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Renters (Reform) Bill 2023-24: Progress of the Bill

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Summary

Report stage and third reading of the Renters (Reform) Bill [15 of 2023-24], as amended in Public Bill Committee, are scheduled for 24 April 2024. This briefing provides an overview of the progress of the Bill through the House of Commons prior to report stage.

The Bill, together with its explanatory notes, impact assessment and transcripts of the parliamentary stages, are available on the Parliament website: Renters (Reform) Bill.

What would the Bill do?

The Bill primarily applies to England. It is intended to fulfil the 2019 Conservative manifesto commitment to create a fairer rental market for both tenants and landlords, and implement reforms set out in the Government's white paper A fairer private rented sector (June 2022). In particular, it would provide greater security of tenure for tenants by abolishing section 21 'no fault' evictions and strengthen the grounds on which landlords could seek to repossess their properties.

The Department for Levelling Up, Housing and Communities has published a series of guides to different parts of the Bill.

The Library briefing, Renters (Reform) Bill 2022-23, describes the Bill as it was originally introduced and explains its policy background.

Second reading in the Commons

The Renters (Reform) Bill [308 of 2022-23] was introduced to Parliament on 17 May 2023 and had its second reading on 23 October 2023 where it was broadly welcomed. However, the Government was criticised for the length of time it had taken to bring the legislation forward.

Several MPs expressed concern about the Government's decision to delay implementing the new tenancy regime until improvements had been made to the court possession system. The Opposition pressed the Government to clarify the implementation timetable to give tenants and landlords greater certainty.

Some MPs outlined specific changes to the Bill they hoped would be made in the Public Bill Committee. Several emphasised the importance of striking the right balance between protections for tenants and assurances for landlords.

The Bill was carried over from the 2022–23 parliamentary session to the 2023–24 session.

Public Bill Committee in the Commons

The Bill was considered by a Public Bill Committee over 10 sittings in November 2023. The Committee took oral evidence from expert witnesses during the first four sittings.

The Government tabled 183 amendments to the Bill, including 52 new clauses and one new schedule, all of which were agreed. Many of the amendments were minor, technical or consequential. The substantive changes to the Bill included to:

- allow landlords to recover possession of a house in multiple occupation (HMO) let to full-time students at the end of the academic year to ensure it is available for reletting to students in the next academic year.
- prohibit landlords and letting agents from refusing to let to families with children or people who receive benefits. Local authorities could impose a penalty of up to £5,000 for a breach of the requirements.
- enable regulations to be made to apply a decent homes standard to the private rented sector and empower local authorities to enforce it.
- strengthen local authorities’ investigatory powers to respond to landlord practice, including to require information from property owners and to enter a property.
- improve national oversight by requiring local authorities to report, at the request of the Secretary of State, on how they exercise their enforcement powers.
- increase the maximum amount of rent that a First-tier Tribunal can order a landlord to repay from 12 to 24 months, and ensure that superior landlords can be liable for rent repayment orders as well as a tenant’s immediate landlord.

The Opposition tabled 81 amendments to the Bill (of which 14 were new clauses), none of which were agreed, including to:

- require landlords and letting agents to state the proposed rent when advertising the property and prevent them from encouraging bids that exceed that amount.

- restrict the maximum amount of rent a landlord could request before a tenancy begins.
- strengthen tenants' rights to request to keep a pet.
- prevent a First-tier Tribunal from increasing rent above the level proposed by a landlord in a notice under section 13 of the Housing Act 1988.
- strengthen protections for tenants around the grounds for possession, including increasing the minimum notice periods.
- increase the maximum financial penalties for landlords who breach the renters' reform legislation.
- enable rent repayment orders to be made against landlords for less serious, non-criminal breaches of the legislation.
- strengthen local authorities' homelessness prevention duty where a valid section 8 eviction notice is served.

The Shadow Housing Minister, Matthew Pennycook, indicated that Labour might return to some of these issues at a later stage of the Bill.

Amendments at report stage in the Commons

The amendments tabled to date for the Bill's report stage can be viewed on the Parliament website: Renters (Reform) Bill.

In February 2024, the BBC reported that the Government was consulting backbench Conservative MPs on amendments to address their concerns about the Bill.

A leaked letter from the Levelling Up Minister, Jacob Young, to Conservative MPs on 27 March 2024, published by Rightsnet, confirmed the Government's intention to bring forward amendments at report stage in the Commons (PDF) to:

- prevent a tenant from ending a tenancy within the first six months (with some exemptions).
- require the Lord Chancellor to publish an assessment of the readiness of the county court possession system before abolishing section 21 'no fault' evictions.
- apply the new ground for possession for student lettings to all properties, not just HMOs.

- prevent landlords from letting their property as short-term or holiday accommodation for three months after using the possession grounds to move into or sell their property.
- require local authorities to work with tenants who have been served a section 8 eviction notice to prevent them becoming homeless.
- require a review of the implementation of the tenancy reforms within 18 months of measures being applied to existing tenancies.

The Minister also committed to undertake a review of local authority private rented sector licensing schemes with "the aim of reducing burdens on landlords".

1 What would the Bill do?

The Renters (Reform) Bill [308 of 2022-23] was introduced to Parliament on 17 May 2023.

The Bill primarily applies to England. It is intended to fulfil the 2019 Conservative manifesto commitment to create a fairer rental market for both tenants and landlords. The Bill would implement many of the reforms set out in the Government's white paper A fairer private rented sector (June 2022), which followed several earlier consultation exercises.[1]

Abolition of 'no fault' evictions

The Bill would abolish assured shorthold tenancies and section 21 'no fault' evictions.[2]

Instead, private rented sector tenancies would be monthly periodic assured tenancies with no end date – providing more security for tenants. The Government has said abolition would not happen until reforms to the court system were in place.

Grounds for landlords to repossess their properties

The Bill would amend and strengthen the grounds on which landlords could seek to repossess their properties.

It would introduce a new ground for possession for landlords who wished to sell their property. This would be a mandatory ground.[3]

1 Department for Levelling Up, Housing and Communities (DLUHC), A fairer private rented sector, CP 693, 16 June 2022

2 Evictions under section 21 of the Housing Act 1988. For background information on this see Commons Library briefing CBP08658, The end of 'no fault' section 21 evictions.

3 Grounds for possession can be either mandatory or discretionary. For mandatory grounds, judges must award possession when a landlord can prove that the ground is met. Discretionary grounds allow a judge to consider whether it is reasonable to award possession, even where the ground is met.

It would also introduce a new ground for landlords who wished to move themselves, or a close family member, into the property. This would also be a mandatory ground.

For both new grounds, the landlord must give the tenant two months' notice and the grounds could not be used within the first six months of a new tenancy. The landlord would need to demonstrate that they intended to sell the property or that they (or a close family member) intended to live there. They would be prevented from marketing and re-letting the property for three months following the use of either ground.

The Bill would also strengthen existing grounds to make it easier for landlords to repossess properties where tenants exhibit anti-social behaviour or repeatedly build up rent arrears.

Table 1 of the Government's guidance on Tenancy reform: Renters (Reform) Bill (as introduced) sets out all the reformed grounds for possession, the relevant notice periods and whether grounds would be mandatory or discretionary.[4]

Process for rent increases and redress for tenants

The Bill would introduce a process for implementing rent increases. First-tier Tribunals would determine market rents if a tenant appealed against a landlord's proposed increase.

It would also establish a new independent ombudsman for the private rented sector. This would enable tenants to seek redress for free, where they had a complaint about their tenancy.

Property Portal

The Bill would create a new private rented sector Property Portal so tenants, landlords and local authorities could access information about rental properties. This is intended to:

- help landlords understand their legal obligations and demonstrate compliance;
- enable tenants to make informed decisions when entering into a tenancy agreement; and

4 DLUHC, Tenancy reform: Renters (Reform) Bill, 17 May 2023

- support local authorities to target their enforcement activity.

Right to request to keep a pet

The Bill would give tenants the right to request to keep a pet in the property, which the landlord could not unreasonably refuse. To support this, landlords would be able to require pet insurance to cover any damage to their property.

Further reading

The Department for Levelling Up, Housing and Communities (DLUHC) has published a series of guides to different parts of the Bill.

The Library briefing, Renters (Reform) Bill 2022-23, provides an overview, policy background and comment on the Bill, as it was originally introduced.

The Bill [Bill 15 of 2023-24], as amended in Committee, together with its explanatory notes, impact assessment and transcripts of the parliamentary stages are available on the Parliament website: Renters (Reform) Bill.

2 Second reading

The Renters Reform Bill 2022-23 received its second reading on 23 October 2023.

2.1 Opening the debate

The debate was opened by the Secretary of State for Levelling Up, Housing and Communities, Michael Gove. He thanked the organisations that had helped to shape the Bill.[5]

Angela Rayner (Lab), Shadow Secretary of State for Levelling Up, Housing and Communities, welcomed the Bill, in particular provisions regarding:

- the abolition of section 21 ('no fault') evictions;[6]
- the move to periodic tenancies with greater security of tenure;
- the new ombudsman;
- landlord registration; and
- making it easier for tenants to keep pets.

However, she urged the Government not to delay any further in ending section 21 evictions:

> ...Tenants across the country have been wrongfully evicted, kicked out of their homes and made homeless. In fact, since his Government first announced the end of no-fault evictions back in April 2019, a total of 71,310 households have been kicked out on to the street. That is more than 70,000 families put at risk of homelessness since this Government first proposed to protect them. Every single day another person suffers the same fate. According to Shelter, private renters over the age of 55 are served a section 21 eviction notice every 16 minutes. It has taken the Government four and a half years to reach the Second Reading of the Bill.[7]

5 HC Deb 23 October 2023 c630

6 Evictions under section 21 of the Housing Act 1988. For background information on this see Commons Library briefing CBP08658, The end of 'no fault' section 21 evictions.

7 HC Deb 23 October 2023 c642

2.2 Comments and concerns during the debate

The second reading debate was wide-ranging, touching on the shortage of housing, the pressures of housing costs, social security support, the impact of holiday lettings and second homes in some areas, the tax regime for landlords, pressures on local authorities, and other matters.

Concern over delay for court reforms

Several MPs expressed concern that the proposed tenancy reforms, including the abolition of section 21 evictions, would be delayed until reforms to improve the court system had been implemented.

Clive Betts (Lab), Chair of the Levelling Up, Housing and Communities Committee, said the Committee recognised the abolition of section 21 could result in additional work for the justice system; however, he said "that cannot be an excuse for delaying something that has already been delayed for far too long". He urged the Government to confirm when reforms to the court system would be in place to allow the legislation to be enacted.[8] Clive Betts also identified areas of the Bill where he considered concerns remained.[9]

Balancing the needs of tenants and landlords

Ben Everitt (Con), Chair of the All-Party Parliamentary Group for Housing Market and Housing Delivery, noted that landlords "form a critical part of the housing ecosystem" and it was important to strike the right balance between assurances for landlords and protections for tenants.[10]

Several MPs echoed this view, particularly with regards to required periods for giving notice to end a tenancy.

Helen Morgan, Liberal Democrat Spokesperson for Levelling-Up, Housing and Communities, said the Liberal Democrats supported the Bill. She considered it was important to strike a balance between improving security of tenure for tenants and ensuring that landlords were incentivised to stay in the rental market.

She proposed that tenancies should be for a minimum of three years, to give both tenants and landlords greater stability. She also said it was "important to guard against landlords being able to use flimsy excuses to evict tenants, allowing section 21 evictions to continue in all but name."[11]

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8 HC Deb 23 October 2023 c649
9 HC Deb 23 October 2023 cc649-c651
10 HC Deb 23 October 2023 c655
11 HC Deb 23 October 2023 cc664-666

Call for stronger protections for tenants

Kim Johnson (Lab) outlined the areas where the Renters Reform Coalition of 20 leading housing organisations wanted the Bill's provisions to be strengthened to increase protections for tenants. These included measures to:

- ensure that tenants get at least four months' notice when a landlord seeks possession of the property.
- protect tenants from eviction for the first two full years of a tenancy.
- introduce safeguards to prevent abuse of the new grounds for possession, including a one-year ban on re-letting a property after invoking selling or moving in to the property as the ground for eviction.
- give courts maximum discretion to identify reasons why an eviction should not take place.
- introduce a cap so that rent increases during a tenancy are in line with inflation and wage growth.
- give local authorities extra financial support to take enforcement action against rogue landlords.[12]

These points were repeated by several other MPs during the debate.

Lloyd Russell-Moyle (Lab/Co-op), co-chair of the All-Party Parliamentary Group for Renters and Rental Reform, expressed some concerns with the grounds for possession. He explained how he wanted to see protections for tenants strengthened, including a right to financial compensation if landlords failed to comply with the legislation.[13]

2.3 Closing the debate

Closing the debate for the Opposition, Matthew Pennycook, Shadow Minister for Housing, thanked all organisations that had campaigned for rental reform, particularly the 20 that comprised the Renters Reform Coalition. He noted there was broad support across the House for many of the Bill's provisions:

> The sector should have been transformed a long time ago. Its regulation should have been overhauled to level the playing field between landlord and tenant decisively. The Bill is a good starting point to that end, and, as the debate has made clear, the principle of it enjoys broad support across the House. General support has been expressed today for the White Paper proposals that have found their way into it, including a new property portal

12 HC Deb 23 October 2023 c657

13 HC Deb 23 October 2023 cc680-682

> and ombudsman, a simpler tenancy structure, the end of rent review clauses, prohibitions on multiple in-year rent increases, the right to request keeping a pet, and, of course, the abolition of section 21 notices.[14]

However, he said Labour wanted to further strengthen tenants' rights and would seek to amend the Bill. In particular, they would:

- seek to ensure a timeline for the end of section 21 'no fault' evictions which did not depend on an unspecified degree of future progress with improving the courts.
- probe the Government's intentions in dealing with the complexities of the student rental market.
- seek longer notice periods for landlords' grounds for possession to better protect tenants.
- press the Government to reconsider their position on a range of white paper proposals that were not in the Bill, including:
  - measures to strengthen local authorities' enforcement powers.
  - powers to limit the amount of advance rent that landlords could ask for.
  - provisions to expand rent repayment orders to cover repayment for non-decent homes.
- seek to amend various provisions in the Bill relating to new and revised grounds for possession.
- seek to close loopholes in the Bill that would allow the minority of disreputable landlords to exploit tenants and jeopardise their security of tenure.[15]

Closing the debate, the then Housing Minister Rachel Maclean reiterated that the Government intended to honour its 2019 manifesto commitment to create a private rented sector that worked for everyone – both tenants and landlords. She confirmed that local authorities would receive new burdens funding for new enforcement duties and commended the Bill to the House.[16]

The Bill was agreed to without division and was committed to a Public Bill Committee. A carry-over motion was also approved, allowing the Bill to be carried into the 2023-24 parliamentary session.

14 HC Deb 23 October 2023 c691
15 HC Deb 23 October 2023 cc692-693
16 HC Deb 23 October 2023 cc693-696

3 Public Bill Committee: Overview

The Renters Reform Bill [4 of 2023-24] was considered by a Public Bill Committee over 10 sittings on 14 November, 16 November, 21 November, 23 November, and 28 November. The appendix to this briefing lists the Committee members.

The Committee took oral evidence from expert witnesses during the first four sittings, and it also received written evidence. The Committee examined the Bill line by line over the subsequent six sittings.

The Government tabled 183 amendments to the Bill,[17] including 52 new clauses and one new schedule, all of which were agreed. Many of the amendments were minor, technical or consequential. However, some substantive changes were also made to the Bill.

The Opposition tabled 81 amendments to the Bill, including 14 new clauses, none of which were agreed.

The following sections provide commentary on key issues raised during debate and highlight the changes made. The clause numbers in this briefing refer to Bill 4 of 2023-24, as introduced.

A record of what happened to each clause, amendment, and new clause considered at committee stage is set out in a document published on the Parliament Bill webpage (PDF). Transcripts of the committee stage debates are also available.

During Committee proceedings, the Levelling Up Minister, Jacob Young, undertook to write to Committee members to provide clarification on some of the Bill's provisions. The letters are available on the Parliament's website.

[17] This figure does not include three Government amendments which were tabled but not selected for debate.

4 Part 1: Tenancy reform

4.1 Abolition of assured shorthold tenancies

Clause 1 would amend the Housing Act 1988 to provide that all assured tenancies would be monthly periodic tenancies, and it would not be possible to create a fixed-term assured tenancy. Terms in tenancy agreements deviating from these requirements would have no legal effect. A tenant wishing to terminate a tenancy would have to give the landlord a minimum of two months' notice.

Clause 2 would amend the Housing Act 1988 to abolish the assured shorthold tenancy regime, including 'no fault' evictions under section 21 of the Act.

The Opposition expressed concern about the Government's decision to delay implementation of the tenancy reforms until improvements had been made to the court possession system. Several Committee members pressed the Levelling Up Minister, Jacob Young, to clarify what court improvements were deemed to be needed and when they were expected to be in place.[18] This issue is discussed further in section 6 of this briefing.

Clauses 1 and 2 were ordered to stand part of the Bill.

4.2 Grounds for possession

Clause 3 and **schedule 1** of the Bill would amend the grounds for possession in schedule 2 to the Housing Act 1988, which landlords can use to evict assured tenants, and the notice periods required for each ground for possession.

The initial stage of the possession process involves a landlord serving notice on the tenant. If the tenant has not vacated the property by the end of the notice period, the landlord can start court proceedings to regain possession. Where court action is required, landlords must provide evidence to the judge that the selected ground is met.

Grounds can be either mandatory or discretionary. For mandatory grounds, judges must award possession when a landlord can prove that the ground is

18 PBC 21 November 2023 cc143-161

met. Discretionary grounds allow a judge to consider whether it is reasonable to award possession, even where the ground is met.

Table 1 of the Government's guidance on Tenancy reform: Renters (Reform) Bill sets out the reformed grounds for possession, the relevant notice periods and whether grounds would be mandatory or discretionary.[19]

New ground for possession of student houses in multiple occupation

The Government tabled amendment 1 and amendment 9, which were intended to address concerns about the impact of the proposed abolition of fixed-term tenancies on the general student private rented sector market.[20]

The amendments would introduce a new ground for possession (ground 4A) to allow a landlord to recover possession of a house in multiple occupation (HMO) let to full-time students at the end of the academic year, to ensure its availability for reletting to students in the next academic year. Landlords would be required to give tenants at least two months' notice.

The Levelling Up Minister, Jacob Young, outlined the rationale for the new ground for possession:

> As many of us will have experienced, the student housing market works on an annual, cyclical basis. Students typically move in and out of properties over the summer, in line with the academic year. Without the backstop of section 21, we understand that landlords would no longer be able to guarantee that properties would be empty for new groups of students. That would have knock-on implications for students, who could not sign up for properties in advance and know that they had somewhere to live for the start of the academic year. The introduction of this ground will mean that the annual churn of "typical" student lettings is maintained. Landlords letting to full-time students can ensure a property is vacant at the end of the academic year and ready for a new group of student tenants over the summer months.[21]

The Shadow Housing Minister, Matthew Pennycook, welcomed recognition of the distinct nature of the student rental market, but requested further clarification on how the new possession ground would work in practice. In particular, he was concerned that restricting use of the ground to June to September could potentially reduce the availability of properties for students to let at other times of the year.[22]

In response, the Minister confirmed:

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19 DLUHC, Tenancy reform: Renters (Reform) Bill, 17 May 2023

20 For further information on the concerns regarding student lettings see pages 23-24 of the Commons Library briefing CBP08756, Renters (Reform) Bill 2022-23.

21 PBC 21 November 2023 c193

22 PBC 21 November 2023 cc195-197

- landlords would have to check that tenants were students at the beginning of the tenancy.
- the ground would not apply if the property was occupied by a mix of students and non-students.
- the ground was designed to cover the majority of the market. If the ground were to be available all year round, rather than only in June to September, it would provide less security and be open to abuse.[23]

Following the debate on the amendments, the Minister undertook to consider the new possession ground further and write to Matthew Pennycook.

Amendments 1 and 9 were agreed. The Government also tabled a number of technical amendments. Clause 3 and schedule 1, as amended, were added to the Bill.

Labour amendments

Expert witnesses had raised concerns about some of the new and revised grounds for possession during the Committee's oral evidence sessions. Labour tabled a series of amendments to clause 3 and schedule 1 which were intended to strengthen protections for tenants and introduce safeguards to prevent abuse of the new possession grounds.

There was a lengthy and detailed debate about the amendments in Committee following which some of the amendments were withdrawn. The following amendments were put to a vote:

Amendment 138 would require a landlord to demonstrate progress toward occupying or selling a property obtained under grounds for possession 1 or 1A no later than 16 weeks after the date of the order and to verify this by a signed "statement of truth". The amendment was put to a vote and rejected (Ayes 6, Noes 8).[24]

Amendment 139 would require a landlord seeking possession on the ground that they wanted to move in (ground 1) or sell the property (ground 1A) to provide supporting evidence to the court which must be verified by a signed "statement of truth". The amendment was put to a vote and rejected (Ayes 6, Noes 8).[25]

Amendment 136 would ensure that the minimum notice period for some 'no fault' grounds for possession would be four months rather than two. The amendment was put to a vote and rejected (Ayes 6, Noes 9).[26]

23 PBC 21 November 2023 c198
24 PBC 21 November 2023 c184 [Division 1]
25 PBC 21 November 2023 c185 [Division 2]
26 PBC 21 November 2023 c192 [Division 3]

Amendment 143 would prohibit evictions under grounds 1 and 1A within two years of the beginning of a tenancy. The amendment was put to a vote and rejected (Ayes 7, Noes 9).[27]

Amendment 194 would require a landlord seeking possession on the ground that they wanted to sell the property (ground 1A) to offer the current tenants the right to buy the property at the intended listing value before it went onto the market. The amendment was put to a vote and rejected (Ayes 6, Noes 9).[28]

Amendment 180 would make the new ground for possession for repeated rent arrears (ground 8A) a discretionary rather than a mandatory ground. This would enable the court to consider the circumstances of the arrears and whether the tenant could reasonably be expected to make up the arrears. The amendment was put to a vote and rejected (Ayes 7, Noes 8).[29]

Amendment 153 would remove the new ground for possession for repeated rent arrears (ground 8A). The Shadow Housing Minister said he was “extremely concerned” about how this “punitive and draconian measure” might operate and the fact that it could lead to vulnerable tenants being evicted.[30] The amendment was put to a vote and rejected (Ayes 7, Noes 8).[31]

Liberal Democrat amendment

Helen Morgan, the Liberal Democrat Spokesperson for Levelling up, Housing and Communities, moved Amendment 130.

This would maintain the existing definition of anti-social behaviour in the anti-social behaviour ground for possession (ground 14) as being conduct causing or “likely to cause” a nuisance or annoyance, rather than changing the definition to conduct “capable of causing” nuisance or annoyance as proposed by the Bill.

She was concerned the proposed definition would lower the threshold for evictions and could be exploited by landlords as a route to an easier eviction. This issue was also raised by expert witnesses in oral evidence to the Committee. The amendment was put to a vote and rejected (Ayes 7, Noes 8).[32]

27 PBC 21 November 2023 c204 [Division 4]
28 PBC 21 November 2023 c205 [Division 5]
29 PBC 23 November 2023 c233 [Division 6]
30 PBC 21 November 2023 c219
31 PBC 23 November 2023 c233 [Division 7]
32 PBC 23 November 2023 c248 [Division 8]

4.3 Rent increases

Clause 5 would make the service of a notice under section 13 of the Housing Act 1988 the only way a rent increase could take place.[33] Tenants would be entitled to two months' notice and could only be served with a notice once per year. Landlords and tenants could agree a lower increase than the amount proposed in the notice (but higher than the previous rent level).

Clause 6 would amend section 14 of the Housing Act 1988. It would set out the conditions by which a tenant could submit an application to the First-tier Tribunal to challenge the rent amount in the first six months of a tenancy, or following a section 13 rent increase notice. The tribunal would assess the proposed rent against what the landlord could expect to receive if letting to a new tenant on the open market.

Labour expressed concern that the provisions in clauses 5 and 6 were not robust enough to prevent unscrupulous landlords from trying to use unaffordable rent increases as a means to evict tenants. The Shadow Housing Minister, Matthew Pennycook, explained:

> With the scrapping of section 21, the risk of economic evictions by means of extortionate within-tenancy rent hikes will increase markedly. The Government acknowledge that tenants need protection against what they term "back-door eviction" by such means. However, we believe that the Bill as it stands does not protect tenants sufficiently from such economic evictions, and that it needs to be strengthened accordingly in several ways.[34]

Lloyd Russell-Moyle (Lab) introduced a series of probing amendments which would strengthen the rent increase provisions in the Bill. These included:

- Amendment 200 – which would restrict rent increases to the lesser of the Consumer Prices Index or wage growth in the local area.
- Amendment 197 – which would allow the tribunal to take into account not only new rents in the market, but current rents in existing tenancies, changes in wages, inflation, and the local housing allowance when making a determination.
- Amendment 199 and NC66 – which would require the Secretary of State to issue guidance to tribunals on the determination of in-tenancy rent increases, and require tribunals to take such guidance into account when making determinations.

Labour also tabled new clauses 58, 59 and 62 – these are discussed in section 7 of the briefing.

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[33] For information on the current ways in which a rent increase can take place see: Shelter, Rent increases in a fixed term tenancy.

[34] PBC 23 November 2023 c265

Responding to the amendments, the Minister said the Government did not support the introduction of rent controls at any point in the tenancy. He considered the Bill would protects tenants from very large rent increases being used as a back-door method of eviction, while protecting the ability of landlords to increase rent in line with market levels.[35] He also contended that tribunal members were best placed to determine the rent, using the data they felt was most appropriate, rather than being constrained to use a specific indicator.[36]

Labour was particularly concerned that a tribunal could determine a higher rent increase than that proposed in a section 13 notice by a landlord. Matthew Pennycook argued this was unfair and could deter tenants from applying to a tribunal:

> The Bill allows for a situation in which tenants who are handed section 13 notices with what they consider to be completely unreasonable rent increases might apply to the tribunal to challenge the increase, only to see the rent level rise higher. That will act as a powerful deterrent to tenants making such applications. As a consequence, the Bill risks emboldening landlords to press for unaffordable rent increases in the knowledge that tribunal challenges will remain vanishingly rare, as they are now.[37]

He also pointed out that the Government's private rented sector white paper committed to "prevent the Tribunal increasing rent beyond the amount landlords initially asked for when they proposed a rent increase."[38]

Matthew Pennycook moved Amendment 160 to ensure that a rent determined by a tribunal could not be higher than that originally requested by a landlord in a section 13 notice. He said this was a reasonable and proportionate measure which would deliver the Government's white paper commitment.

In response, the Minister said the Government had listened to concerns, but considered the tribunal should not be limited when determining the market rent of a property and should have "the freedom to make full and fair decisions".[39] He pointed out that where a tribunal determined a higher rent than that proposed in a section 13 notice, the landlord could still offer the initial rent to the tenant.[40]

Matthew Pennycook also moved Amendment 161 which (together with Amendment 162) would ensure that in cases of undue hardship tenants would have a minimum of two months from the date of the tribunal's determination before a new rent became payable. This would give tenants who could not afford a rent increase more time to make other arrangements, such as looking for an alternative property they could afford to rent.

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35 PBC 23 November 2023 c269

36 PBC 23 November 2023 c270

37 PBC 23 November 2023 c265

38 DLUHC, A fairer private rented sector, CP 693, 16 June 2022, Para 4.1

39 PBC 23 November 2023 c270

40 PBC 23 November 2023 c271

Amendment 160 was put to a vote and rejected (Ayes 6, Noes 7).[41]

Amendment 161 was put to a vote and rejected (Ayes 6, Noes 7).[42]

Lloyd Russell-Moyle withdrew amendment 200 and the other Labour amendments to clauses 5 and 6 and new clause 66 were not called.

Clauses 5 and 6 were ordered to stand part of the Bill.

4.4 Permission to keep a pet

Clause 7 would add new provisions to the Housing Act 1988 to give tenants the right to request a pet in the property, which the landlord must consider and could not unreasonably refuse.

Following a request to keep a pet, the landlord must give or refuse consent in writing within 42 days. The clause would also allow landlords to require the tenant to take out insurance covering pet damage, or to be reimbursed for the cost of getting the insurance themselves.

Clause 8 would amend the Tenant Fees Act 2019 to allow landlords to require insurance to cover any damage caused by pets.

Matthew Pennycook welcomed clause 7 but was concerned the provisions were not robust enough to ensure the new "right to request" process would operate fairly and effectively to prevent prospective tenants with pets from being disadvantaged. Labour tabled a group of amendments to ensure responsible pet owners could "truly feel like their house is their home." The amendments were supported by the charities Battersea Dogs and Cats Home and the Dogs Trust.[43]

- Amendments 183 to 187 would reduce the period in which a landlord could consider a request to keep a pet from 42 days to 14 days, with the option to extend by a further 14 days if a superior landlord needed to be consulted.
- Amendment 181 would require the Government to publish guidance on what grounds were reasonable for refusing a tenant's request to keep a pet.
- Amendment 182 would ensure that landlords could not review or withdraw their consent for a tenant to keep a pet.

41 PBC 23 November 2023 c273 [Division 9]
42 PBC 23 November 2023 c273 [Division 10]
43 PBC 23 November 2023 c276

- New clause 63 would prevent landlords from adopting certain discriminatory practices which make it harder for people who have pets to obtain a tenancy.
- New clause 64 would provide that terms of an insurance contract that prohibited a tenant from keeping a pet would have no legal effect.

In response, the Minister asserted that 42 days was an appropriate amount of time for the landlord to consider a request to keep a pet. He considered that 14 days was too little, as a landlord could easily be away for two weeks, for example on holiday or in hospital, and consequently be in breach of a 14-day deadline. He confirmed that if a landlord gave permission for their tenant to keep a pet, it would be an implied term of the tenancy that the tenant could keep the pet so consent could not be withdrawn.[44]

With regards to new clause 63, the Minister said the reforms were expected to increase the number of pet-friendly properties from the outset, as landlords would know they could not unreasonably refuse a request once the tenancy was agreed. He contended that there would therefore be little for landlords to gain if they sought to discriminate against pet owners before a tenancy began.[45]

The Minister also confirmed the Government would introduce secondary legislation, under the Tenant Fees Act 2019, to ensure landlords could charge the cost of an insurance policy covering pet damage back to the tenant.[46]

It was the Government's view that the market would respond with a greater range of pet insurance policies once the Bill was enacted. With regards to new clause 64, the Minister said it would be unusual for an insurance policy to explicitly ban pets as a condition of insurance. It was instead much more likely that pet damage simply would not be covered. He undertook to consider whether any further action was necessary in relation to the new clause.[47]

The Minister explained that the Government expected the new private rented sector ombudsman would be involved in resolving disputes around keeping a pet. Finally, he confirmed the Government would issue guidance on permission to keep a pet.[48]

Matthew Pennycook thanked the Minister for the various clarifications and urged him to write with further information on the circumstances in which landlords could reasonably refuse a request to keep a pet.[49]

44 PBC 23 November 2023 cc280-281
45 PBC 23 November 2023 c281
46 PBC 23 November 2023 c281
47 PBC 23 November 2023 c282
48 PBC 23 November 2023 c282
49 PBC 23 November 2023 c282

The Minister, Jacob Young, subsequently wrote to the Committee on 5 December 2023 explaining the Government's view that, due to the diversity of landlords, tenants and properties, it would not be possible to set out in legislation every situation where it would be reasonable to refuse a pet:

> Requests are best considered on a case-by-case basis, with the tenant being able to challenge a decision via the Ombudsman or court if they think it's unreasonable. We anticipate that landlords will take a number of factors into account when making their decision. This might include the size of the pet and property, how the tenant intends to look after the pet, allergies or phobias, and the views of other tenants within the household. We will engage with a range of stakeholders, including animal welfare groups, and publish guidance for landlords and letting agents before the new rules come into force.[50]

Amendment 183 was withdrawn following debate and the other Labour amendments and new clauses 63 and 64 were not called.

Clause 7 and clause 8 were ordered to stand part of the Bill.

4.5 Re-letting or re-marketing a property

Clause 10 would insert a new section (16E) into the Housing Act 1988 to prohibit certain actions by a landlord, or former landlord, of an assured tenancy. They would not be able to re-let or re-market a property within three months of obtaining possession of it because they wanted to move in themselves (ground 1 in schedule 1) or sell the property (ground 1A).

Helen Morgan (Lib Dem) tabled amendment 132 and amendment 133, which would extend the period before which a property could be re-let or re-marketed from three months to six months. She was concerned that three months would not be a sufficient deterrent to prevent landlords abusing the occupation or selling grounds for possession. She considered that a period of six months would act as a deterrent, while also being fair to landlords who might have acted in good faith but suffered an unexpected change in circumstances which meant they needed to re-let their property.[51]

She also tabled amendment 134 and amendment 135, which would prevent a landlord from marketing or letting a property as a short-term or holiday let within three months of obtaining possession on the moving in or selling grounds for possession. She explained the amendments were intended to "address the problem facing many tourist areas that properties for private rent are being flipped into holiday lets or Airbnb-style holiday homes".[52]

Matthew Pennycook (Lab) also expressed concern that the moving in or selling grounds for possession could be abused by unscrupulous landlords,

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[50] Letter from the Minister for Levelling Up at DLUHC to James Gray MP and Yvonne Fovargue MP on the Renters (Reform) Bill, 5 December 2023

[51] PBC 23 November 2023 c285

[52] PBC 23 November 2023 c285

and a three-month prohibition on re-letting or re-marketing a property would not act as a deterrent. Labour's amendment 140 and amendment 141 would increase the relevant period from three months to twelve months.

Under clause 10, the proposed three-month prohibition on re-letting would only apply where a tenant had left a property voluntarily without court proceedings. Labour's amendment 142 would apply the same prohibition to cases where the landlord had gone through the court process to obtain a repossession order.

In response, the Minister asserted that the three-month period represented a significant cost to landlords (because of lost rent) and would deter misuse of the possession grounds. He considered that a six or twelve-month period "would be excessive and keep good properties sitting empty if a landlord's circumstances changed."[53] It would also mean that landlords could incur unreasonable costs if their sale or plans to move into a property fell through, through no fault of their own.

The Government considered amendment 142 was unnecessary, as a landlord who had obtained a repossession order would have had to prove to the court that their intentions were genuine. With regards to amendments 134 and 134, the Minister recognised the issues around short-term and holiday lets and committed to work with Helen Morgan and others to address the points raised.[54]

Amendment 132 was withdrawn and amendments 133, 134 and 135 were not put to a vote.

Amendment 140 was put to a vote and rejected (Ayes 5, Noes 7).[55]

Amendment 142 was put to a vote and rejected (Ayes 6, Noes 7).[56]

4.6 Financial penalties and offences

Clause 11 would add new sections to the Housing Act 1988 setting out the financial penalties and offences that would apply where a landlord breached the prohibitions in clause 10 and the failure to provide a written statement of the terms of the tenancy (required under clause 9 of the Bill).

Local authorities would be able to fine landlords and former landlords up to a maximum of £5,000 for less serious and initial breaches of the new tenancy legislation. Multiple fines could be issued where a landlord had committed

53 PBC 23 November 2023 c290
54 PBC 23 November 2023 c290
55 PBC 23 November 2023 c292 [Division 11]
56 PBC 23 November 2023 c293 [Division 12]

more than one breach. In the case of serious, continued and repeat offences, landlords would be liable for a fine of up to £30,000 or prosecution.

The Minister explained that the Government expected local authorities to be reasonable. It was exploring a national framework for setting fines to ensure a consistent approach and would issue guidance for local authorities on issuing fines.[57]

Matthew Pennycook (Lab) tabled probing amendment 163 and amendment 164, which would increase the maximum financial penalties to £30,000 and £60,000:

> Amendments 163 and 164 would raise the maximum financial penalty that local authorities could levy from £5,000 to £30,000 in instances where the provisions contained in clauses 9 or 10 were contravened, and from £30,000 to £60,000 where an offence has been committed. We have proposed those higher figures, very deliberately, on the basis that £30,000 mirrors the current maximum financial penalty for housing offences, and by doubling the maximum financial penalty for an offence to reflect the severity of that outcome. I hope that the Minister might go away and reconsider whether the maximum levels that the Government have chosen are sufficient to act as the deterrent that I think we both absolutely wish to see.[58]

The Minister considered the maximum fines that the amendments would introduce were disproportionate to the severity of the breach or offence. He said they were out of step with other housing enforcement and asked the Shadow Housing Minister not to press the amendments to a division.

Amendments 163 and 164 were not called.

The Government tabled a series of technical amendments to clause 11.

Clause 11, as amended, was ordered to stand part of the Bill.

4.7 Preventing homelessness

Clause 18 would amend part 7 of the Housing Act 1996 to ensure local authorities' statutory homelessness duties align with the Bill's provisions to remove fixed-term tenancies and section 21 evictions.

Section 175 of the Housing Act 1996 currently provides that a local authority should consider a household as threatened with homelessness if they are served with a valid section 21 notice[59] that expires within 56 days, and they have no other accommodation available to them. This initiates the authority's duty to work with the household to prevent them from becoming homeless.

57 PBC 23 November 2023 c294

58 PBC 23 November 2023 cc295-6

59 A notice for possession issued under section 21 of the Housing Act 1988.

Mike Amesbury (Lab) explained that the Labour Party was concerned that if section 21 evictions were abolished, it would remove this trigger point and could leave vulnerable tenants without the support they require. Amendment 178 and amendment 179 therefore sought to broaden the scope of those threatened with homelessness, and owed the prevention duty, to include all tenants served with a valid section 8 notice.[60] He asserted that the amendments were "prevention-focused, reconnecting with the principles of the Homelessness Reduction Act 2017."[61]

The Minister contended that the amendments would increase resource pressures on local authorities:

> These amendments would prevent a local authority from using its judgement as to whether there is a risk and from deploying its resources to cases where there is a more imminent risk of homelessness. If the amendments were accepted, they could result in local authorities having cases open for a long time. Requiring local authorities to accept a duty in such circumstances, with no time limit, would create significant resourcing pressures. That would ultimately be to the detriment of those seeking homelessness support if local authorities were overwhelmed and unable to manage their increase caseload.
>
> Local authorities are experienced at identifying when someone is threatened with homelessness, as opposed to arbitrary requirements that do not account for individual circumstances.[62]

Mike Amesbury did not press amendments 178 and 179 to a vote.

Clause 18 was ordered to stand part of the Bill.

[60] A notice for possession issued under section 8 of the Housing Act 1988. This can be used when a tenant has broken the terms of the tenancy agreement.

[61] PBC 23 November 2023 c304

[62] PBC 23 November 2023 c306

5 Part 2: Residential landlords

5.1 Definition of residential landlord

Clause 23 would set out the meanings of private "residential landlord", "relevant tenancy" and "dwelling" for the purpose of defining which tenancies fall within scope of the landlord redress schemes and the private rented sector database.

The Shadow Housing Minister, Matthew Pennycook, tabled amendment 173 to extend the definition of "residential landlord" to include park home operators, private providers of purpose-built student accommodation, and property guardian companies. He said that occupiers of these types of accommodation lacked redress schemes and the Government's private rented sector white paper had committed to explore extending redress to these sectors.[63]

Responding, the Levelling Up Minister, Jacob Young, said the issues affecting students, property guardians and park home owners were often different from those faced by the majority of tenants in the private rented sector. The Government wanted to ensure a smooth implementation, so initially the scope of the ombudsman and the Property Portal would only extend to assured and regulated tenancies. However, the Government intended to use regulations under clause 23 to potentially include different types of letting arrangements in future.[64]

Amendment 173 was withdrawn. The Government tabled some technical amendments. Clause 23 as amended was ordered to stand part of the Bill.

5.2 Landlord redress schemes

Regulations

Clause 24 would give the Secretary of State the power to make regulations requiring a residential landlord (as defined in clause 23) to join a landlord redress scheme. **Clause 25** would require the Secretary of State to make regulations setting out the conditions that a landlord redress scheme must meet before it is approved or designated.

63 Department for Levelling Up, Housing and Communities (DLUHC), A fairer private rented sector, CP 693, 16 June 2022, para 4.2

64 PBC 28 November 2023 c318

Matthew Pennycook (Lab) supported the principle of bringing the private rented sector within the scope of a single ombudsman. He noted that an effective ombudsman should help to ease the pressure on local authorities and the courts.[65]

He tabled amendment 174 to replace "may make regulations" with "must make regulations" in subsection 24(1). This was intended to remove any discretion and ensure the private rented sector must be brought within the purview of an ombudsman.

He also questioned why it was necessary for the Bill to:

1) provide for "redress schemes" (plural) rather than a single ombudsman, when according to Cabinet Office guidance, multiple redress schemes should be avoided because they might confuse consumers and introduce uneven practices in investigation and redress; and

2) prescribe in detail the Secretary of State's powers to direct the operation of the ombudsman in all manner of areas, rather than leaving a degree of discretion to the ombudsman.[66]

In response, the Minister said the Government was committed to requiring private landlords to be members of an ombudsman, and a binding obligation was not required on the face of the Bill. He explained the Government had taken powers in the Bill to ensure the ombudsman was introduced in the most effective way, and with the appropriate sequencing.[67]

The Minister also confirmed the Government's preferred approach at that time was for the existing Housing Ombudsman Service to administer redress for both private and social tenants. However, allowing for multiple schemes in legislation offered flexibility, should the demand for redress prove too much for a single provider to handle effectively.[68]

Amendment 174 was withdrawn after debate.

Clause 24 and clause 25 were ordered to stand part of the Bill.

Financial penalties

Clause 26 would provide that landlords who failed to join the ombudsman scheme could be fined up to £5,000 by the local authority. If a landlord repeatedly breached the requirement, they could be fined up to £30,000 and face criminal prosecution.

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65 PBC 28 November 2023 c316

66 PBC 28 November 2023 cc320-321

67 PBC 28 November 2023 c322

68 PBC 28 November 2023 cc322-323

Labour considered these maximum financial penalties were insufficient to act as a deterrent to unscrupulous landlords. Matthew Pennycook (Lab) tabled probing amendment 165 and amendment 166 to increase the maximum financial penalties for failing to join the ombudsman scheme to £30,000 and £60,000 respectively.[69]

The Minister said the proposed fine regime was "fair and proportionate". He pointed out that the Bill allowed for fines to be imposed repeatedly every 28 days after a penalty notice had been issued. In the case of repeat breaches, local authorities could also pursue prosecution through the court, which carried an unlimited fine. This escalating procedure was intended to ensure maximum compliance without making the fines unnecessarily excessive.[70]

Amendment 165 was withdrawn and amendment 166 was not called.

Clause 26 was ordered to stand part of the Bill.

Guidance

Clause 29 would allow the Secretary of State to issue or approve guidance on effective working between local authorities and the administrator of the landlord redress scheme (in other words, the ombudsman).

Matthew Pennycook (Lab) said the new private sector ombudsman would have to work effectively with local authorities, and for this to happen their respective roles would need to be clearly defined to avoid duplication. Without a clear definition there was also a risk that tenants could be confused about which body to approach.[71]

In response, the Minister asserted that the redress and enforcement roles were intended to achieve different but complementary outcomes:

> Local councils enforce regulatory standards. Ombudsman schemes are not enforcement or regulatory bodies but instead protect consumer rights by providing redress, in this case where a landlord has failed to adequately deal with a legitimate complaint. Where the complaint from a tenant concerns the breach of a regulatory threshold, local councils may take enforcement actions to bring the landlord or property into compliance with the regulations and use their discretion to sanction landlords. In such circumstances, tenants will be able to complain to both the council and the ombudsman. The local council will address the regulatory breach and the ombudsman will provide redress for the tenant.[72]

The Government moved a technical amendment. Clause 29, as amended, was ordered to stand part of the Bill.

69 PBC 28 November 2023 c324
70 PBC 28 November 2023 c324
71 PBC 28 November 2023 c329
72 PBC 28 November 2023 cc329-330

5.3 The private rented sector database

The database

Clause 32 would require the database operator to establish and run a database which would contain entries of existing residential landlords, prospective residential landlords, and dwellings which were, or were intended to be, let under residential tenancies. The new database would provide the basis for the Property Portal service.

Labour tabled amendment 175 to require the database to record details of notices of possession served by landlords. Speaking to the amendment, the Shadow Housing Minister said Labour were concerned the Bill's provisions on the private rented sector database were not prescriptive enough. In particular, landlords should be required to submit key information on their history, including notices of possession served to previous tenants. This information would assist tenants to make informed decisions when entering into a tenancy agreement.[73]

The Minister explained that the Government proposed to prescribe the information the database would contain through regulations, rather than through the Bill, to ensure the database maintained the flexibility to meet the future needs of the sector. He noted the Property Portal was intended to be a source of basic information about properties and their health and safety compliance. However, he committed to consider the recording of possession notices on the database ahead of passing regulations, while bearing in mind "the balance of benefits and burden on landlords and local authorities when deciding what information to record."[74]

Amendment 175 was withdrawn.

Clause 32 was ordered to stand part of the Bill.

Entries in the database

Clause 34 would give the Secretary of State the power to make regulations relating to making entries on the database.

Matthew Pennycook (Lab) tabled amendment 176 which was intended to ensure a number of the regulatory obligations that had to be met by a landlord if they wanted to serve a section 21 notice were maintained by means of the database following the removal of section 21 of the Housing Act 1988.[75] The database would ensure that landlords complied with the regulatory obligations (for example, to provide tenants with copies of gas safety

73 PBC 28 November 2023 c331

74 PBC 28 November 2023 c332

75 For information about the various regulatory requirements see: Gov.uk, Evicting tenants in England: Section 21 and Section 8 notices.

certificates) by making it mandatory for them to submit the relevant information and proof of compliance to the database operator.[76]

The Minister confirmed the Government intended to record much of this regulatory information on the Property Portal:

> Alongside basic personal and property details, we intend to require landlords to supply evidence that health and safety standards are being met within their rental property. This is likely to include the selected information that landlords are currently legally obliged to provide to tenants, such as gas safety certificates.[77]

However, he reiterated the Government's view that details of the required information should be specified in regulations rather than in the Bill to future-proof the Portal.

Amendment 176 was withdrawn and clause 34 was ordered to stand part of the Bill.

Fees for database entries

Clause 38 would set criteria for the payment of registration fees for the private rented sector database.

The Minister confirmed the database would be funded through fees charged to private landlords when they registered on the Portal. He said the Government would ensure fees were "reasonable, proportionate and sustainable". It would also undertake a new burdens assessment to ensure that any additional burdens for local authorities created by the new system were fully funded.[78]

Clause 38 was ordered to stand part of the Bill.

Access to the database

Clause 43 would give the Secretary of State the power to make regulations related to accessing information held in the database.

Lloyd Russell-Moyle (Lab) tabled amendment 195 which would require the database operator to give tenants and prospective tenants access to information in the database relating to the landlord of the relevant property. He emphasised the importance of ensuring tenants had access to information about the property and the landlord before signing a tenancy contract.[79]

The Minister asserted that one of the Government's core objectives was to enhance the information available to tenants so they could make more

[76] PBC 28 November 2023 cc334-335
[77] PBC 28 November 2023 c335
[78] PBC 28 November 2023 c337
[79] PBC 28 November 2023 c337

informed choices and have a better renting experience. This was likely to include information about property standards and certain relevant offences committed by landlords. However, he considered the information which would be made available to tenants should be specified in regulations, as this would allow the Government to respond to changes in the market and to remain sensitive to landlords' privacy rights. Certain information, for example, a landlord's national insurance number or date of birth should remain private.[80]

Lloyd Russell-Moyle withdrew amendment 195, but asked the Minister to provide some more details in writing about what information would be unavailable for tenants and prospective tenants.[81]

Clause 43 was ordered to stand part of the Bill.

Financial penalties

Clause 47 would give local authorities the power to impose financial penalties on a person that had:

- breached the requirements imposed by clause 39 (restrictions on marketing, advertising and letting dwellings without database entries), in which case a maximum financial penalty of up to £5,000 would apply; or
- committed an offence under clause 48 (offences), in which case a maximum financial penalty of up to £30,000 would apply.

Local authorities would be able use the proceeds of financial penalties to meet the costs of their private rented sector enforcement functions.

Labour considered these maximum financial penalties were insufficient to act as a deterrent to unscrupulous landlords. The level of penalties would also affect the ability of local authorities to finance enforcement activity. Matthew Pennycook (Lab) tabled probing amendment 167 and amendment 168 which would increase the maximum financial penalties to £30,000 and £60,000 respectively. He said this would bring the maximum financial penalties in line with others that could be issued by enforcement authorities against landlords. The amendments were supported by the Local Government Association.[82]

The Minister said the proposed fines regime was "fair and proportionate". He pointed out that the Bill allowed for fines of up to £30,000 if non-compliance continued, fines could be imposed repeatedly every 28 days, and, for repeat offences, local housing authorities could pursue prosecution through the courts, which carried an unlimited fine. This escalating procedure was intended to ensure maximum compliance without making the fines excessive.

80 PBC 28 November 2023 c338
81 PBC 28 November 2023 c339
82 PBC 28 November 2023 c339-340

He confirmed the Government would issue guidance to local authorities to help them make use of the new fine-setting powers.[83]

Following debate amendment 167 was withdrawn and amendment 168 was not called.

Clause 47 was agreed and ordered to stand part of the Bill.

83 PBC 28 November 2023 c340

6 Timetable for tenancy reforms

Clause 67 would provide for commencement of the Bill's provisions once it had received Royal Assent.

The provisions regarding tenancy reform would be brought into force on a date appointed in regulations made by the Secretary of State [84]. Guidance accompanying the Bill set out plans for implementing the new regime in two stages. The first stage would make all new assured tenancies periodic and the second stage would make all existing assured tenancies periodic:

> - We will implement the new system in two stages to ensure all stakeholders have sufficient notice to implement the necessary changes.
> - We will provide at least six months' notice of our first implementation date after which all new tenancies will be periodic and governed by the new rules. The date of this will be dependent on when Royal Assent is received, and when the court system is ready to implement the new system.
> - To avoid a two-tier rental sector and to make sure landlords and tenants are clear on their rights, all existing tenancies will transition to a new system on the second implementation date. After this point, all tenants will be protected from section 21 eviction and landlords will have access to a full range of strengthened grounds. We will allow at least twelve months between the first and second date.[85]

The Government's response to the Levelling Up, Housing and Communities Committee report on Reforming the Private Rented Sector (October 2023) subsequently said implementation of the new tenancy regime would not take place until improvements had been made to the court system. Target areas for improvement included:

> - digitising more of the court process to make it simpler and easier for landlords to use;
> - exploring the prioritisation of certain cases, including antisocial behaviour;
> - improving bailiff recruitment and retention and reducing administrative tasks so bailiffs can prioritise possession enforcement; and

84 Part 1, chapter 1 (assured tenancies).

85 DLUHC, Guidance - Tenancy reform: Renters (Reform) Bill, 17 May 2023

- providing early legal advice and better signposting for tenants, including to help them find a housing solution that meets their needs.[86]

The Shadow Housing Minister, Matthew Pennycook, tabled amendment 169 which would ensure the abolition of section 21 evictions came into force on Royal Assent, with provisions that any notices served before that date would remain valid.

Matthew Pennycook reiterated the Opposition's concerns about the uncertainty of the timeline for the commencement of the new tenancy regime, given the Government's decision to tie implementation directly to court improvements. He pressed the Minister to answer three questions:

- does the Government believe that the county court system for resolving most disputes between landlords and tenants is performing so badly that reform is a necessary precondition of bringing chapter 1 of part 1 of the Bill into force?
- if so, what is the precise nature of the court improvements that are deemed to be required?
- what is the Government's implementation timeline for those court improvements?[87]

In response the Levelling Up Minister, Jacob Young, confirmed he was "wedded to ensuring that section 21 is abolished at the earliest opportunity" but the Government had to first ensure that the court system was ready for the new tenancy regime. He outlined the court reforms that were underway and committed to set out more details and implementation dates in due course:

> ...Court rules and systems need updating to reflect the new law; there is no way that this can be avoided. Furthermore, we have already fully committed to a digital system that will make the court process more efficient and fit for the modern age. Let me reassure the Committee that we are doing as much as possible before the legislative process concludes. The design phase of our possession process digitisation project is under way, and has more than £1 million of funding. That will pave the way for the development and build of a new digital service.
>
> We are also working to tackle concerns about bailiff delays, including by providing for automated payments for debtors. That will reduce the need for doorstep visits, so that bailiffs can prioritise possession enforcement. We are going further with the Ministry of Justice and His Majesty's Courts and Tribunals Service in exploring improvements to bailiff recruitment and retention policies; we touched on that. It would simply be a waste of taxpayers' money to spend millions of pounds building a new system when we do not have

[86] Reforming the Private Rented Sector: Government's response to the Committee's Fifth Report of Session 2022-23, HC1935, 20 October 2023, page 11

[87] PBC 28 November 2023 c366

> certainty on the legislation underpinning it. That is why we will set out more details and implementation dates in due course.[88]

Matthew Pennycook said the two-stage transition process provided for by the Bill should give the Government enough time to prepare the courts for the new tenancy system. The Opposition was “deeply concerned about the number of people put at risk of homelessness while the Government have delayed bringing the legislation forward.” He reiterated that tenants and landlords needed certainty about when section 21 would be abolished and pressed the amendment to a vote.[89]

Amendment 169 was put to a vote and rejected (Ayes 6, Noes 8).[90]

The Government tabled a number of technical amendments to clause 67. The clause, as amended, was ordered to stand part of the Bill.

88 PBC 28 November 2023 c368

89 PBC 28 November 2023 c369

90 PBC 28 November 2023 c370 [Division 13]

7 New clauses

The Government tabled 52 new clauses and one new schedule to the Bill. All were agreed without division and added to the Bill. Many of the new clauses were minor, technical or consequential. However, some involved substantive changes to the Bill.

The Opposition tabled 14 new clauses; five were not called, three were withdrawn after debate and six were disagreed on division.

This section of the briefing outlines the substantive Government new clauses and the Opposition new clauses on which the Committee divided.

7.1 Factors for court considering granting possession order for anti-social behaviour

The Government's **new clause 1** would expand factors the court must take into account when considering whether to grant a possession order on the discretionary anti-social behaviour ground for possession (ground 14). It would require judges to take into account:

- whether the tenant had cooperated with attempts by their landlord to resolve the anti-social behaviour; and
- the effects of the anti-social behaviour on other tenants within houses in multiple occupation (HMO).

Matthew Pennycook (Lab) queried the rationale for new clause 1 as judges already had to consider the impact of anti-social behaviour on others. It was not clear why the Government felt the need to specify that they were required to do so and then purely in relation to HMOs and not in other housing circumstances. The courts could also already consider what efforts the tenant had made to co-operate.

He asked whether new clause 1 would require landlords to proactively engage with their tenants to resolve the behaviour. If it did not, then it was questionable whether the new clause would have any practical effect:

> If landlords do not have to do anything to encourage antisocial behaviour to cease or do anything about it, whether a tenant can "co-operate" is reliant on

> the whim of the landlord in question and whether they decide to ask the tenant to stop.[91]

The Levelling Up Minister, Jacob Young, provided clarification on this point in a subsequent letter to the Committee dated 27 November 2023:

> I was asked whether there will be a requirement for landlords to proactively engage with their tenant to resolve anti-social behaviour. As Ground 14 is discretionary, a court can consider any relevant factors when deciding whether to award possession. This may include whether attempts have been made by the landlord to resolve behaviour, although there is no obligation on the landlord to do so before seeking possession. Where attempts have been made by the landlord to resolve behaviour, our changes to section 9A of the Housing Act 1988 mean that a judge will have to give particular consideration to whether the tenant has engaged.[92]

New clause 1 was agreed and added to the Bill.[93]

7.2 Duty to give statement of terms and other information

Clause 9 would insert a new duty requiring landlords to provide tenants with a written statement setting out certain terms of their tenancy.

The Government's **new clause 3** would replace clause 9 and extend the duty to landlords' contractors. Details of what must be included in the written statement would be set out in regulations made by the Secretary of State, and might include such information as the tenancy start date, rent level and landlord's address, as well as the basic rights and responsibilities of both parties.[94]

Matthew Pennycook (Lab) asked a series of questions about the clause, including:

- why did the clause refer to "contractors", given that the standard term, both in plain English and in statute, was "agent"?
- how would a "contractor" be defined?
- what would happen if the statement was not provided? Did the Government consider whether a rent repayment order might be appropriate in the circumstances, or whether a court should be given the power to order that it be provided?

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91 PBC 23 November 2023 c238

92 Letter from the Minister for Levelling Up at DLUHC to Ian Paisley MP and Yvonne Fovargue MP on the Renters (Reform) Bill, 27 November 2023

93 PBC 28 November 2023 c373

94 PBC 23 November 2023 c283

- what would happen if the contractor excluded liability for providing the statement?[95]

The Levelling Up Minister, Jacob Young, responded to these questions in a subsequent letter to the Committee dated 27 November 2023.[96]

New clause 3 was agreed and added to the Bill.[97]

7.3 Discrimination relating to children or benefits status

The Government tabled a package of 16 new clauses (new clauses 8 to 17 and 47 to 52) which would form two new chapters (one for England and one for Wales) in part 1 (tenancy reform) of the Bill.[98]

The clauses would prohibit landlords and letting agents from discriminating against families with children or people who receive benefits in England and Wales. Local authorities could impose a financial penalty of up to £5,000 for a breach of the requirements.

Introducing the new clauses, the Minister said the Government was responding to calls for additional safeguards for vulnerable renters:

> Blanket bans on letting to families with children or people who receive benefits have no place in our modern housing market. We agree that landlords and agents must not discriminate on that basis, and should fairly consider individual prospective tenants. Our package of amendments and new clauses prohibits landlords from discriminating against families with children or people who receive benefits in England and Wales. The blanket ban measures respond to calls for additional safeguards for some of the most vulnerable renters, while confirming that landlords can ensure that a tenancy is affordable, and that they retain the final say on whom they let to.[99]

Matthew Pennycook (Lab) welcomed the intent behind the new clauses. However, he was concerned that in practice they might fall short of the intended objective. The Opposition had therefore tabled **new clause 61** which sought to ensure that blanket bans on renting to families with children or those in receipt of benefits were presumed to be unlawful discrimination unless proved otherwise. Specifically, the new clause would enable the Secretary of State to specify in regulations the behaviour which, for the

95 PBC 23 November 2023 c283

96 Letter from the Minister for Levelling Up at DLUHC to Ian Paisley MP and Yvonne Fovargue MP on the Renters (Reform) Bill, 27 November 2023

97 PBC 28 November 2023 c374

98 For the text of all the new clauses see: PBC 28 November 2023 cc377-383 and cc402-415 (PDF)

99 PBC 28 November 2023 c342

purposes of part 4 of the Equality Act 2010, should be considered unlawful discrimination.

Matthew Pennycook explained new clause 61 was intended to address the perceived weaknesses of the various Government amendments on this issue by ensuring that the underlying discriminatory conduct was clearly unlawful by making it a breach of the Equality Act 2010.[100]

Responding to this point, the Minister confirmed the Government agreed with the Opposition that landlords should be prohibited from discriminating against families with children or people who receive benefits. However, the Government's view was that these prohibitions should be part of the Renters (Reform) Bill rather than the Equality Act 2010:

> Our measures take direct action to address blanket ban practices in the private rented sector, and our targeted approach tackles both overt and indirect practices. We have designed our enforcement approach with the tenants that are most vulnerable to this type of discriminatory practice in mind, and we understand that their priority is finding a safe and secure home in the private rented sector. Unlike the provisions in the Equality Act 2010, we are giving local councils investigatory and enforcement powers to tackle unlawful blanket ban practices. Tenants will not have to shoulder the burden of taking their complaint to court; local councils will be enabled to take swift and effective enforcement action. We think that it is right that prohibitions on blanket bans in the private rented sector are part of the Renters (Reform) Bill and that they are incorporated into the enforcement framework, rather than the Equality Act 2010.[101]

The new clause was put to a vote and rejected (Ayes 6, Noes 7).[102]

The Government new clauses were agreed and added to the Bill.[103]

7.4 Decent homes standard

The decent homes standard is a non-statutory minimum quality standard for social housing in England. All registered social housing providers are required by the Regulator of Social Housing to meet the standard.

The decent homes standard sets out four criteria for evaluating decency – it requires that homes are free of serious category 1 hazards, are in a reasonable state of repair, have reasonably modern facilities and services such as kitchens and bathrooms, and have efficient heating and effective insulation. Serious hazards are assessed under the Housing, Health and Safety Rating System.

[100] PBC 28 November 2023 c343
[101] PBC 28 November 2023 c344
[102] PBC 28 November 2023 c422 [Division 18]
[103] PBC 28 November 2023 cc378-383 and cc402-415

The Government has carried out a review of the Housing Health and Safety Rating System[104] and is currently reviewing the decent homes standard.[105]

The Government's levelling up white paper (February 2022) set out its ambition to halve the number of non-decent rented homes by 2030, with the biggest improvements in the lowest performing areas.[106]

In its subsequent private rented sector white paper, A fairer private rented sector (June 2022), the Government committed to "legislate to introduce a legally binding Decent Homes Standard (DHS) in the Private Rented Sector for the first time."[107] In September 2022, the Government launched a consultation seeking views on the introduction and enforcement of a decent homes standard in the private rented sector. The consultation closed on 14 October 2022.[108]

The Government's **new clause 20** fulfils the Government's private rented sector white paper commitment. It would amend the Housing Act 2004 to provide for regulations to specify new decent homes standard requirements and for their enforcement by local authorities. The requirements would apply to rented property, temporary accommodation, and supported exempt accommodation.

New schedule 1 would amend part 1 of the Housing Act 2004, which provides for the enforcement of requirements imposed by regulations under new section 2A of that Act, inserted by new clause 20. The schedule would also enable financial penalties to be imposed for certain breaches of part 1 of that Act, and make consequential amendments to other Acts.

Introducing new clause 20, the Minister explained the Government was working with stakeholders to co-design the standard:

> It is imperative that we get the content of the new standard right and that we ensure that it is both proportionate and fair. We are working closely with a range of stakeholders to co-design the standard and make sure the balance is right for landlords and tenants. For most PRS [private rented sector] properties, our expectation is that the landlord will not need to do any additional work to meet the decent homes standard beyond what is needed to meet existing requirements and keep their properties in a good state of repair. We will provide further details on our proposals for the standard in due course.[109]

Matthew Pennycook (Lab) welcomed new clause 20 and new schedule 1 which he said had "the potential to tackle the blight of poor-quality homes in local

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104 DLUHC, Housing Health and Safety Rating System (HHSRS): review outcomes and next steps - GOV.UK (www.gov.uk), 7 September 2023
105 DLUHC, Decent Homes Standard: review, 8 February 2021
106 DLUHC, Levelling Up the United Kingdom, CP 604, 2 February 2022, Executive Summary
107 DLUHC, A fairer private rented sector, CP 693, 16 June 2022, p24
108 DLUHC, A Decent Homes Standard in the private rented sector: consultation, 2 September 2022
109 PBC 28 November 2023 c356

communities and ensure that renters have safer and better homes to live in."[110]

He asked the Minister for clarification on three points:

- how would the Government ensure local authorities could appropriately enforce the application of the decent homes standard to the private rented sector?
- did the Government still intend to carry out a more fundamental review of the decent homes standard? If so, when would that begin?
- could the Government provide an update on its review of the Housing, Health and Safety Rating System and would any changes require further legislation?

In response, the Minister explained that local authorities would be able to issue fines of up to £5,000 to landlords who did not take reasonable steps to keep their properties free of serious hazards. The Government expected this penalty to encourage those landlords who did not already do so to proactively manage their properties, which would allow local authorities to target their enforcement more effectively on a small minority of irresponsible and criminal landlords.

The Government would also explore requiring landlords to register compliance with the decent homes standard on the Property Portal. This would support local authorities in identifying non-decent properties to target through their enforcement activity. Finally, he confirmed that the Government would carry out a full new burdens assessment for local authorities, and any new burdens would be resourced.[111]

The Levelling Up Minister, Jacob Young, provided further details about the decent homes standard and Housing, Health and Safety Rating System reviews in a subsequent letter to the Committee dated 5 December 2023.[112]

New clause 20 and new schedule 1 were agreed and added to the Bill.[113] [114]

7.5 Rent repayment orders

Rent repayment orders were introduced by the Housing Act 2004. In England, the Housing and Planning Act 2016 extended the circumstances in which they can be used. They allow a tenant or local authority to apply to the First-tier

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110 PBC 28 November 2023 c356

111 PBC 28 November 2023 c359

112 Letter from the Minister for Levelling Up at DLUHC to James Gray MP and Yvonne Fovargue MP on the Renters (Reform) Bill, 5 December 2023

113 PBC 28 November 2023 c386

114 PBC 28 November 2023 c438

Tribunal for an order that a landlord or their agent has committed an offence and should repay rent of up to a maximum of 12 months.

The Government new clause 21 would amend the Housing and Planning Act 2016 to:

- enable rent repayment orders to be made against superior landlords;
- increase the maximum amount of rent that a landlord may be required to repay under a rent repayment order from 12 months to two years; and
- make provision about how payments were to be calculated and made in cases where there were multiple landlords or multiple orders.

The Opposition welcomed the amendments to the Bill to extend the use and maximum amount of rent repayment orders, although they wanted the Government to go further. The Shadow Housing Minister tabled new clause 57 which would allow rent repayment orders to be made against landlords for less serious, non-criminal breaches of the Bill's provisions.

Matthew Pennycook (Lab) said rent repayment orders were an accessible, informal and relatively straightforward means by which tenants could obtain redress in the form of financial compensation without having to rely on another body. Labour therefore wanted the Government to go further and extend the tribunal's ability to make rent repayment orders for the following:

- a breach of new sections 16D and 16E of the Housing Act 1988, relating to the duty on landlords and contractors to give a statement of terms and other information, and the no-let prohibition in respect of grounds 1 and 1A;
- a failure to register with the ombudsman, as required by clause 24 of the Bill; and
- a failure to keep an entry on the database up to date and to comply with all the relevant requirements of clause 39.[115]

He considered that allowing the tribunal to make rent repayment orders for these additional specific breaches would provide an incentive for landlords to comply with the relevant duties, requirements and prohibitions. It would also encourage tenants to check up on and monitor their landlords, and enable wronged tenants to be compensated for any losses incurred.

In response, the Minister said allowing rent repayment orders to be made against landlords for less serious, non-criminal breaches of the Bill would be disproportionate:

> The purpose of rent repayment orders is to provide an effective means through which tenants can hold criminal landlords to account and receive due remedy. Extending rent repayment orders to cover non-criminal civil breaches would

115 PBC 28 November 2023 c327

> mean landlords could be ordered to pay up to two years' worth of rent for a relatively minor non-compliance. We think that this would be disproportionate. We think that scarce court time should be focused on dealing with serious offences rather than more minor breaches. For first and minor non-compliance, with provisions in the Bill there will be several means of redress and enforcement, including the ombudsman and civil penalties of up to £5,000...[116]

However, he said the Government was open to further discussion on this matter.

New clause 57 was put to a vote and rejected (Ayes 5, Noes 7).[117]

The Government new clause 19 and new clause 21 were agreed and added to the Bill.[118] [119]

7.6 Duty to report

Government **new clause 23** would require a local housing authority, or a county council which is not a local housing authority, to report at the request of the Secretary of State on the exercise of its functions under the landlord legislation.

The Government's private rented sector white paper included a commitment to "bolster national oversight of local councils' enforcement, including by exploring requirements for councils to report on their housing enforcement activity."[120]

The Minister explained new clause 23 would enable the Government to collect and analyse data on local authorities' enforcement activities:

> In order to evaluate the impact of our reforms and understand the action that local authorities are taking against the minority of landlords who flout the rules, it is vital that the Secretary of State is able to seek regular and robust data from local authorities. My officials will work with local authorities to agree a data reporting framework that is rational, proportionate and helpful to both local and central Government, and in line with other similar data collections.[121]

He also confirmed the Government would undertake a new burdens assessment and fully fund any additional costs incurred to fulfil this reporting duty.[122]

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116 PBC 28 November 2023 c328
117 PBC 28 November 2023 c420 Division 14
118 PBC 28 November 2023 c384
119 PBC 28 November 2023 c387
120 DLUHC, A fairer private rented sector, CP 693, 16 June 2022, p52
121 PBC 28 November 2023 c349
122 PBC 28 November 2023 c349

New clause 23 was agreed and added to the Bill.[123]

7.7 Investigatory powers

The Government's private rented sector white paper included a commitment to "take further steps to help local councils pursue the worst offenders by stripping away red tape, including exploring ways to increase local councils' investigative powers to target illegal business activity by enabling them to require financial information."[124]

The Government tabled a package of amendments and 23 new clauses (new clauses 24 to 46) which would form a new chapter in a new part 4 (Enforcement) of the Bill.[125]

The clauses would strengthen local authorities' investigatory powers to respond to landlord practice. For example, they would confer powers on local authorities to require information from property owners, their agents and others for the purposes of investigating whether there had been a breach of, or an offence under, the legislation. They would also confer a power on local authorities to enter premises (without force), to investigate whether there had been certain unlawful conduct in relation to them.

7.8 Preventing rental bidding wars

The Labour Party tabled:

- **new clause 58** which would require landlords, or persons acting on their behalf, to state the proposed rent payable in the advertisement for the property; and
- **new clause 59** which would prevent landlords, or persons acting on their behalf, from inviting or encouraging bids that exceeded the amount stated as part of the advertisement or offer of the premises.

Matthew Pennycook (Lab) explained the new clauses were intended to prevent the practice of rental bidding wars, which occurred in many cities and larger towns where multiple tenants were competing for individual private lets. In these circumstances it was common for landlords and agents to "play prospective renters off against each other", such as by encouraging them to

123 PBC 28 November 2023 c388
124 DLUHC, A fairer private rented sector, CP 693, 16 June 2022, p51
125 For the text of all the new clauses see: PBC 28 November 2023 cc388-402 (PDF)

pay months of rent up front as a lump sum, to sign longer tenancy agreements or to agree to rent levels far higher than the asking rent.[126]

He said the new clauses were based on legislation introduced in New Zealand (where it had been banned entirely since February 2021) and Australia (where it had been banned in most states).[127]

New clause 58 was put to a vote and rejected (Ayes 6, Noes 7).[128]

New clause 59 was put to a vote and rejected (Ayes 6, Noes 7).[129]

7.9 Extension of Awaab's law to the private rented sector

Labour tabled **new clause 60** which would require private landlords to deal with hazards affecting their properties.

Awaab's Law, which was introduced through the Social Housing Regulation Act 2023, enables the Secretary of State in England to set out new legal requirements for social landlords to address hazards such as damp and mould within a specified timeframe.[130]

New clause 60 would extend Awaab's law to the private rented sector. The Shadow Housing Minister, Matthew Pennycook, asserted this extension was necessary because the problem of damp and mould, and of landlords who failed to investigate such hazards and make necessary repairs, was not confined to social rented homes. He referred to a report from the charity Citizens Advice, published in February 2023, which found that 1.6 million children in England were living in cold, damp or mouldy privately rented homes.[131]

Responding, the Minister agreed that tenants across both private and social sectors should expect safe and decent homes from their landlords. However, he said the Government's focus for the private rented sector was on strengthening the enforcement of standards by local authorities, as well as introducing a new means of redress through the private rented sector ombudsman. He did not support introducing a further route for potential litigation and enforcement:

> ...Private tenants already have rights when it comes to repairs in their home and the safety of their home. Private landlords are required to make sure that

126 PBC 23 November 2023 c267-268
127 PBC 23 November 2023 c268
128 PBC 28 November 2023 c420 [Division 15]
129 PBC 28 November 2023 c421 [Division 16]
130 For further information see: DLUHC, Awaab's Law: Consultation on timescales for repairs in the social rented sector, 9 January 2024
131 PBC 28 November 2023 c358

> their homes are free from the most serious health and safety hazards. If hazards are present, the local housing authority can issue an improvement notice requiring them to be remedied within a specific time. Landlords who fail to comply can be prosecuted or fined up to £30,000. Additionally, if tenants consider that their rented home is not fit for human habitation, they can seek remedy through the courts under the Homes (Fitness for Human Habitation) Act 2018…[132]

He went on to explain that the Government's new clause 20 (see section 7.4 above) would introduce a decent homes standard to the private rented sector. This would place a stronger duty on landlords to keep their properties free from serious hazards, and would allow local housing authorities to take the necessary enforcement action. The new private rented sector ombudsman would also help private tenants to resolve repair issues quickly and for free if their landlord did not act appropriately to remedy an issue within a reasonable timeframe.[133]

The Minister also pointed out that there was a difference between a large social housing sector landlord, with maintenance teams that could quickly act to address an issue, and an individual landlord, who might not have the ability to address such issues in the timeframes the Government intended to set for social landlords.[134]

The new clause was put to a vote and rejected (Ayes 6, Noes 7).[135]

7.10 Limit on amount of rent a landlord can request in advance

Labour tabled new clause 62 which would ensure the maximum amount of rent that a residential landlord could lawfully request before a tenancy began would be five weeks' rent for tenancies of less than £50,000 a year and six weeks' rent for tenancies over £50,000 a year.

Matthew Pennycook (Lab) explained new clause 62 was intended to prevent private landlords requesting large amounts of rent in advance. This practice acted as a barrier to many people when trying to rent privately:

> …According to research carried out by Shelter, a staggering 59% of tenants reported being asked to pay rent in advance when attempting to secure a property the last time they moved; some were even asked to pay in excess of six months' rent up front. Tenants reported taking out unsecured loans, using their credit cards or going significantly into their overdrafts to make the advance payments. One in 10 of those surveyed reported being denied a property for which they could afford the monthly rent simply because they

132 PBC 28 November 2023 c360
133 PBC 28 November 2023 c360
134 PBC 28 November 2023 c361
135 PBC 28 November 2023 c421 [Division 17]

> were unable to pool together the sizeable advance rent payment that the landlord requested.[136]

The Government's private rented sector white paper committed to prohibit landlords from asking for rent in advance:

> We will also introduce a power through the Renters Reform Bill to limit the amount of rent that landlords can ask for in advance. We will use this power if the practice of charging rent in advance becomes widespread or disproportionate.[137]

Matthew Pennycook said new clause 62 would fulfil the Government's white paper commitment.

In response, the Minister said the Government had concluded that an additional power was not needed, as it was already possible to limit rent in advance using the power in section 3 of the Tenant Fees Act 2019. He noted that using such a power could "significantly infringe on the business interests and financial freedoms of private landlords" and it was therefore important for the Government to gather evidence of need and undertake an impact assessment before using the power.[138]

The Minister also contended that rent in advance could be beneficial in some situations. For example, it could be employed to balance a financial risk when a prospective tenant could not otherwise pass a reference or affordability check.

The new clause was put to a vote and rejected (Ayes 6, Noes 7).[139]

136 PBC 23 November 2023 c267

137 DLUHC, A fairer private rented sector, CP 693, 16 June 2022, section 4.1

138 PBC 23 November 2023 c270

139 PBC 28 November 2023 c422 [Division 19]

8 Appendix: Members of the Public Bill Committee

The Public Bill Committee was chaired by Yvonne Fovargue (Lab) and James Gray (Con) and consisted of the following members:

Aiken, Nickie (Cities of London and Westminster) (Con)
Amesbury, Mike (Weaver Vale) (Lab)
Bailey, Shaun (West Bromwich West) (Con)
Britcliffe, Sara (Hyndburn) (Con)
Buck, Ms Karen (Westminster North) (Lab)
Firth, Anna (Southend West) (Con)
Glindon, Mary (North Tyneside) (Lab)
Hughes, Eddie (Walsall North) (Con)
McDonagh, Siobhain (Mitcham and Morden) (Lab)
Mohindra, Mr Gagan (South West Hertfordshire) (Con)
Morgan, Helen (North Shropshire) (LD)
Pennycook, Matthew (Greenwich and Woolwich) (Lab)
Russell, Dean (Watford) (Con)
Russell-Moyle, Lloyd (Brighton, Kemptown) (Lab/ Co-op)
Spencer, Dr Ben (Runnymede and Weybridge) (Con)
Tracey, Craig (North Warwickshire) (Con)
Young, Jacob (Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities)

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