



Department for Levelling Up, Housing & Communities

Rachel Maclean MP

Minister of State for Housing and Planning

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Our reference: MC2023/00819

Andrew Boff AM
Chair of the London Assembly
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1 November 2023

Dear Andrew,

Thank you for your email of 6 October to both me and the Rt Hon Michael Gove MP, regarding motions on the Renters (Reform) Bill and Section 21, as well as on the removal of housing protections from asylum seekers. I am responding to both as the Minister of State for Housing and Planning.

Responding to the first, we recognise that demand is currently outstripping the supply of properties available to let. The reasons for this are difficult to disentangle, but we believe it is due to a mixture of demographic changes, including domestic and international migration, and pent-up demand from the pandemic.

Increasing the provision of affordable and social homes is a key part of the Government's plan to build more homes. Our £11.5 billion Affordable Homes Programme will deliver thousands of affordable homes for both rent and to buy right across the country. We continue to strongly encourage private rented sector landlords and agents to assess the suitability of potential and existing tenants on an individual basis. We will work with the sector to improve and share resources to ensure landlords and agents are confident in doing this.

Whilst the Government recognises the pressures tenants are facing with the rising cost of living, we do not support the introduction of rent controls. Evidence suggests that these would discourage investment in the sector and would lead to declining property standards as a result, which would not help landlords or tenants. We strongly encourage early communication about what adjustments to rent are sustainable for both landlords and tenants. Any unexpected changes to rent levels could leave tenants unable to afford their home, and potentially being forced to move when they can least afford to do so. The Government wishes to avoid very large rent increases being used as a backdoor method of eviction, whilst protecting landlords' ability to increase rent each year in line with market levels.

Through, the passing of the Renters (Reform) Bill, the Government will provide stronger protections against backdoor eviction by ensuring tenants are able to appeal excessively above-market rents which are purely designed to force them out. As now, landlords will still be able to increase rents to market price for their properties and an independent tribunal will make a judgement on this, if needed. To avoid fettering the freedom of the judiciary, the tribunal will continue to be able to determine the actual market rent of a property.

To remind landlords of their legal obligations and to demonstrate compliance (giving good landlords confidence in their position), the Government will create a Privately Rented Property Portal. At the same time, this portal will provide better information to tenants to make informed decisions when entering into a tenancy agreement. It will also support local councils – helping them target enforcement activity where it is needed most; and give tenants the right to request a pet in the

property, which the landlord must consider and cannot unreasonably refuse. To support this, landlords will be able to require pet insurance to cover any damage to their property.

In response to your other motion, Asylum Accommodation Service Contract (AASC) providers are contracted by the Home Office to procure alternative accommodation and have identified licencing requirements for Houses in Multiple Occupation (HMOs) as a challenge to swiftly bring on board such properties. Private landlords providing asylum accommodation must licence HMOs which require a licence and some local authorities can, and do, set additional conditions therefore disincentivising landlords from following through a process where there is uncertainty. Exempting asylum accommodation will remove local authorities' ability to set higher standards whilst maintaining national minimum standard of housing.

These changes will not cause a depreciation in lower standards of asylum accommodation as Home Office service providers are contractually required to provide safe, habitable, fit for purpose and correctly equipped accommodation for all destitute asylum seekers. The contracts also require providers to comply with the law, and a host of best practice guidance. Consequently, matters that stand to be enforced by local authorities in respect of unscrupulous landlords, can also be enforced contractually by the Home Office via its service providers.

All asylum accommodation will also continue to be subject to wider private rented sector regulations, including the duties set out in the HMO management regulations and local authorities will retain their power to enforce these standards and take action against those landlords who fail to meet them. The Home Office contracts for housing also set out a minimum standard for all asylum accommodation including conditions relating to gas and fire safety requirements, as well as compliance with wider private rented sector minimum standards. The Home Office is doubling the size of its inspection team to ensure that its service providers are maintaining minimum standards in all of its accommodation, and specifically for all HMO properties subject to this exemption.

The Government did not consult on these changes as we believe that these changes are a necessary step to help ensure that new alternatives to hotel accommodation are available across the country. It is also a temporary measure while the Government delivers its radical reforms to the asylum system, making sure that people who have no right to reside in the UK permanently are sent to a safe third country much faster. This is why I can make you aware that the exemption to HMO licencing will be available for a maximum of 2 years.

I would like to thank you for taking the time to write in with your concerns, and I do hope that this response provides you clarity on the answers that you are seeking.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Rachel Maclean', followed by a period.

RACHEL MACLEAN MP
Minister of State for Housing and Planning