



4th February 2010

Suggested distribution

Welfare / community officers and staff, housing specialists, residential managers

Action

For information

NEC Contact

Ben Whittaker

Staff Contact

[Sarah Wayman](#)

neighbourhood@nus.org.uk

Government response to the Rugg review

Key Points

- The government made an announcement on 3rd February which can be read here: <http://www.communities.gov.uk/news/corporate/1455410>
- In it is included a commitment to raise the annual rental income limit of an Assured Shorthold Tenancy (AST) from £25k to £100k – something which NUS has long campaigned for
- This announcement is in response to the Rugg review – an independent report on the PRS and recommendations for policy to improve and support the sector.
- You can read our Social Policy Briefing on the Rugg Review here: http://resource.nusonline.co.uk/media/resource/2009_02_20_SPB_Rugg_Review.pdf

Background

In January 2008, Communities and Local Government (CLG) commissioned Professor Julie Rhodes and David Rugg to carry out independent research on the Private rented Sector.

The report, published October 2008, included specific sections on student housing as well as a holistic view of the sector. In May 2009 CLG opened a public consultation on the recommendations made.

In February 2010, CLG then made its announcement confirming what elements from the report it would be adopting.

What are the changes, and what do they mean?

The announcement confirmed that the government would be introducing:

- “funding for a new housing hotline offering free help and advice for private tenants should things go wrong”. As yet, we don’t know whether this will be a national or local project, and whether it will be run centrally or through another organisation.
- “an online word-of-mouth directory of landlords similar to ‘tripadvisor’ or ‘mumsnet’.” There is currently a project exploring the options for this being run by Consumer Focus. From discussions with Consumer Focus, it seems this may also be along the same lines as the kinds of ‘Rate Your Landlord’ projects SUs have been working on for years. It has also been likened to feedback buyers and sellers give one another on Ebay.
- “a requirement for written tenancy agreements that will strengthen the hand of tenants should they face a dispute and ensure all tenants and landlords are clear of their rights and responsibilities” At this stage, we have no additional detail as to whether the Department will be planning to produce model tenancies, or minimum standards for what such a written contract must contain
- “An increase of the annual rental threshold for ASTs to £100,000 a year will mean that many shared households, most often those of students or seasonal workers, will have their rights strengthened”. This is something that NUS and Unipol flagged up as a concern back in 2007, and tabled an Early Day Motion on the issue in 2008. You can read our briefing on it [here](#).

- “a National Register for Landlords to help tenants make basic checks on their prospective landlords. Councils will be able to identify local landlords more easily, making enforcement of letting rules easier, and registered landlords will gain access to the latest advice and information”. There is no further information at present whether any additional requirements or features will be added to this register.
- “better regulation of letting and managing agents, which will help tackle the rogue agents. Full legislation will drive out the worst practices such as wrongful eviction, raise standards and provide greater protection for both tenants and landlords in cases of dispute” It is often the experience of student advisers that the majority of problems surround letting agents, who can often operate with no training, and can disappear leaving both the landlord and the tenant out of pocket. This step forward has been welcomed by housing professionals as way to professionalise this sector of the market.

In summary, is a welcome announcement, especially after many bodies in the sector voicing their concern about the lack of discussion on such an important sector. You can read this here:

<http://www.24dash.com/news/Housing/2010-01-22-Private-rented-sector-the-forgotten-piece-of-the-housing-jigsaw>.

We look forward to getting more detail from the Department as to what these changes will mean, and when they will be implemented.

What's next :

We are as yet to find out about the details of these plans or timelines for their implementation.

However, we would welcome your thoughts and opinions on the suggested changes:

- Will these have any impact on your local housing stock?
- How many tenancies will the increase of the £25,000 AST limit impact in your region?
- What has been the response of your local authority to these changes?

Further information:

Rugg Review

<http://www.york.ac.uk/inst/chp/publications/PDF/prsreviewweb.pdf>

NUS response to Rugg review

http://resource.nusonline.co.uk/media/resource/NUS_Consultation_Rugg_0.pdf

NUS briefing on the AST threshold issue

<http://www.communities.gov.uk/documents/planningandbuilding/pdf/housesmultipleconsultation.pdf>

Rugg supports NUS/Unipol campaign

<http://www.communities.gov.uk/publications/housing/responseruggreview>

Information on welfare and student rights

<http://www.officeronline.co.uk/welfare/>

Social Policy Briefing is written to update officers and staff in students' unions on issues relating to social policy, including student finance, welfare and liberation. Information is correct at time of writing and offered in good faith