Evictions of private tenants increase by over 50 percent in England and Wales

Allison Smith 13 July 2016

One in 10 landlords surveyed by the Shelter housing charity survey said they had tenants in arrears for at least two months last year. One in six landlords said they moved to evict tenants over the last three years.

In 2015, the Ministry of Justice reported that household evictions in England and Wales reached record levels, with 42,728 renters forcibly removed from their homes. Between 2010 and 2015, evictions increased by 53 percent—equivalent to more than 170 per day. Private landlords evicted 5,919 tenants during this period.

A Shelter survey of private landlords reveals that since 2000, triple the number of British families now rent in private accommodation. The "buy-to-let" housing boom created the condition for more than 2 million people to become private landlords.

Because so little is known about private landlords, Shelter housing charity worked with a YouGov panel and British Gas to conduct "the largest and most representative survey" of private landlords across the Britain since their last report in 2006. A representative sample of 1,071 private landlords participated.

One of the most alarming statistics is that 80 percent of landlords surveyed have never been registered or joined a trade body. Shelter explains, "Although cause and effect cannot be proven, the survey points to a clear association between being a member of a trade body or registration scheme and being more likely to follow the law and good practice on things such as tenant safety and protecting deposits."

Recent research by Shelter bears out this statement. In 2015, Shelter reported it received 5,343 calls from private tenants seeking help with problems with their landlords, including delays to basic repairs and issues with damp, dangerous electrical wiring, and unsafe appliances. In London alone, Shelter reported that 60

percent of renters live in unacceptable conditions, including vermin or insect-infested, damp or dangerous accommodations.

Nearly 40 percent of landlords surveyed reported that they were either not in compliance or did not know if they are in compliance with Energy Performance certificates. Eight percent "seem not to be complying with more serious legal requirements such as gas safety checks," and a further 5 percent were not always protecting tenant deposits. Other than laws regarding gas safety, overall survey results reveal that private landlords have fairly poor knowledge of laws regulating rentals.

Increasing tenant discrimination is also an alarming trend among private landlords, with 42 percent saying they refuse to rent to housing benefit claimants, and 21 percent saying they prefer not to let to renters on any form of state benefit. Forty-one percent of landlords that use a letting agent did not fully delegate the letting responsibility to their agent, and "admitted that it is natural for prejudices and stereotypes to come into letting decisions."

According to a March 2016 House of Commons briefing paper on the reasons private landlords refuse to rent to benefits claimants and the extent of the problem, "[P]rivate landlords are generally free to refuse to let to Housing Benefit claimants, just as they are free to refuse to let to applicants who are not in receipt of benefit but who have a poor credit history."

The briefing goes on to say that evidence suggests that discrimination against tenants on housing benefits is increasing. Homeless Link, a membership charity for organisations working directly with people who become homeless in England, said that one of the homeless placement agencies they work with reports that it lost 20 percent of the private landlords it had

worked with in the last year. This was "specifically on the grounds that they think they can get higher rents paid by people who are not on benefits."

Shelter expects that the government's "Right to Rent" scheme, requiring landlords to carry out checks on all tenants to make sure they have the right to rent property in the country, will likely lead to an increase in discrimination.

Most private landlords in the Shelter survey said they were in either full-time work or retired, and most said they own the home they live in. Of the 1,005 landlords that responded to personal wealth questions, 29 percent reported an annual income of £70,000 or more, making the median household annual income for these landlords near £50,000. Despite their stated wealth, 23 percent of survey participants said they "were not totally confident they were paying enough tax" on their rental income. The average monthly profit per landlord was £650 before tax.

In contrast, the Office for National Statistics (ONS) reports that as the number of private renters in the UK has increased, so has the number of renters living in poverty. Since 2006, the number of private renters living in poverty in England rose from 2.1 million to 3.9 million. This increase is directly linked to the high, and rising, cost of housing, with the average low-income private renter spending more than 50 percent of his or her total household income on rent.



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