further cuts to the benefit cap, meaning a household in London could claim up to £442 a week in total, and a single person £258 per week. With an average income of £11,173 per annum and benefits of £13,416 per annum (sum of £24,589) a single person living in the Royal Borough would be living below what the JRF considers as an acceptable standard of living, for which the equivalent in Inner London is £27,000 per annum if they dwell in a studio, and £22,000 per annum (just acceptable) for a shared accommodation (Trust for London 2015). This could potentially mean greater hardship for those living in the private rented sector.

Whilst not a long term solution, Discretionary Housing Payments (DHPs) set up to support people claiming housing benefit in the privately rented households affected by the benefit cap, should be better promoted to those who are in most need. Working with local advice agencies and private sector landlords is therefore necessary to ensure tenants are able to seek advice and support to claim DHP.

Recommendation 2

The Council to continue to work closely with local advice agencies and private sector landlords to promote Discretionary Housing Payments.

Private renting households, including those with children, are eleven times more likely to have moved home in the last year than people who pay a mortgage (Shelter 2014). While mobility could be 'good' for those moving for work purposes, the motivations behind movement within the sector are not well understood or known (Shelter 2014).

Lydia, 70, lives on her own:

I think 6 month tenancies are ridiculous, where people spend their entire tenancy or half of it looking for somewhere else to live.

LENGTH OF TENURE AND NOTICE PERIODS

The private rented sector tends to be an insecure tenure for private renters. A third of renters in England have lived in their current accommodation for less than a year, and two thirds for less than three years (Citizens Advice 2015), although in our sample tenants had longer residences. The high turn-over of numbers living in the sector is related to the average length of tenure and notice periods (Citizens Advice 2015). In the table below, 50% of respondents told us that they only have less than, or a one month notice period.

The upheavals that come with moving, as cited above, show that it is difficult to understand why families or renters would move on so quickly given the high costs.

Length of Notice Period	Frq	%
Less than 1 month	10	5%
1 month	90	45%
2 months	41	20.5%
3 months	14	7%
More than 3 months	10	5%
Don't know	31	15.5%
No contract	4	2%
TOTAL	200	100%

Length of notice period

A Department for Communities and Local Government study states that notice periods of one month or less can have a negative impact on people within the private rented sector and in particular those with school age children. Not only does it increase pressure to pay for the move, it can negatively impact on a child's education in comparison to others who are given longer notice periods (Labour's Policy Review (2014)).

FINANCIAL COST OF MOVING

Our research explored how tenants cope with the cost of moving. A high proportion (61%) of renters told us that they relied on their savings as a safety net to support their move. The second most important safety net was support from family and friends (21%) followed by borrowing (18%).

We can look at the impact this has on income groups in the table below:

How did you cope with the cost of moving	Lowest Income Quartile	Second Income Quartile	Third Income Quartile	Highest Income Quartile	Total	%
Savings	5 35.7%	7 36.8%	9 56.2%	12 70.6%	33	50%
Borrowed	5 35.7%	4 21.1%	3 17.8%	4 23.5%	16	24.2%
Family/Friends	4 28.5%	8 42.1%	4 25%	1 5.9%	17	25.8%
TOTAL	14 100%	19 100%	16 100%	17 100%	66	100%

Income quartiles and coping with cost of moving

The table shows that the lowest income quartile fell into debt, or greater debt as a result of the cost of moving (35%) compared to the highest income quartile at 23%. The highest income quartile could also rely on savings (70%), while only 35% of those on low income could do this.

National evidence shows that two thirds (65%) of private rented households in England from 2012/13 had less than £1,500 in savings compared to an average of 44% in the rest of the population (cited in Citizens Advice 2015). Private renters are therefore disadvantaged in relation to their assets, since this group is likely to have lower savings than the average household.

The cost of moving, and sometimes repetitive movements along with cumulative debt means future first time buyers will continue renting for longer in the sector to save for a deposit (Citizens Advice 2015).

LETTING AGENT FEES AND DEPOSITS

Some of the tenants we interviewed and others who took part in the focus group also informed us of difficulties relating to paying letting agent fees and deposits upfront.

Letting agencies should make public the fees they charge, and better regulation is requisite to ensure that all agencies are compliant. We would advocate that fees are banned as this would level the playing field for all private tenants and would not require policing. Given the legal challenges that comes with an outright ban, at the very least we advocate that all potential and existing private sector tenants are fully informed of letting agent fees and their legal rights, should things go wrong.

RBKC's Private Rented Access Scheme was launched in 2015 and provides financial support for residents to move into private rented accommodation. Priority is given to people who qualify as unintentionally homeless or for example have a severe medical condition. However there are residents on low incomes who should also be prioritised as without financial assistance they will not be able to pay all costs associated with moving.

Recommendation 3

The Council to lobby national government for the outlawing of letting agent fees.

The Council should improve the promotion of the Tenancy Relations Service and in particular advice to private sector tenants on letting fees and legal rights.

The Council's Private Rented Access Scheme to also prioritise people on low income who would genuinely struggle to afford fees and deposits.

CHAPTER 3: CONDITIONS OF RENTING

The private rented sector is recognised to let homes at substandard conditions (Citizens Advice 2015). The lack of competitive pressure on landlords in high demand markets, such as London means there are few incentives to offer safe and decent homes (Shelter 2014). In this section, we draw attention to direct tenant experiences relating to conditions and satisfaction in the Royal Borough.

TENANT SATISFACTION

In London, 80% of private renters are satisfied with their accommodation but only 47% are satisfied with renting privately (GLA 2015). Our research found almost 1 in 3 (32%) tenants felt that their home did not meet their expectations regarding its conditions, this related in the main to issues such as damp, infestations and maintenance works not being carried out.

SPACE

Overcrowding in the Royal Borough is lower (9.2%) than the London average (11.6%), but higher than England and Wales (4.7%) (Baker 2012). Overcrowding standards were first introduced in 1935 and reflected two key concerns: decency through the separation of the sexes; and provision of adequate space. These form the basis of the current overcrowding standards. (Legislation.gov.uk)
Almost 1 in 3 tenants in our survey felt their accommodation was not the right size for them and other occupants.

DECENT AND SAFE HOMES

In London, the proportion of homes that fail to meet the Decent Homes Standard dropped from 37% in 2006 to 21% in 2012 (GLA 2015).

In the PRS across England one in six rented homes (740,000) poses a serious danger to health and safety, the most common hazards relating to falls and excess cold. Private renters are also twice as likely to have problems with damp (Citizens Advice 2015).

Tenants informed us about what they considered to be the worst experiences of renting in the Royal Borough. The most commonly reported were:



23%
COST OF RENT



19%
MAINTENANCE ISSUES



16%
PEST CONTROL

Melissa, 54, lives on her own:
They gave me a horrible place, with broken furniture. I didn't even get to view it. There I lived with cockroaches and mice.... There were cockroaches all over the building and we even had a gas leak. I wrote a lot of letters to the agency and to the landlord but they didn't bother. So finally I had enough so I called the environmental health team. They put pressure on them but still nothing happened.

Simon, 36, lives with his daughter:
I have to sleep in the living room in the winter because of the extreme cold. It causes damp in the bedroom.

Giulia, 55, lives on her own:
Last year there was no gas certificate because something was wrong and they didn't want to repair it.

CHAPTER 4: CUSTOMER SERVICE

Housing conditions in the private rented sector are worse than in any other sector (Citizens Advice 2015). At the same time, in a market where the demand for homes is outstripping supply, renters lack basic consumer power to bargain for decent conditions of renting. This is compounded further by the lack of information and financial disincentives for landlords to drive up conditions (Shelter 2014).

REPORTING ISSUES

It is commonplace for renters to go without reporting poor conditions to their local authority. Shelter reported that as low as 8% of renters have complained to their local council. Often tenants lack confidence to report problems (2014). 13% of the tenants we surveyed said they were not confident to report a problem to their landlord. When asked the main reason for not reporting the highest responses were:



- 58% Repairs not being resolved
- 27% Fear of rent rise
- 15% Fear of eviction

The tenants reported that their landlords mostly responded positively to issues (79%), but 21% said they had responded negatively. While a high number of tenants would report another problem (83%), 17% would not do so again.

Wendy:

I left messages for him yesterday and he hasn't called me back and he has never ever contacted me about it....I have to fight all the battles with the builders next door and they are battles. ”

Simon, 36, lives with his daughter:

I always receive negative responses. ”

To strengthen customer relations between landlord and tenant it is necessary that both parties understand the rights of each. A landlord forum could support landlords to share good practice and keep up to date with tenants rights. Some members of our focus group also said that they would welcome a service in which they could subscribe to receive up to date information on tenants rights. Finally, the development of a Tenants Charter could also raise confidence in the PRS market.

A TENANT'S CHARTER: EAST NORTHAMPTONSHIRE COUNCIL

The East Northamptonshire Council has produced its own Tenant's Charter which aims to help people living in the PRS to have a better understanding of what they can expect, and if something goes wrong and where to go for help. The charter includes guidance on questions to ask before a tenant agrees to rent a property, tenant rights, ending the tenancy, if something goes wrong and what to expect during the tenancy (cited in East-northamptonshire.gov.uk).

Recommendation 6

The Council to introduce a local landlord forum targeted at engaging new and established landlords to share best practice.

The Council to establish a tenant online free subscription-based newsletter, hosted on the RBKC website – keeping tenants informed of key changes to their rights and responsibilities.

The Council to produce a local Tenants' Charter based on the charter published by the Department for Local Communities and Government in 2013 and raise awareness of the charter through a local government campaign. The Charter could go hand-in-hand with the tenancy relations service.

WHO IS LESS LIKELY TO REPORT?

Our findings suggested that women were less likely than men to be confident to report a problem.



More female tenants reported that their landlords were likely to respond negatively (64%) than male tenants (36%).

Charities such as Shelter and CRISIS (see 2014), have argued that the main barrier to renters reporting is the lack of protection from retaliatory eviction or landlord harassment. Due to this new legislation on Retaliatory Evictions came into effect in October 2015.

In our study, people aged over 60, little under a third (29%), also reported fear of eviction, and cited this as their worst experience of renting in the borough. One older tenant stated: The fear is in case I lose my home... I'll have to go into a nursing home.

At a time when retaliatory evictions have been addressed in national policy, much more can be done for the effective implementation of the legislation at a local level.

EVICTIONS

Almost 1 in 10 (9%) tenants in our survey reported they had been evicted in the past, although this does not mean they had been evicted in Kensington and Chelsea. Our survey also did not ask for details on reasons for evictions.

MAKING A COMPLAINT TO THE LOCAL AUTHORITY

The following were some experiences our focus group participants had when they complained to the Council or received a complaint:

Claire:

Environmental health investigated the last two cases I dealt with because of dangerous surroundings. What happened is they did their survey but they were very reluctant again to engage with the landlord and in both cases the landlord used section 21 and evicted both tenants. The landlord gets round it. Because the tenancy has passed its 6 months, they will just get someone out. The landlord has a legal loop hole because they can ask the tenant to leave. ”

Rachel, 22, Student:

We had a situation before we moved in the roof was changed and something went wrong. Water was coming through causing the paint to peel and mould to grow on all the windows. The landlord tried to blame everyone the contractors, the builders. Then he started intimidate us, saying we should find the source of the problem in the flat. It's frightening as a tenant to be exposed to that kind of liability. You don't know the history of the property. You don't have information or power. ”

Lydia, 70, lives on her own:

It's bad that the environmental health team does not have enough authority. They can't impose something on the landlord and if they can they don't. ”

Recommendation 7

The Council to improve enforcement and prosecution of rogue landlords in the Borough. The East Hertfordshire District Council has a staged approach to responding to complaints, offering advice and opportunities before following up more serious cases (see Shelter 2014) – this good practice model could be implemented locally.

The Council to promote the Retaliatory Evictions law (2015) to both landlords and tenants via the RBKC website and an online leaflet.

TENANT AWARENESS OF RIGHTS

Tenants are often unaware of their rights or have low expectations of the sector (Shelter 2014). Findings in our study found:

- 24% of tenants had sought advice on their tenancy rights.
- 61% of tenants reported they did not know all the range of places/services to seek advice on their rights.
- Tenants who sought advice were most likely to use the following local services: Citizens Advice (30%), a Solicitor or Lawyer (11%), Nucleus Advice Centre (6%) and any other (50%). The 'other' category included: voluntary organisations, friends, neighbours and the internet.
- The most frequent advice sought was on legal rights (62%), followed by conditions (21%).

THE CASE FOR ADVICE SERVICES

Our findings highlight a high need for advice services - almost 1 in 4 tenants used services locally. This suggests that rather than cutting back advice services investment should be maintained or increased. A strong advice sector can empower tenants as consumers and avoid a strain on the Local Authority already struggling with demands, for instance 1,272 jobs were lost in environmental health offices in 2010-12 across the UK (Shelter 2014).



Recommendation 8

The council to maintain much needed investment in local advice services.

More emphasis placed on a joint approach between the voluntary sector and the council to promote advice and support for private sector tenants in the borough

| CONCLUSION

Improved local solutions are needed to adequately respond to the needs of consumers in the private rented sector market in the Royal Borough. The Royal Borough should be at the forefront of promoting a PRS strategy that is based on needs. Better regulation of the PRS, in terms of rent stabilisation and the outlawing of letting agent fees, are one step in the right direction. A robust Tenant Relations Service, a well-resourced Environmental Health department, a landlord register, along with better information on rights and duties can achieve the ambition of driving up better customer experience and home stability for tenants.

Our research shows that with more creative and robust local authority intervention the private rented sector can offer better consumer power and stability to tenants for a generation of renters residing in this borough.

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