

The licensing system: the ball is in the court of the students

On the first of January 2019, the new licensing system came into force in Groningen. This system means that landlords of student houses with rooms that have three or more residents and/or student apartment complexes with 3 or more housing units need a rental license. The concept of landlords entails private landlords and rental agencies. If a landlord or a rental agency breaks the rules, they can in the worst case lose their rental license. This law is designed to prevent malpractices, such as intimidation and threatening of tenants. A small group of landlords in Groningen frequently violates the rights of their tenants.

It is definitely a good thing that steps have finally been taken with regard to tackling slum landlords, or 'huisjesmelkers', as they are called in Dutch. From now on, progress can be made in dealing with complaints submitted by tenants to tackle the behavior of landlords that break the rules. Complaints by tenants can for example be submitted to the MOV of the GSb. This is the reporting center for undesired rental behavior. Although there are still quite a few flaws in the licensing system, the system is certainly promising.

What does the licensing system mean for students? If a landlord or student housing agency violates the rights of the tenant, the tenant can report this via student organizations, the MOV, inspectors, or the police. In the licensing system, complaints that have been submitted after the introduction of the system on January the first, 2019, can be handled. Examples of undesired rental behavior are charging mediation costs, threatening tenants, intimidating tenants, not doing necessary maintenance, charging too much rent and discrimination. When such complaints are received by the Municipality of Groningen, they will, if necessary in collaboration with the police, investigate the situation. Our interview with the Municipality of Groningen showed that a three-stage system is being used: first, a warning can be given, then a penalty can be imposed and, finally, in the worst case, the rental license can be revoked. This means that if complaints are submitted about a landlord or rental agency, the rental permit is not necessarily withdrawn immediately

The above mentioned aspects of undesired rental behavior have been a problem in the private housing market of Groningen for many years. Yet, there is still some uncertainty about how these behaviors will be measured. For example, the municipality's plan does not specify how discrimination and intimidation can be objectively assessed. Due to the fact that the licensing system has not yet been concretized, it might hold students back from submitting a complaint because they are uncertain about the consequences that their complaint might bring about. The intention of the licensing system is, of course, that undesired rental behavior stops. However, it should not lead to unnecessary problems, such as students being placed out of their house. Conversations with the Municipality of Groningen show that the withdrawal of a rental license, by which students can be placed out of their houses, is the final measure. In addition, the municipality has indicated that they will offer assistance with finding new housing for tenants affected by the withdrawal of a rental permit. Through their connections with housing associations and reliable landlords, they might be able to help affected tenants find a new house. However, the question remains how accommodations can be found on the short term when there is already a considerable shortage of housing for students during the start of the semester.

As mentioned earlier, this system is only intended for landlords that offer rooms and apartments to students (i.e. renters that are registered at an MBO, HBO or university institution within the municipality of Groningen). Regarding apartments, the municipality has opted for this system to only apply to students' landlords, because the problems are mainly reflected here. Compared to other tenants, students in particular seem to be the victims of landlords behaving poorly. Students (especially internationals) are generally young and often unfamiliar with the legal side of the rental market. However, the question is whether

excluding the rest of the rental market regarding apartment rental is such a good idea. Conversations with members of the municipality have led to believe that measures can also be taken if at least one student lives in that particular building. This could have positive consequences, as non-students who share their living space (managed by a slum landlord) with students may therefore also mean that they can also take steps.

Finally, the licensing system has a lot of potential and we are very curious about its effects. If this system has a positive turnout it could be of great benefit to all residents of Groningen, because many problems in the rental sector could be alleviated. The positive effects of introducing this system in Groningen may also be of great importance on a national level, since Groningen is the first municipality to introduce this system. Positive effects could therefore encourage other cities to try the same. In addition, some other municipalities have already expressed an interest in the licensing system. Although we hope that more policies regarding this licensing system will be published, a proper first step has been made. If this policy were to be more concrete, implementation would undoubtedly run more smoothly. There is also much to be gained regarding communication to students. It is important that students are made aware of what the impact of submitting a complaint about their landlord would be. They have the power to actually influence the rental market. From now on, students can make the change!