

Written evidence submitted by Mrs Maureen Roscoe to The Renters' Rights Public Bill Committee (RRB21).

I'm a private landlord writing to the Committee in that capacity. I have a portfolio of 5 buy-to-lets in the PRS sector (inc. HMO's) in Greater Manchester. I self-manage the properties on a 24/7 basis, delighting customers. Over the past 23 years, they've included: students; retiree's; vulnerable adults; young working professionals and families with or without pets. Many renters have been from overseas. My turnkey business provides utterly furnished, safe, excellent homes at affordable rents. Properties that stand-out from the rest. I make a modest profit from my endeavours which is ploughed back, so each house surpasses every test criterion.

Executive Summary

- Welcoming the abolition of S21, hoping the FTT's and Courts will be upgraded to cope with the deluge of cases from tenants and landlords.
- Fearful of unintended consequences from term- time unfilled voids caused by a student tenant giving a months' notice to quit, despite the Decent Homes Standard being met.
- A tenant 'walking away' from an HMO setting would 'collapse' the entire joint/ several contract, making house-mates homeless. This impacts on work contracts, or students' coursework...
- Income loss caused of an additional month's delay before a landlord can start repossession proceedings caused by deliberate refusal to pay rent.
- Tenant challenge to a S13 annual rent rise is 'rent suppression, this freezes income whilst business overheads shoot-up..
- Forbidding a landlord taking advance rent to secure a tenancy, is disastrous this precaution is vital when credit checking is impossible.
- Payouts for pet damage insurance cover is either not available, or has restrictive terms and derisory awards. Cover is not for normally expected pet habits that damage a property beyond economical repair.
- RRB proposals about pet- keeping are vague and ignore the fact that a tenant could take out Pet Insurance Cover to secure a tenancy, then stop paying the premiums.
- The majority of compliant PSL's are being punished alongside the small minority of rogue landlords.

My opinions were recently sent to Jonathan Reynolds my MP. These expressed my fears about the unwise proposals in the draft RRB:

Dear Sir.

I write as a constituent and as a compliant landlord. I am a resident of Hyde and have been an accredited and licensed landlord since 2001. I've renovated several properties in Hyde and Stockport and HMOs in Salford, to provide safe, fully furnished homes for families, retiree's, students and working professionals from the UK and abroad. It's in my role as a qualified landlord that I engage your support for my challenges to some of the damaging proposals in the RRB, set out below. Thank you for considering them.

I applaud you and your colleagues for following through on a pledge to reform the private-rented sector. I welcome the housing minister's ambition in introducing the RRB. However, I am terrified by the impact that some aspects of the RRB will have on my business model – and on the households for whom I provide mould-free, attractive homes. Another concern is the increase in homelessness that some of the proposals will cause. Or on those voids, artificially created by tenants able to easily vacate a fit for purpose property at relatively short notice. If adopted, this will force me away from letting to the student population being unable to re-let a void property at short notice, during term time.

1. Section 21 and on achieving a better balance for all

I welcome the end of the S21 'no fault' possession. The toll on decent rent payers impacts on lives and health. I implore you to take note of my legitimate concerns, well-articulated by the National Residential Landlords Association (NRLA), about the need to bring a better balance to the relationship between private tenants and professional landlords. Bona-fide landlords need to have full confidence that the reforms work for them - as well as for their customers. Landlords must be able to continue to invest in and let property to a wide audience to meet the demand for decent homes. In my case, those diverse audiences consist of: young and older working professionals; elderly retirees; the less-able; students over 25 years - and those tenants now in receipt of UC due to severe mental health conditions. My customers are guaranteed homes in beautiful 'key-turn' licensed HMO's. Or similarly in excellent 2-3 bedded terraced 'family' dwellings.

2. Early notice to quit by newly signed tenants

The RRB, seeks to remove the ability to establish a fixed-term tenancy. Without a minimum term binding both landlord and tenant to an agreement, I'm fearful that some tenants may simply 'walk away' after 2 months of their eager take-up. This will leave me significantly out of pocket because of the cost of the refurbishment of a property to code and the re-letting. And of course, the costs of marketing, of background checks and all that's involved with establishing a new tenancy. I fail to understand how discerning tenants would be disadvantaged by being held to a minimum period of say 6 months, in an excellent self-chosen property, before being permitted to serve their notice to quit. If the Decent Homes Standard is not met, then quite rightly, the tenant should not be forced to endure even two weeks. An unjustified or whimsical change of mind by a tenant, would mean un-filled void periods in the academic year in houses of multiple occupation [HMOs], and would collapse an HMO set-up as a joint tenancy. This is because the extra rent and unforeseen cost of bills would be beyond prudent student or working professionals' tight budgets. I feel that's its unfair and unbalanced that landlords are to be prevented from serving notice for an extended period. For instance, if I should wish to sell or move into a property. This is unfair if conversely tenants are allowed to leave almost

immediately from the date of them signing a contract. A fairer, common-sense approach is required so landlords don't ever feel 'punished', when no wrongdoing has occurred.

3. *Rent arrears and unresolved delays in the justice system*

The Bill proposes to make landlords wait an additional month, when faced with unresolved rental arrears, before being able to apply to court for repossession.

It's reckless to encourage a tenant to build up damaging rent arrears, which they are unlikely to remedy. And this is before I am permitted to start the protracted [often a 55 weeks' court process]. Evidence is that Local Authorities do entice tenants to remain to wait for bailiffs to evict. This is upsetting for all. My long experience of supporting highly vulnerable tenants, tells me there is no advantage in advising individuals to fall into toxic debt. Yet Councils do just that.

I appreciate the desire to move quickly on this draft Bill. I fear that this may lead to unforeseen far-reaching consequences. This is because of the gaps in provision of sufficient court venues; sufficient rent tribunals; and enough judges and bailiffs to enact possession orders when other avenues of mediation fail,

4. *Taking rent in advance when potentials cannot be credit checked*

As a hands-on landlord, I need time to help long term customers accept these immediate changes to their tenancy contracts. Of greatest concern to them is the lack of freedom to pay rent in variable tranches, just as it suits. For instance, when mobility is restricted, some of my customers with additional needs prefer to pay rent forward. My elderly infirm tenants do this to prudently manage budgets. I hope that their 'unique to them', rent forward arrangements can continue.

For 25 years, many overseas workers and students from four continents have taken advantage of my splendid key-turn homes - in return for remote payment of a modest holding-fee. Then on arrival have paid 4 or 6-month's advance rent. This establishes trust and probity because they had no UK rental or employment history, or a UK bank account. Therefore, couldn't pass usual credit checks. Their stay then secured, they quickly settled into university life - or into their new work placement in Greater Manchester.

Under new proposals, the removal of this vital precaution against rent arrears is a retrograde step. It means that I cannot accept overseas workers, or overseas students because of the high risk they present to my livelihood and to the voiding of my landlord insurance policy.

5. *S13 challenges, rent suppression, and shortfalls in the justice system*

In a past career, I inspected four hundred schools in England. I witnessed the under-achievement of pupils negatively affected by inadequate housing. Poor living conditions [inc. black mould] often preventing regular school attendance. These regrettable experiences fuelled my desire to become a compassionate PRS landlord, empowering tenants to challenging criminal landlords. This is the reasoning behind my welcoming the workable aspects of the Renters Rights Bill - particularly the Decent Homes Standard and Awaabs Law. Rent increases must be proportionate to income, reflect market rents - and deliver my objectives of providing excellent quality properties.

A better balance must be struck between regular improvement of housing stock, renewal of goods, necessary property repairs and maintenance. None of these 'vital to children's achievement and their good health' can happen if annual rent increases are artificially

suppressed. This will be caused by the power handed to tenants to challenge the S13 annual increases. Tenants will have everything to gain by refusing modest rent, then applying to the First Tier Tribunal for a rent determination. This ruling could take months. And under the proposals, the ruling of the FTT can only be that the rent remains at the same level – or be reduced. In effect it means that rent frozen in time is rent discounted, year on year. That's not survivable for a landlord because of constantly increasing overheads.

Anyone in business knows that profit must be steady over time so that gains can be ploughed back into sustaining and protecting that business going forward. Profit is oxygen, allowing a lettings business to inhale and not suffocate.

My modest profit from rental income are exposed to the risks of rising costs [building materials, landlord insurance, boiler insurance and the costs of ever-increasing fire and safety legislation]. These costs are in addition to improving energy efficiency – and a reduction in the Capital Gains Tax allowance. For this reason, rental income must never ever be frozen in time. This could happen for several years if a mischievous tenant annually challenges S13 requests. For clarity, in my case, these requests are £28- £42 per calendar month - which customers are very happy to pay. The artificial suppression of rent proposed would be a personal disaster because my increasing age means I must now employ qualified tradespeople for planned maintenance.

6. Problems acquiring pet damage insurance cover for a rented property. Who pays?

Yes, pets can be an asset to the mental and physical health of owners. The wording around pet damage insurance cover in the RRB is vague. It should be transparent for instance about who ensures the continuous insurance cover for pet damage. It's not the case that most insurers will pay out for pet damage. Or if insurers do include such in the pet owner's policy, it is restricted to a desultory amount of cover. I speak from experience of a past tenant trying hard to purchase pet damage insurance cover for future damage caused by her dog. It was impossible at any price, so she in line with my own Pet Policy, pledged to pay for damage her dog caused. Five weeks later after tremendous damage to the inside and the outside of the property, the tenant fled from the devastation and dog was no more. What could have been chewed or dug up, had been chewed, shredded, or torn asunder! Her parents funded the re-plastering and renewal of flooring throughout. The tenants self-employed bridal gown business went bust as most of her stock was ruined.

Currently, I've agreed to take one well-behaved dog in a terraced house with garden. The anxious tenants there paid a massive premium to buy pet insurance cover for vet care and vaguely worded pet damage. Three months into their contract, the amount allowed per annual claim for damage [£250], has been well exceeded by a dog who chewed new laminate flooring.

Pets can tear, rip, fabrics and furniture and shred walls. The cost of repair to such can be thousands. It's the case that a pet insurance product can be easily purchased just to gain a tenancy, then cancelled - leaving the landlord unaware of a breach of the pet policy. Legislation must ensure that tenants pay more rent to cover the inherent risks of bringing a pet into a rental property.

I also feel that 1st Tier Tribunals should be allowed to increase rent where a landlord can produce evidence that the tenants pet has damaged a property causing huge expense for the landlord - because the tenant does not have pet damage insurance cover. Or despite accepting liability, cannot afford to pay to rectify extensive damage. To expect the landlord to pay for a

tenants' shortcomings in controlling their pet, is unfair and could drive decent landlords out of business.

My concerns are rooted in long experience of offering well-maintained homes that chime with my philosophy of empowering tenants with 'relevant' information - and timely legal documentation about their rights and responsibilities to the local community.

Please write to your colleagues at the Ministry of HC and LG, to raise my justified concerns and suggest it takes on board the recommendations of the NRLA - of which I am a member.

*I look forward to the support you feel able to give. The RRB must be 'fit for intended purpose' showing rogue landlords and rogue tenants a red card if they fail to reach the standard expected. I feel I'm being punished by some proposals in the RRB, alongside the criminal, the careless, or absent- landlord brigade. And that's against natural justice. Some of the issues that I refer to above, feel like undeserved wrist-slaps. I believe I speak for all conscientious PRS landlords who feel the same lack of respect. This is despite PcW in March 2024 reporting that the private rented sector makes a **£45bn** contribution the economy, and that the size of the industry is a close second to the owner-occupied sector. I hope that the concerns I have highlighted will be examined 'without fear or favour' as the RRB segues into law.*

Thank you for your service as my MP.

Maureen Roscoe

Private Sector Landlord

Landlord Mentor

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Member of The Independent Landlords Group

Recommendations [1-9] for consideration by the Committee are as follows:

1. Secure landlords' confidence in the PRS by insisting on a balance between the interests of landlords and their tenants. Following the removal of no-fault evictions, landlords must know that the County Courts have sufficient capacity to deal with cases in a timely manner. A process which can take over 12 months is not acceptable.
2. Removing the proposal of giving tenants the right to give a landlord one month's notice to quit 2 months after signing a contract. This opens the door for tenants to use this option as a cost saving measure to secure temporary accommodation. A minimum term of 4 months should be established – or 10 months for full-time students.
3. Additional 'Housing Courts' should be established to deal with the backlog of cases and inevitable increase in demand due to the removal of the no-fault evictions.
4. The option of paying 6 months' rent in advance should be open to negotiation between landlords and potential customers, when credit-checking is impossible.
5. The power of Rent Tribunals to increase a tenant's rent to the fair market rate following an appeal must remain. Otherwise, the current proposals in the RRB could amount to a suppression of rent. Thereby undermining landlords' confidence in remaining in, or further investing in the PR sector, to meet Green Proposals.
6. That a data bank of market rents is established to verify FTT determinations and allow tenants to see their landlord is treating them fairly.
7. Landlords should have the option of including a clause in the contract requiring tenants to pay a premium in addition to their rent each month to cover any damage caused by their pet(s). If little or no such damage is caused by the end of the tenancy, the tenant will have the right for the amount – either in part or as a whole, to be refunded.
8. That the RRB vows to accept that the best way to keep tenants in their homes is to keep landlords in the rental market because risks taken are worth the rewards.
9. Implement the digitalisation of judiciary systems to solve the overburdened tribunal system. A system which cannot clear its backlog of appeals. If the proposals in the RRB are implemented, the system will be swamped by the tsunami of new appeals.

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