

# The Policy and Politics of Improving Standards in the English Private Rented Sector

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## Abstract

The standard of existing homes in the English private rented sector (PRS) presents several challenges. As the sector has expanded, issues of inadequate renovation, maintenance and upgrading have assumed greater salience. Research has also highlighted enforcement challenges which make it more difficult to raise property standards and improve tenants' housing experiences. This article, informed by regulatory theory and systems thinking, argues that there is benefit in thinking more expansively about the practical policy interventions available to address the problem of standards. The article presents a framework for doing so which has currency in thinking about policy design and effectiveness beyond PRS standards. The policy debate would benefit from attending to more powerful leverage points associated with the design and intent of the system in pursuit of transformative change towards a stronger culture of compliance with standards.

**Keywords:** private rented sector, housing standards, housing policy, systems thinking, regulatory theory

## Introduction

THE GROWTH OF the English private rented sector (PRS) over the past two decades has been striking.<sup>1</sup> The sector expanded from accommodating 2.1 million households in 2001 to 4.8 million households in 2022. Its nature and the role it plays in the housing market have changed. The longstanding challenges faced by the sector have become more politically salient as it has grown, with the core concerns relating to standards of properties and management.

<sup>1</sup>J. Rugg and D. Rhodes, *The Evolving Private Rented Sector: Its Contribution and Potential*, Centre for Housing Policy, University of York, 2018; A. Marsh and K. Gibb, *The Private Rented Sector in the UK: An Overview of the Policy and Regulatory Landscape*, UK Collaborative Centre for Housing Evidence, 2019; J. Harris, D. Cowan and A. Marsh, *Improving Compliance with Private Rented Sector Legislation: Local Authority Regulation and Enforcement*, UK Collaborative Centre for Housing Evidence, 2020; J. Rugg and A. Wallace, *Property Supply to the Lower End of the English Private Rented Sector*, Nationwide Foundation, University of York, 2021; J. Stewart and R. Moffat, eds., *Regulating the Privately Rented Housing Sector: Evidence into Practice*, Routledge, 2022; B. Cooper, *Home Comforts: A Plan to Eradicate England's Poor-Quality Rented Housing*, Fabian Society, 2025.

While the sector's growth can partly be attributed to new construction, it has also been fuelled by tenure conversions as properties move from the home ownership sector into the rental market. When discussing problems with standards, we are concerned primarily with the existing housing stock. This is a corrective to a narrow framing of the country's housing problem in terms of new supply: 'new build ... can only be a part of getting housing right. Policies to manage the use of the existing stock are at least equally if not more important ... Any policy cannot just be about new building—but about the quality, use and price of the whole stock.'<sup>2</sup> This argument aligns with the broader case for more comprehensive, coherent and integrated housing strategies.<sup>3</sup>

<sup>2</sup>C. Whitehead, T. Crook and K. Scanlon, *A Roadmap to a Coherent Housing Policy*, The Family Building Society, 2024, p. 27.

<sup>3</sup>*Homes for All: A Vision for England's Housing System*, Church of England and Nationwide Foundation, 2024; *Beyond the Permacrisis—Delivering 1,000 Homes a Day*, Radix, 2024; A. Marsh, H. Pawson and K. Gibb, *National Housing Strategy*, UK Collaborative Centre for Housing Evidence and Nationwide Foundation, forthcoming.

A more holistic approach to housing strategies can be complemented by more detailed sector-focussed analysis. In this article, we zoom in on PRS standards. The core issue is that a substantial minority of properties fall below minimum standards. In 2022–2023, 21 per cent of PRS properties were below minimum standards, an improvement from 29 per cent in 2013.<sup>4</sup> The absolute number of properties below standard is—despite policy efforts—declining relatively slowly.

This article draws on interviews with eighteen key stakeholders conducted for a project developing a Housing Strategy for England.<sup>5</sup> Participants included members of the House of Commons and House of Lords, senior representatives from across the housing sector, as well as other lobby groups and think tanks. Interviews were conducted in October and November 2023. This material is combined with desk-based research, policy analysis and the application of systems thinking.

We first briefly review the key PRS challenges and their causes. This is followed by an overview of recent policy responses. The core of the analysis then draws on a combination of regulatory theory and systems thinking to reflect upon current policy developments and to propose further possible policy responses to the standards issue. The article concludes by reflecting on the potential of this approach to enhance the policy response to this longstanding policy problem, as well as for wider application.

## Current challenges and their causes

The debate over improving standards in the PRS is shaped by challenges around affordability and insecurity. While Shelter's '30 per cent affordability rule' posits that an affordable rent must be 'below 30 per cent of a household's net income', in the financial year ending March 2023, 'private renters on a median household income could expect to spend 34.2 per cent of their income on a median-priced rented home in England'. Moreover, the

<sup>4</sup>English Housing Survey 2022–2023: *Housing Quality and Condition*, Ministry of Housing, Communities and Local Government, 18 July 2024; *English Housing Survey: Households 2013–14*, Department for Communities and Local Government, 2015, p. 80.

<sup>5</sup>*Homes for All*, C of E and Nationwide Foundation.

geography of affordability is uneven: 'in London, average rents have been between 57.2% and 39.8% of private-rented household incomes since 2015, while in other regions they have remained above 20% but rarely exceeded 35%'.<sup>6</sup> Tenants can carry a substantial rent burden to access property of poor quality. Lack of affordability and lack of tenure security mean that loss of a tenancy is a major reason for homelessness. These issues are particularly problematic for specific social groups.

Another key issue is that the housing stock is relatively old. This exacerbates quality issues and increases challenges around improving energy efficiency. A failure to reduce energy consumption and costs can, in turn, lead to several problems, including excess cold, damp and other hazards. Just over a third of households (9.6 million) are simultaneously at risk of living in a cold home, are on a low income and do not have the resources to better insulate their home. These challenges can be particularly difficult for those who have additional support needs, such as older people and those living with a disability.<sup>7</sup>

Our interview participants commented that successive Westminster governments have not invested enough to maintain, upgrade and future-proof our homes—and that this is a particular challenge in the PRS. In 2022–2023, an estimated 14 per cent of households lived in homes that did not meet the Decent Homes Standard. Nearly one in ten (9 per cent) of households lived in a home with at least one serious 'category one' hazard and 4 per cent lived in damp homes. Tenants in the PRS were more likely than homeowners or social renters to be experiencing each of these indicators of poor quality.<sup>8</sup>

<sup>6</sup>*Private Rental Affordability, England and Wales: 2023*, Office for National Statistics, 28 October 2024. p. 7; 'Private renting unaffordable for working families on low wages in 67% of the country', *Shelter*, 9 July 2019; *Table 91a: Reasons for Homelessness in England to 2018*, UK Housing Review, 2025, p. 1; *Making Housing Affordable After Covid-19: A Follow-Up Report from the Affordable Housing Commission*, Affordable Housing Commission, 2020.

<sup>7</sup>G. Rowe and F. Rankl, *Housing and Net Zero*, House of Commons Library, 8 July 2024; A. Donkin and M. Marmot, *Left Out in the Cold: The Hidden Health Costs of Cold Homes*, UCL Institute of Health Equity, 2024.

<sup>8</sup>English Housing Survey 2022–2023.

The consequences of not addressing these challenges are serious. Households are being exposed to risks of serious harm affecting both physical and mental health. Garrett, et al. used data from 2019 to estimate that the consequence of not addressing category one hazards costs the NHS over £1.1 billion per year.<sup>9</sup> The demographic profile of the PRS means that particular social, economic and racial/ethnic groups are more negatively affected.<sup>10</sup>

## Diagnosing the causes

The causes of these quality problems are conventionally diagnosed as a combination of supply-side and demand-side factors.

In relation to the supply side, stakeholders emphasise the shortfall in supply across the housing system. Insufficient social-rented and owner-occupied homes mean many households are living in the PRS who would not previously have done so. In high pressure housing markets where properties are scarce, landlords can let substandard properties with relative ease. In addition, the prevalence of small-scale landlords, who often do not operate as a business, means landlords are not necessarily well-informed about their obligations and nor do they necessarily operate with robust business models that build in provision for routine repairs and maintenance. Where a property is managed by a letting agent, such agents can be of variable quality and professionalism. While new build properties coming into the sector will meet new building regulations and therefore be expected to improve average standards, that does not ensure landlords spend sufficiently on repairs and maintenance. The complexity of the legislative provisions that apply to private landlords does not facilitate compliance. Furthermore, there is a subsector of private renting in which landlords are operating outside the law and this intersects with the location of a range of other criminal

activities including people trafficking and prostitution.<sup>11</sup>

On the demand side, lack of security of tenure has been the central concern: tenants who seek to enforce their rights face the risk of retaliatory eviction rather than remedial action. Fears of an adverse reaction from their landlord are particularly salient in high demand markets where alternative accommodation is difficult to find. Tenants can therefore feel constrained in their efforts to ensure that landlords deliver good quality accommodation. In contrast, in lower demand areas, where tenant spending power may be low, there can similarly be limited market pressure to comply with standards. Many private tenants consequently decide it is safer to keep quiet than to complain. Or, if feasible, they move rather than complain. Furthermore, tenants need to know their rights and be willing and able to exercise them, but lack of knowledge is endemic. Funding cuts for housing advice and support in many local authority areas have worsened the situation. Some households whose needs mean they would previously have lived in social housing, but are now living in the PRS, are not well placed to assert their rights, even with support.

Finally, there have been long-standing concerns about the nature, scale and administration of sanctions for non-compliance by landlords. It has been argued that criminal sanctions were insufficiently severe and insufficiently likely to be applied to act as a serious deterrent to landlords providing property that does not meet relevant standards. While this situation has arguably changed because of policy reforms to broaden the available range of responses, there remain features of the formal processes for seeking

<sup>9</sup>H. Garrett, et al., *The Cost of Poor Housing in England by Tenure*, Building Research Establishment, 2023.

<sup>10</sup>Cooper, *Home Comforts*.

<sup>11</sup>Rugg and Rhodes, *The Evolving Private Rented Sector*; J. Harris and A. Marsh, *Understanding Landlord Behaviour in the Private Rented Sector in the UK*, UK Collaborative Centre for Housing Evidence, 2022; *Housing: Encouraging Responsible Letting*, Law Commission, 2006; H. Cromarty and C. Barton, *Housing Conditions in the Private Rented Sector (England)*, House of Commons Library, no. 7328, 2022; R. Spencer, et al., *Journeys in the Shadow Private Rented Sector*, Cambridge House and University of York, 2020.

redress which militate against securing property improvements.<sup>12</sup>

## The developing policy response

Responding to concerns about quality in the PRS, Westminster governments have enhanced regulation aimed at improving standards. The Housing Act 2004 introduced mandatory licensing for homes in multiple occupation (HMOs) and selective licensing to assist in dealing with PRS problems in specific localities. The Act also replaced the housing fitness standard with the Housing Health and Safety Rating System to give intervention a greater focus on risk. In 2006, the Decent Homes Standard (DHS) was updated to recognise these changes, although it applied only to social housing, not the PRS.

More recently, the Deregulation Act 2015 aimed to protect tenants against landlords engaging in retaliatory eviction. However, the procedures tenants are required to follow to secure these protections mean the law has been characterised as largely ineffective. Subsequently, the Housing and Planning Act 2016 gave local authorities powers to impose substantial civil penalties as an alternative to criminal prosecution for a range of offences. Finally, the Homes (Fitness for Human Habitation) Act 2018 sought to ensure that properties offered for rent are safe and healthy at all times, although it does this using a somewhat opaque legal mechanism. Tenants can take their landlord to court if their property falls below the relevant criteria. Despite these developments, the Westminster government's approach to PRS enforcement has repeatedly been criticised as insufficiently robust, especially compared with Scotland and Wales, which regulate the sector more proactively to address the challenges noted above.<sup>13</sup>

<sup>12</sup>D. Cowan and A. Marsh, 'There's regulatory crime, and then there's landlord crime: from "Rachmanites" to "partners"', *Modern Law Review*, vol. 64, no. 6, 2000, pp. 855–874; *Rogue Landlord Enforcement: Guidance for Local Authorities*, Ministry of Housing, Communities & Local Government, 2019.

<sup>13</sup>Marsh and Gibb, *The Private Rented Sector in the UK*; Committee of Public Accounts, *Regulation of Private Renting*, House of Commons, Forty-Ninth Report of Session 2021–22, HC 996, 30 March 2022.

The Conservative government's 2023 Renters (Reform) Bill went some way to addressing regulatory weaknesses. However, it had not been legislated before the July 2024 election. The incoming Labour government replaced it with the Renters' Rights Bill, which aims to increase the rights and protections of renters. The Bill goes further than the Conservative proposals. The key measure, shared with the previous bill, is the abolition of Section 21 'no fault' evictions and reforming the grounds for possession. The government also proposes to extend the Decent Homes Standard to cover the PRS, introduce a new ombudsman and create a national PRS database.<sup>14</sup>

As part of the Labour government's 'Plan for Change', the bill aims to strengthen local authority enforcement powers. It will do this by expanding the availability of civil penalties and rent repayment orders and extending investigatory powers. More fundamentally, s107 of the bill places a duty on 'every local housing authority to enforce the landlord legislation in its area'. The bill will bring in a requirement for local authorities to report on enforcement activity. This is, in part, seeking to counter the reluctance of some local authorities to exercise the powers they have available to them, which has been identified as a barrier to improvement by researchers and in evidence to select committees. The overall aim is to 'give renters safer, better value homes and remove the blight of poor-quality homes in local communities'.<sup>15</sup>

In addition, there is the drive to meet the target of 'net zero' by 2050, including through implementation of the 2018 Minimum Energy Efficiency Standards. Because emissions from residential buildings account for around a fifth of UK greenhouse gas emissions, housing has a key role in achieving net zero. There is a pressing need to decarbonise the housing stock. Crucial to addressing this issue are low-carbon heating systems, renewable energy and retrofitting existing housing to improve energy efficiency. Since 2020, the government has mandated that PRS properties achieve a minimum Energy Performance

<sup>14</sup>'Guidance to the Renters' Rights Bill', Ministry of Housing, Communities & Local Government, 2025.

<sup>15</sup>*Ibid.*

Certificate rating of E, which is not a demanding standard.

## Developing policy, seeking additional leverage

In this section we address three topics. First, we briefly engage with the question of how to think about regulating standards. We then consider what policy is doing and what else it might be doing. Finally, we consider the challenges involved in moving beyond current policy approaches.

### *Regulating standards*

The conventional approach to regulating standards—in housing as elsewhere—is command-and-control: establishing a performance standard and using a deterrence mechanism to drive compliance. Since the 1970s, studies have, however, demonstrated that formal enforcement action of this type is not typically the first regulatory response nor, necessarily, the most effective: initial regulatory moves are often more informal conversations, information provision, negotiation and warnings; only if these (repeatedly) fail do regulators switch to formal enforcement. There has therefore been greater emphasis upon the effectiveness of so-called ‘compliance’ approaches. A range of more flexible regulatory strategies—such as responsive, smart, risk-based or purposive regulation—have been advocated. Nonetheless, the pendulum has arguably started to swing back towards more ‘hardline’ approaches to enforcement in recent years.<sup>16</sup>

Emphasising enforcement—whether through deterrence or compliance—can risk focussing upon episodic compliance, rather than fostering a culture of continuous compliance; that is, landlords comply with their obligations when someone is watching rather than because they think it is the appropriate, desirable or responsible thing to do. Applying a broader understanding of the drivers of

compliance means considering the ‘spontaneous’ factors which influence landlord behaviour as well as the ‘enforced’ factors: both types of factors can be further subdivided into components (see Table 1 below).<sup>17</sup>

The systems thinking concept of leverage points is helpful when considering this broader range of factors and how public policy might engage with them. Leverage points are points at which intervention will change system behaviour. Shallow leverage points are relatively easy to reach, but are not powerful in (re)shaping system behaviour. Deeper leverage points are more powerful, but are harder to reach. The location of the most effective leverage points may not be immediately obvious: they may initially appear peripheral or outside the system of interest entirely.

Meadows, the originator of this approach, initially identified twelve types of leverage point, which have been classified into four realms: parameters, feedback, design and intent. Parameters are the shallowest leverage points. Change at a parameter leverage point—for example, change in a tax rate—will alter system behaviour, but not alter the structure of the system, so there is no qualitative change. Changing the nature and strength of feedback loops—for example, introducing the ‘polluter pays’ principle—can be a more powerful lever. In contrast, ‘design’ and ‘intent’ leverage points change the nature of the system. ‘Intent’ relates to more profound changes at deeper leverage points, including reshaping system goals.<sup>18</sup>

Our key contention is that, alongside concern for the effectiveness of enforcement, there is value in exploring leverage points associated with spontaneous compliance factors. Our key point is summarised in Table 1: policy debate tends to focus on the relatively shallow realms of leverage, with parameters and feedback in the bottom left quadrant of the table, whereas those realms likely to be more effective—design and intent—and associated

<sup>17</sup>C. Parker and V. L. Nielsen, ‘Compliance: 14 questions’, in Drahos, ed., *Regulatory Theory*, ch. 13, pp. 217–232; Harris, Cowan and Marsh, *Improving Compliance*.

<sup>18</sup>D. Meadows, *Leverage Points: Places to Intervene in a System*, The Sustainability Institute, 1999; D. J. Abson, et al., ‘Leverage points for sustainability transformation’, *Ambio*, vol. 46, no. 1, 2017, pp. 30–39.

**Table 1: Leverage points for driving compliance with standards**

Parker and Nelson’s 14 compliance factors		Realm of leverage			
		Parameters	Feedback	Design	Intent
‘Spontaneous compliance factors’	1. Net social benefits				Action 3
	2. Degree of acceptance of this regulation			Relatively unexplored, more powerful levers	
	3. Respect for the law in general				
	4. Existence of non-official influence on compliance			Action 2	
	5. Business Model			Action 1	
	6. Knowledge of the rules				
	7. Capacity to comply				
‘Enforced compliance factors’	8. Respect for the regulator				
	9. Risk that violation will be reported	Focus of policy debate			
	10. Risk of inspection				
	11. Risk of detection				
	12. Selectivity of inspection/detection				
	13. Risk of sanction				
	14. Severity of sanction				

with spontaneous compliance (in the top right quadrant) remain relatively unexplored. We suggest that the key to addressing the stubborn problem of non-compliance lies in greater attention to these deeper leverage points.<sup>19</sup>

### What policy is doing

Current proposals will extend the Decent Homes Standard to the PRS, strengthen local authorities’ enforcement and investigative powers, create a national database and place upon local authorities a duty to enforce. These moves operate on ‘enforced’ compliance factors and information accessibility. They are operating primarily in the realms of parameter and feedback leverage points.

Simultaneously, the government proposes to remove ‘no fault’ eviction provisions. This is aimed at strengthening tenants’ security of tenure and could, as a result, encourage more

tenants to assert their rights regarding property quality and condition. If tenants are more confident that they will not be evicted in retaliation for complaining, then they have a stronger incentive to press the landlord to maintain standards. That is, increasing tenants’ security of tenure increases the probability that violations will be reported and that sanctions will follow if landlords don’t act.

This is a coherent policy package, but it rests on a strong element of consumerism: the key mechanism for remedying non-compliance is tenants asserting rights, either directly or by raising issues with the local authority. The emphasis upon information sharing—via the national database—would appear to be, at least initially, about ensuring everyone knows their rights and obligations. Implicitly, the belief is that ignorance and inadvertence are critical to much non-compliance and greater knowledge of the rules will lead to higher levels of compliance.

None of this is inappropriate—but is it sufficient? There remains a question mark regarding whether sufficient resources will be

<sup>19</sup>A. Marsh, A. Earley and K. Gibb, *Reconsidering Compliance with Standards in the English Private Rented Sector: A Systems Perspective*, forthcoming.

available to allow local authorities to fulfil their new responsibilities. There are several reasons other than lack of security of tenure to account for tenants' reluctance to engage in formal legal proceedings to compel their landlord to address poor property standards. And while it is plausible that making information more readily available to landlords will lead to greater compliance, the extent to which the effectiveness of acting on this dimension of spontaneous compliance is attenuated by lack of change of other factors is an open question.

Many commentators have argued that a national licensing system is also needed. However, whether licensing improves standards also depends upon its design. Licensing can be conducted very much in a spirit of command-and-control and hence focus upon 'enforced' compliance factors. In contrast, some local licensing systems in operation offer false assurance because, in practice, landlords are not required to satisfy any conditions before acquiring a licence. Where landlords are required to complete professional development training prior to obtaining a licence, as with RentSmart Wales, then schemes can start to engage with more 'spontaneous' compliance factors.

## What could policy be doing?

It is not unusual for policy to focus on exerting leverage through parameters and feedback. These levers are easier to access and operate. But that does not mean they are the most effective levers. Indeed, the leverage points approach suggests they are not: they can often address symptoms rather than causes. More powerful leverage lies in the realms of design and intent.

One aspect of the current policy approach that is rarely problematised is its consumerist presumption. That is, if tenants have greater security and better information, then they will act to enforce their rights, including seeking assistance from their local authority. But are there limits on how powerful this mechanism can be? We know, for example, that in Scotland increases in security of tenure after 2016, including strengthening quasi-judicial means of dispute resolution, have not eradicated unlawful evictions; nor have they led all tenants to feel confident in asserting their rights. Even when aware of their formal rights,

tenants can be conscious of their limited housing market options and take a correspondingly cautious approach to their landlord. It is the perception of risk of adverse consequences, more than the actual risk, that shapes behaviour.

Without tenants playing an active role, addressing non-compliance rests with local authorities through inspection regimes and raising landlords' awareness of their obligations. But there are limits to the resources financially constrained local authorities can direct towards these activities, even while acknowledging that elements of the system—local licensing schemes, civil penalty regimes—are theoretically self-financing.

We conclude that there are upper limits on what can be achieved by relying on consumerism, command-and-control and enforcement. A complement to a system based on ensuring standards through *ex post* enforcement is one based on *ex ante* quality assurance. To achieve such a system would require acting in the design and intent realms. We identify three potential areas for action.

First, how can business models be professionalised to increase the likelihood of adequate property maintenance? A proportion of small landlords do not separate the finances associated with their rental activities very clearly from their personal finances and some make no ongoing provision for funding repairs or maintenance, treating rents received as additional income for discretionary spending. Consequently, in recent research, some landlords worried they could not meet needs for urgent spending or major costs such as a boiler replacement. Improving basic business practices could have a positive impact on standards.<sup>20</sup>

Second, can alternative, non-official influences on compliance be deployed? The deterrence-based system relies on local authorities because they possess the relevant enforcement powers. Other organisations—housing advice services, trade bodies, community organisations, letting agents—disseminate information on rights and responsibilities and can potentially alert a local authority to instances of

<sup>20</sup>Harris and Marsh, *Understanding Landlord Behaviour*.

non-compliance. These activities are not typically integrated into local systems of regulation, but they invite us to think holistically about more diverse regulatory architectures. Not all landlords are inclined to look to—or trust—national or local government as sources of information and assistance. There is merit in thinking about the scope for organisations with which landlords are more routinely in contact playing a more integrated role in the drive to increase standards. The use of trade bodies as part of the regulatory architecture, including aiding enforcement of standards, was proposed by the Law Commission two decades ago, but the idea was not pursued, while the potential for letting agents to play a greater role in delivering better quality in the PRS is the subject of current research.<sup>21</sup> If the performance of all letting agents was raised to the level of the best, then, in principle, that could have a substantial impact on standards.

Third, how can we delegitimise the provision of inadequate PRS accommodation? This is about changing social norms. In terms of the factors in Table 1, it involves changing the net social benefits of compliance. As a society, we tolerate a substantial proportion of private tenants living in inadequate accommodation. The social costs of being a landlord of poor quality accommodation are not high enough to discourage the practice—it does not attract sufficient opprobrium—while the economic benefits associated with providing such accommodation can be considerable. Changing social norms such that providing housing injurious to health were unthinkable would have a major impact on standards. If such a mindset prevailed, then ensuring standards would be less reliant upon proactive consumers or adequately resourced local authorities. As Coglianese and Mendelson observed, ‘self-control is a necessary element of any social ordering since rules cannot be created for every imaginable harm nor can inspectors watch over everyone all the time. For this reason, all types of

regulation must, in the final analysis, promote self-regulation.’<sup>22</sup>

Exploring innovative mechanisms for shaping landlord behaviour is already part of the PRS policy conversation, with at least one project in the government’s Compliance Pathfinder programme, initiated in 2022, focussing on behavioural science.<sup>23</sup> This programme is, we understand, imminently coming to an end and there may well be important lessons to share. The route towards achieving this change in intent that most readily suggests itself is to focus upon discursive reframing to shift perceptions of the net social benefits associated with providing non-compliant property. One participant in our study noted the role for government in laying a foundation: ‘I do think the starting point for change must be an acknowledgement that all members of society have a right to adequate housing, and that it is the function of any flavour of government to ensure this need is met. This is no longer a given.’ Embedding a framing of this type would, we argue, contribute to delegitimising poor practice—the provision of less than adequate housing is signalled to be unacceptable—and facilitate the reframing of perceptions. It would also impact upon other ‘spontaneous’ compliance factors, including degree of acceptance of regulation and respect for the regulator.

Changing social norms requires careful consideration and a multistranded approach. The approach cannot simply be top-down, nor would it be a short-term initiative. It requires effective non-state messengers and regulators and the creation of a (re)new(ed) sense of social expectation which acts to exert social pressure on landlords. It also requires increased responsiveness to social pressure among those landlords tempted to offer substandard accommodation. Creating routes through which social censure can act as a disciplinary mechanism needs handling with care, but, if it can be activated effectively, then it can be a powerful lever.<sup>24</sup> We have

<sup>22</sup>C. Coglianese and E. Mendelson, ‘Meta-regulation and self-regulation’, in R. Baldwin, M. Lodge and M. Cave, eds., *The Oxford Handbook of Regulation*, Oxford University Press, 2010, pp. 146–168.

<sup>23</sup>Rugg, *Supporting Systemic Change*.

<sup>24</sup>C. Bicchieri and E. Dimant, ‘Nudging with care: the risks and benefits of social information’, *Public Choice*, vol. 191, no. 3, 2022, pp. 443–464.

<sup>21</sup>J. Rugg, *Supporting Systemic Change in the Private Rented Sector: What Don’t We Know?*, Nationwide Foundation, 2025.

located these three actions in the realms of Design and Intent in Table 1.

## Barriers to accessing deeper leverage points

There are three major barriers to this change of perspective.

First, as with housing policy more generally, there are issues of organisation and consistency of purpose. The recent governance of housing policy in Westminster has been plagued with short-termism, including a rapid succession of housing ministers. Yet, system redesign to embed a new architecture of governance and shifting the normative base of the sector cannot be treated as short-term, task-and-finish projects. They require a clear sense of direction and subtle system leadership across parliamentary terms.

Second, there are barriers associated with affordability, public spending and housing supply. If standards-compliant business models were embedded across the sector, then how would it impact on rents and, by implication, benefit payments? We might argue that providing acceptable quality should not result in rent increases. The implication is that some landlords are likely to seek to exit. What will happen to their properties? Access to good quality, affordable rental housing might not be improved. Alternatively, if landlords can pass on upgrading costs through the rent, then what are the implications for the housing benefit bill? An alternative route might be through selective tax-expenditures on renovation and upgrading.<sup>25</sup> Whichever routes were pursued will likely entail higher housing-related public spending, which implies that quality housing needs to sit high up the agenda in terms of competing demands on the public finances.

And, third, we turn to an issue of deeper purpose, described by one participant: 'I suspect in recent years, a lack of political consensus about what the right ambitions, and what the right policy framework is, which leads to short-term decision-making, which is broadly driven around electoral cycles, which are not long enough to get sensible things done'. Better organisation and constancy of purpose are needed for more effective policy making and

delivery, but they must also be underpinned by greater clarity and consensus over purpose. To embed a discourse focussed on the imperative to provide acceptable housing, in a way that meaningfully impinges upon landlords' behaviour, would require addressing the debate over the role of housing as a commodity versus housing as a right, and resolving it in favour of the latter.<sup>26</sup> And that question of priorities and purpose—of system intent—is the most fundamental question of all.

## Conclusion

This article has analysed the current challenges in the PRS as they relate to standards, recognising the link between these issues and lack of affordability and supply. It summarised current policy responses, embodied in the Renters' Reform Bill. While these represent positive steps forward, we argued that there is a limit to what can be achieved through consumerist approaches, command-and-control, and *ex post* quality control mechanisms. We then argued that a more holistic approach to compliance would consider 'spontaneous' drivers of compliance alongside 'enforced' drivers.

We developed this argument by analysing both what current policy is doing and what more it could be doing. Current policy focusses upon, in systems terms, the less powerful shallow realms of leverage—parameters and feedback—associated primarily with 'enforced' compliance factors. We suggested that deeper levers in those realms likely to be more effective—design and intent—are relatively unexplored. We identified three such levers associated with 'spontaneous' compliance factors: professionalisation of business models; potential alternative, non-official influences on compliance; and shifting social norms to delegitimise the provision of inadequate accommodation. Shifting social norms involves accessing a powerful lever in the intent realm, but its potential to deliver transformative change is considerable. Greater attention to action on these deeper leverage

<sup>25</sup>M. Pattillo, 'Housing: commodity versus right', *Annual Review of Sociology*, vol. 39, 2013, pp. 509–531; D. Rogers and C. McAuliffe, 'Housing's values: housing as an ethical urbanism', *Environment and Planning F*, 2023.

<sup>26</sup>Cooper, *Home Comforts*.

points could be key to addressing the stubborn problem of PRS standards by creating a stronger culture of compliance.

There is currently momentum behind moves to apply systems approaches to housing issues.<sup>27</sup> Our argument here is illustrative and has necessarily been broad brush, but we have sought to demonstrate that, by providing a framework with which to think more expansively about intervention, a systems perspective can offer a fruitful route forward. While the approach is suggestive in policy terms, it also helps to bring barriers to policy change more clearly into focus. System redesign and shifting system intent necessitate considerable thought and care. To access and operate these levers requires engaging with foundational questions within housing policy, including how—and where—to strike the balance between housing as a commodity and good quality housing as a right.

These systems conclusions and the application of the four realms of leverage to both

enforced and spontaneous compliance have wider applications within and beyond the PRS. The development of new, and assessment of existing, regulatory content, design and outcomes can be framed within such a matrix and, in principle, could be extended to similar issues in the owner-occupied sector and the regulation of social housing. The concept of realms of leverage and reflection on the depth of available leverage points could also be useful in advancing discussions of policy towards housing affordability and the search for agreement over the goals of long-term housing strategy.

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<sup>27</sup>For recent thought-provoking application, see A. Pagani, N. Zimmermann, A. Macmillan, K. Zhou and M. Davies, 'Systemic issues in the English social housing sector: mapping interconnected challenges faced by London-based housing associations', *Housing Studies*, 2025, pp. 1–25.