

Overcoming the Barriers to Longer Tenancies in the Private Rented Sector



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Foreword

From the Secretary of State

The private rented sector has changed dramatically over the last 30 years.

The proportion of households has doubled. Half of them are families with children, and older people, looking for a long-term home.

And yet one striking characteristic persists. The majority of tenants are on short term contracts - unsure if they can afford the next rent rise, or whether they might be asked to leave if they make a complaint.

This instability and lack of power is bad enough, but an unfortunate few also bear the cost of unplanned and unwanted moves.

What's more, many landlords would also benefit from longer agreements – free from the fees and hassle of unnecessary renewals. A minority already see this. And the measures announced in the Housing White Paper mean most tenants in the build to rent sector are now being offered a minimum of three years.

The answer lies in good design. Models of the past have failed where they have regulated rents, which history tells us doesn't work, or restricted a landlord's right to repossess their property, risking a loss of vital supply.

That's why I am seeking views on a new model – one that balances tenants' need for protection, with landlords' needs to regain their property when their circumstances change. A model that gives tenants certainty over rents, and retains the flexibility that many desire. I think this is a model that could work across the market, but I am keen to hear your views. Together we can achieve a market that delivers the protection and security that all tenants deserve.

The Rt Hon James Brokenshire MP Secretary of State for Housing, Communities and Local Government

Scope of the consultation

Topic of this consultation:	This consultation seeks views on the barriers to longer tenancies in the private rented sector and how to overcome them.
Scope of this consultation:	This consultation seeks views on the barriers to longer tenancies in the private rented sector in England.
Geographical scope:	These proposals relate to England only.
Impact Assessment:	The purpose of the consultation is to gather evidence and seek views on barriers to longer tenancies in the private rented sector. Any policy changes brought forward as a result of the consultation would be subject to appropriate assessment.

Basic Information

To:	
Body/bodies responsible for	The Ministry for Housing, Communities and Local Government
the consultation:	
Duration:	This consultation will last for 8 weeks and close on 26/08/2018
	For any enquiries about the consultation please contact
Enquiries:	PRSLongerTenancies@communities.gsi.gov.uk
How to respond:	You may respond by completing an online survey at: https://www.surveymonkey.co.uk/r/9ZG8ZRZ
	Alternatively you can email your response to the questions in this consultation to: PRSLongerTenancies@communities.gsi.gov.uk
	If you are responding in writing, please make it clear which questions you are responding to.
	Written responses should be sent to:
	Private Rented Sector Division Ministry of Housing, Communities and Local Government Third Floor – Fry Building 2 Marsham Street London SW1P 4DF

When you reply it would be very useful if you confirm whether you are replying as an individual or submitting an official response on behalf of an organisation and include:

- your name,
- your position (if applicable), the name of organisation (if applicable),
- an address (including post-code),
- an email address, and
- a contact telephone number

Introduction

- 1. The private rented sector had been in decline when the assured shorthold tenancy was introduced in the Housing Act 1988, representing only 9% of the total housing market. Since 1988, the use of assured shorthold tenancies, which allow for a minimum fixed term tenancy of six months, has grown exponentially. They are now the most common tenancy in the private rented sector.
- 2. The private rented sector is the second largest tenure in England, and has almost doubled in size over the last decade; it houses 4.7 million households (20% of all households). Many tenants welcome the flexibility of the tenure and landlords choose to invest in properties to let out.
- 3. The diversity of individuals that call the sector home has changed significantly since 1988. There are large numbers of young people, 44% of households in the sector have a head of household under 35, but 17% of households are over 55 years of age, with 9% over 65.2 There are growing numbers of families; between 2006-07 and 2016-17, the proportion of households in the private rented sector with children increased from 34% to 38%.3 Similarly, increasing numbers of households on benefits rent privately; 22% of all private renters received housing benefit to help with the payment of their rent in 2016-17.4
- 4. The Government is committed to delivering a fairer, good quality and more affordable private rented sector. We have recently introduced banning orders and a database of rogue landlords and agents to make it easier for local authorities to act against them to protect tenants. Other steps the Government is taking include:
 - banning letting fees to tenants and capping tenancy deposits to ensure that tenants have more money in their pockets;
 - insisting that all landlords are members of a redress scheme so that tenants have quick and easy resolution to disputes;
 - ensuring all letting agents are registered and are members of a client money protection scheme to provide assurance to tenants and landlords that their agent is meeting minimum standards.
- 5. In addition to this work to better protect tenants and landlords, the Government recognises that the change in size and make up of the private rented sector has led to growing need for longer, more secure tenancies than the minimum six months offered by the assured shorthold tenancy regime.

¹ English Housing Survey Headline Report, 2016-17 https://www.gov.uk/government/statistics/english-housing-survey-2016-to-2017-headline-report

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/676433/2016-17_Section_1_Households_Annex_Tables.xlsx_

³ English Housing Survey Headline Report, 2016-17 https://www.gov.uk/government/statistics/english-housing-survey-2016-to-2017-headline-report

⁴ English Housing Survey Headline Report, 2016-17 https://www.gov.uk/government/statistics/english-housing-survey-2016-to-2017-headline-report

- 6. The average length of residence in the private rented sector is 3.9 years in comparison with 17.5 years in the owner occupier sector and 11.3 years in the social sector. However, 81% of tenancies granted are for an initial fixed term of 6 or 12 months.
- 7. The short initial fixed term period can result in a number of tenants feeling insecure and that their house is not their home. Many tenants can feel disempowered to challenge poor property standards and are unable to plan for the future.
- 8. Landlords can also benefit from longer tenancies. An empty property does not generate any rental income and finding new tenants can be costly, for example the cost of agency fees. Furthermore, where tenants know that they will be living in a certain property for a longer period of time, they are more likely to take proactive steps to look after the property and contribute to the local community. Landlord concerns often focus on not being able to recover their assets when they need to or not being able to evict difficult tenants, such as those in rent arrears.
- 9. There is therefore a balance between providing tenants with security whilst ensuring that landlords are able to recover their property if needed. We do not want to discourage investment from the sector and are keen to ensure that any proposals to provide tenants with greater security do not impact on the supply of good quality rented accommodation.
- 10. There is also a balance between granting greater security to tenants who want it whilst retaining the flexibility of the private rented sector that many tenants value.
- 11. Through this consultation we want to explore the barriers to longer tenancies in the private rented sector and what action could be taken to overcome them. To inform this we have proposed, and welcome views on, a three year tenancy agreement model which we think could work for landlords and tenants. We are seeking views on the model itself and also how it could be implemented.

⁶ Data from EHS 15/16 shows that 36% of private renters had an initial tenancy agreement of 6 months and 45% of 12 months. Longer (18 month) initial contracts were comparatively rare and only reported by 4% of private tenants.

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⁵ English Housing Survey Headline Report, 2016-17 https://www.gov.uk/government/statistics/english-housing-survey-2016-to-2017-headline-report

Current legislative framework

- 12. The assured shorthold tenancy regime allows for a minimum fixed term tenancy of six months although a longer fixed term can be agreed (for a comparison see Annex A and Annex B). Section 21 'no fault' evictions cannot be carried out during the fixed term. Unless the landlord and tenant enter into a new tenancy at the end of the fixed term, a statutory periodic tenancy will come into being in accordance with section 5(2) of the Housing Act 1988.
- 13. A statutory periodic tenancy is a tenancy which runs from month to month or week to week (depending on how often the rent is paid). Most of the clauses set out in the fixed term agreement (for instance the tenant's and landlord's obligations) will be the same in the statutory periodic tenancy, however, the landlord will be able to increase the rent and may be able to change other terms in the agreement.
- 14. If the landlord wants the tenant to leave the property, the landlord must either:
 - (a) Give the tenant at least two months' notice in writing in accordance with section 21 of the Housing Act 1988. The date for giving up possession must be after the initial fixed term. The landlord does not need to provide grounds for ending the tenancy. This is known as a 'section 21 notice' or a 'no fault' eviction.
 - (b) Seek possession in accordance with section 8 of the Housing Act 1988 on one or more of the grounds contained in Schedule 2 to the Housing Act 1988 (if any of those grounds apply). These include:
 - i. Landlord wishes to live in the property as their own or principal home, was doing so sometime before the tenancy began and notice that the landlord might require possession on this ground was given to the tenant before the tenancy began (not possible to rely on this ground during the initial fixed term)
 - ii. Mortgage lender entitled to possession
 - iii. Tenant has at least 8 weeks (if rent payable weekly or fortnightly) or 2 months (if rent payable monthly) rent arrears
 - iv. Rent is overdue or the tenant is persistently late in paying rent
 - v. Breach of any term of tenancy agreement
 - vi. Condition of property, furniture provided under the tenancy agreement or common parts have deteriorated due to acts of the tenant or other occupant
 - vii. Tenant or other occupant is guilty of nuisance / annoyance in the locality or convicted of a serious criminal offence in relation to the property or in the locality
- 15. If the tenant does not leave by the date specified in the notice the landlord will need to apply to a court for a possession order. The tenant is entitled to continue to live in the property until a court decides that a landlord is entitled to take possession of the property. Grounds i, ii and iii listed above are mandatory grounds i.e. grounds on which the court must order possession. The other grounds listed are discretionary

- grounds i.e. grounds on which the court may order possession. Only a bailiff, appointed by the Court, can evict a tenant.
- 16. Landlords normally must give a minimum of one months' notice of any rent increase if rent is paid weekly, or six months' notice if the rent is paid yearly. Rent increases are normally limited to once every 12 months for periodic tenancies, whereas for fixed term tenancies, rent increases can only occur if agreed by the tenant or at the end of the fixed term.
- 17. Tenants are responsible for paying rent for the entire fixed-term tenancy. Tenants can move out early without paying rent for the full tenancy if there is a break clause in the tenancy agreement, or the landlord agrees to end the tenancy early. In statutory periodic tenancies, where rent is paid monthly, tenants are usually required to give one month's notice of their intention to leave (unless a different notice period has been agreed with the landlord).

Benefits and barriers of longer tenancies

- 18. A number of tenants are likely to be seeking greater security in the private rented sector. 41% of households in the private rented sector do not expect to move into home ownership. 38% of households in the sector are families with dependent children who are likely to want greater security to provide stability for their children in school, and 9% of households in the sector are over 65.
- 19. The end of an assured shorthold tenancy in the private rented sector is now the leading cause of homelessness and local authorities are increasingly housing individuals who are homeless, or at risk of homelessness, in the private rented sector. Greater security could help these households too.
- 20. However, there are wider benefits for all tenants regardless of their individual circumstances. Longer tenancies can provide a form of consumer protection, ensuring that tenants can confidently make a complaint where they are entitled to without fear of eviction.
- 21. As mentioned above, the existing legislative framework does not prevent landlords and tenants agreeing a fixed term tenancy of longer than 12 months but the majority do not do so. This section explores the benefits of longer tenancies as well as the barriers to them being offered.

Benefits

- 22. When a landlord and tenant sign a tenancy agreement they will agree a period of time for which the agreement is valid with opportunities to review, end or extend the agreement as necessary at the end of that time. Longer term tenancy agreements give tenants greater security and assurance that they will be able to remain in their home.
- 23. Under the assured shorthold tenancy regime, tenants could be asked to leave at short notice or be forced to leave if the rent increases by more than they had expected.
- 24. Such tenants bear the financial costs of moving more frequently and there is also an impact on health and wellbeing caused by living in uncertainty. This particularly impacts households with children who are forced to move school and lower income households that are just about managing to afford their rental costs.
- 25. A recent report by Shelter suggested that 'many families worry that they are going to lose their current home 43% of renting families with children say this applies to them.' Additionally, the report claims more than a third of tenants in the Private Rented

⁷ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/676433/2016-17_Section_1_Households_Annex_Tables.xlsx

⁸ YouGov for Shelter; base: 784 private renters with children in household, England, July 2015, online, weighted.

- Sector went into debt to finance their last move. ⁹ This can have significant health and wellbeing consequences.
- 26. Some tenants also feel powerless to assert their rights and challenge poor practice because of the threat of eviction. The Deregulation Act 2015 introduced important protection for tenants from retaliation eviction and the Department now wants to understand how successful this has been. We do recognise that more could be done. We are committed to requiring all private landlords to join a redress scheme and are exploring how redress provision in housing generally can be strengthened and streamlined.¹⁰
- 27. Tenancies that have a longer fixed term can give tenants greater certainty and stability to plan for the future. Tenants will have greater assurance at the outset that they can afford any rent increase and, providing they stick to the terms of the tenancy agreement, will not be made to leave unless the landlord's circumstances change or they choose to do so.
- 28. Entering into longer tenancies is also beneficial to landlords as it offers greater certainty on rental income, minimises periods when the property is vacant and avoids the costs associated with finding new tenants. It also means that neither tenants nor landlords need to pay agency fees to renew a tenancy.
- 29. Longer term tenancies may not be practical for all tenants, and of course, tenants may still bear the cost of moving where the landlord exercises their right to exit. Similarly, there will remain a risk of void periods for landlords where tenants choose to leave the tenancy. However, it is clear that for many tenants, longer fixed term tenancy agreements would increase security and make it easier to plan for the future.

Barriers

30. Despite the benefits to both landlords and tenants of longer tenancies, we are aware of a number of barriers to landlords offering them.

Tenant Demand

31. One argument is that not all tenants want longer tenancies. A recent report by the Citizens Advice Bureau suggested that only a third of tenants want a longer tenancy. According to the 2016 Private Landlords Survey by the Council of Mortgage Lenders over a third of landlords are currently offering leases longer than 12 months on at least some of their properties, and most of the rest do not do so because they believe there

¹² The Council of Mortgage Lenders was integrated into UK Finance on 1 July 2017.

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⁹ YouGov for Shelter, base: English private renters: 3792. Survey conducted between 22nd June and 13th July 2015 ¹⁰ Strengthening Consumer Redress in Housing, a consultation published by the Ministry of Housing, Communities and Local Government on 18 February 2018 https://www.gov.uk/government/consultations/strengthening-consumer-redress-in-housing

¹¹https://www.citizensadvice.org.uk/about-us/policy/policy-research-topics/housing-policy-research/a-state-of-disrepair/

- is no demand for them. 13 These findings differ to those of Shelter who found through YouGov research in 2015 that 7 in 10 tenants want a longer tenancy of 3-5 years. 14
- 32. There are some tenants who cannot commit to a longer tenancy either through choice or obligation. Students often seek accommodation for a single year of study. Similarly, those with a visa to remain in the UK for a certain period of time or workers with a short term contract welcome the flexibility of the private rented sector and actively seek short term tenancies. We do not want to restrict this.
- 33. However, there is also an argument that some tenants either do not understand what a longer tenancy agreement means in practice or are not aware that this is an option open to them.
- 34. Get Living London, one of the largest Build to Rent developments in the UK, offers three year tenancies. In 2014 only 44% of households chose a longer tenancy. Get Living London did a review of why take up was low and found it was down to education - residents were comfortable with one year tenancies as that's what they were used to. Once the benefits of a longer tenancy had been explained (rent uplift in line with the Consumer Price Index after year 1 and year 2, with a rolling break clause on the resident side) take up significantly increased. In 2017, 69% of Get Living London households chose a three year tenancy and currently 77% of residents are on three year tenancies.¹⁵
- 35. This data suggests that the reason some tenants do not opt for a longer term tenancy is because a 6 or 12 month initial fixed term is the 'default' and they either do not know or do not feel confident in requesting a longer tenancy. It also suggests that some tenants are unaware that they could include a break clause in their contract and have concerns they would be 'locked in' with no means to leave if their circumstances change. Some of these issues could be resolved through good design and education.

Landlord flexibility

- 36. Another barrier that is cited is the flexibility for landlords and mortgage providers to recover their asset if they need to. This is crucial to retaining investment and supply in the sector, including the availability of buy to let mortgages. We recognise that the property is a valuable asset and that landlords want to be confident that they can get their property back quickly should they need to do so.
- 37. Landlords might need to gain possession of their property for various reasons. Commercially, they may wish to sell their asset, personally, they may wish to move into or allow family to live in the property, or in the case of tenant fault (e.g. rent arrears, damage or antisocial behaviour), they might need to evict a tenant to prevent further damage or loss.

https://www.cml.org.uk/news/press-releases/cml-research-survey-of-uk-landlords/
 http://blog.shelter.org.uk/2015/11/facts-are-facts-7-in-10-renters-want-longer-tenancies/
 Data provided by Get Living London

38. Figures from the Residential Landlord Association suggest that in 2017-2018, 62% of landlord evictions resulted from rent arrears. 16 Among those Private Rented Sector tenants who had moved in the last three years because their landlord had asked them to, roughly two thirds (63%) were asked to leave because the landlord wanted to use or sell the property. ¹⁷ Ensuring that landlords have the flexibility to recover their asset smoothly is vital to protect investment in the sector.

Time Taken to Gain Possession of a Property

- 39. Evidence suggests that in the majority of cases landlords do not experience difficulties with their tenants or in recovering their property. The 2015-16 Private Rented Sector report of the English Housing Survey found that most private tenants, when asked about their most recent move, said that their last tenancy ended because they wanted it to (73%). A tenth (11%) said that their landlord or agent ended the tenancy.
- 40. However, we are aware of concerns about the process for gaining possession where this becomes necessary. Residential Landlords Association data suggests that the most popular primary reason for landlords removing a tenant is rent arrears, accounting for 62% of removed tenants. 18 Data from the 2016-17 English Housing Survey suggests that 9% of Private Rented Sector tenants were either currently in arrears or had been in the last 12 months. 19
- 41. Landlords need to be reassured that they could take action if a tenant persistently fails to pay their rent. The length of time and costs incurred in pursuing a repossession case through the courts are regularly cited as a principal barrier to longer tenancies by landlords and their representative bodies.
- 42. Concerns about delays are partly down to data which shows that claims for landlord possession, from issue of proceedings to bailiff eviction, can take on average 43 weeks, but this headline statistic includes both claims in the social and private rented sector. The Department has been working with the Ministry of Justice to understand issues with the current system, including the time it takes for cases to be completed. Considering the private rented sector in isolation suggests the length of time in obtaining possession against a tenant is considerably less, with a mean average of 22 weeks. The median length of time to obtain possession is even less, at 17 weeks.²⁰
- 43. While the average time it takes for private landlords to gain possession is less than widely thought, we understand that for a minority of landlords it can take longer and can be burdensome. For example, a landlord could be required to serve notice, apply to the court for a possession order, seek enforcement through the courts and then wait

¹⁶ Simcock, T.J., (2018). *The Impact of Taxation Reform on Private Landlords*. Manchester: UK. Residential Landlords Association. Retrieved from: https://research.rla.org.uk/wp-

¹⁷https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/627686/Private_rented_sector_report_20 15-16.pdf

ibid

¹⁹ English Housing Survey Headline Report, 2016-17 https://www.gov.uk/government/statistics/english-housing-survey- 2016-to-2017-headline-report

²⁰ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/705598/mortgagelandlord-possession-statistics-jan-mar-2018.pdf 17 is rounded up from 16.9 weeks.

- until bailiffs are appointed before recovering their property. We understand the difficulties this creates.
- 44. We also understand that problems such as deprivation of rent can have a serious impact on landlords. Some landlords view short fixed term tenancies or regular renewals as offering an easier opportunity to remove tenants who may not be paying rent or damaging the property, rather than going through the courts. In recent research by the Residential Landlords Association, 70% of landlords reported that improvements to the section 8 process for regaining possession would encourage them to offer a longer tenancy.²¹

Mortgage Conditions

- 45. Mortgage conditions are often cited as a barrier to landlords offering longer tenancies. 2018 research by the Residential Landlords Association found that 44% of landlords have mortgage conditions stipulating tenancy length. However, according to the 2016 Council of Mortgage Lenders Private Landlord survey, only 34% of landlords had at least one buy-to-let mortgage with the rest being owned outright or financed in some other way. Landlords without a mortgage do not have to abide by any conditions from their mortgage provider with regards to tenancy length.
- 46. For buy to let landlords, research by Shelter, and survey findings published in the 2016 CML survey show that there are a number of lenders in the buy-to-let sector who are prepared to advance mortgages for landlords who want to offer tenancies of up to three years. Industry research shows that, by June 2017, around 60% of lenders allowed tenancies of more than one year, including key lenders such as Lloyds and Nationwide.

Rent Regulation

- 47. Rent regulation is often associated with longer tenancy agreements and cited as a potential barrier. Landlords need to be assured of a regular rental income and are keen to minimise void periods. We agree that rent caps are not beneficial since they can impact supply. The historical evidence is clear that rent controls do not work. They resulted in the size of the private rented sector shrinking from 55% of households in 1939 to just 9% in the late 1980s, before the reforms in the Housing Act 1988 were introduced. This would not help landlords or tenants. However, we do want to ensure that any rent rises are fair and affordable.
- 48. A capped rent rise within longer term tenancy agreements may lead to some tenants experiencing rent rises they might not otherwise have had, which we would be keen to mitigate in any future longer tenancy model. Data from a 2016 YouGov survey commissioned by Shelter found that 68% of landlords surveyed kept the rent the same when agreeing a new fixed term tenancy with a sitting tenant compared to 45% who

²¹ Simcock, T.J., (2018). *The Impact of Taxation Reform on Private Landlords*. Manchester: UK. Residential Landlords Association. Retrieved from: https://research.rla.org.uk/wp-content/uploads/impact-taxation-reform-landlords-2018.pdf ²² Simcock, T.J., (2018). *The Impact of Taxation Reform on Private Landlords*. Manchester: UK. Residential Landlords Association. Retrieved from: https://research.rla.org.uk/wp-content/uploads/impact-taxation-reform-landlords-2018.pdf ²³ https://www.cml.org.uk/news/press-releases/cml-research-survey-of-uk-landlords/

signed with new tenants.²⁴ This suggests that landlords are more likely to increase the rent at the start of a new tenancy.

Letting Agent Fees

49. Letting agents charge fees for tenancy renewals. The repeated churn in tenancies prompts business for an agent, and the opportunity to charge fees. This arguably creates an incentive for agents to advise landlords and tenants to agree a short term contract, representing another barrier to longer term tenancies.

Culture

50. As described above, there is evidence that some tenants do not opt for a longer term tenancy because a 6 or 12 month initial fixed term is the 'default' and they either do not know or do not feel confident in requesting a longer tenancy. The same can also be true for landlords and since the Housing Act 1988, there has been a growing culture a tenancy has an initial fixed period of 6 or 12 months. Some of these issues could be resolved through good design and education, for example through the model tenancy agreement and the 'How to Rent' guide. We are also keen to explore if there are any other options that could be used to nudge behaviour in favour of longer tenancies where these are wanted.

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²⁴ Shelter *Survey of Private Landlords*, YouGov, February 2016 https://england.shelter.org.uk/__data/assets/pdf_file/0004/1236820/Landlord_survey_18_Feb_publish.pdf

Overcoming barriers to longer term tenancies

51. In this section of the consultation, we want to consider what action could be taken to overcome the barriers to landlords offering longer tenancies ranging from behavioural measures to legislation. We also want to test a possible model that could be used as the basis of a longer, more secure tenancy agreement.

Action to Date

- 52. Our Housing White Paper, published on 7 February, sets out what we have done to encourage longer term tenancies in private rental homes delivered by housing associations and institutional investors. The Government has also recently consulted on changing planning policy to promote longer tenancies in build to rent schemes. Responses are currently being analysed. Both the British Property Federation and the National Housing Federation have committed to offer family friendly tenancies of three years or more in purpose built homes for rent.
- 53. For those already living in the private rented sector, we have published a model tenancy agreement which landlords and tenants can use as the basis for longer, family friendly tenancies. This can be found online at www.gov.uk/government/publications/model-agreement-for-a-shorthold-assured-tenancy
- 54. The Government has introduced the Tenant Fees Bill to Parliament to ban letting fees paid by tenants in England to give renters greater clarity and control over what they pay. The ban may help to promote longer term tenancies by reducing the financial incentive of short-term lets that is present in the current system, where landlords and agents have the opportunity to charge renewal fees upon the signing of a new fixed term.
- 55. We are also working with the Ministry of Justice to understand issues with the current processes for housing in the tribunal and courts. These include the time it takes for cases to be completed. We are keen to understand the experience of users of the courts and the tribunal, including landlords and tenants. This work will inform our consideration of the options for improvement. We are planning to issue a call for evidence later in the year to explore this further. We will be working very closely with the judiciary and consulting with them on any potential changes. This work will support and be considered in parallel with action to promote longer tenancies.

A new longer tenancy framework

- 56. It is vital to strike a balance between providing tenants with security whilst ensuring that landlords are able to recover their property if needed. It is also important to balance the desire from certain tenants (e.g. families) for greater security with the desire from other tenants (e.g. students and younger households) for flexibility. A longer, more secure tenancy does not mean that tenants should be locked in with no means to leave if their circumstances change. The factors that need to be considered are:
 - a. The length of the tenancy (or the initial fixed term);
 - b. What happens at the end of the fixed term;
 - c. The grounds on which a landlord can serve notice (which might be different at different points in the tenancy);
 - d. The length of notice the landlord must give; and
 - e. Rules about rent increases.
- 57. Different components can be flexed to balance the interests of landlord and tenant. The existing model tenancy agreement provides a longer term tenancy model with the following rules:
 - a. A fixed tenancy of a minimum of two years
 - b. A break clause after six months, where either party can end the contract without grounds. The landlord must give the tenant at least two months' notice if they intend to end the contract.
 - c. After six months, the landlord can only repossess their property during the fixed term if they intend to sell the property or by serving a section 8 eviction notice. In both cases they must give the tenant notice (under section 8 or section 21 of the Housing Act 1988 as applies) of their intention to apply to court for possession and, subsequently, applying to the court for a possession order.
 - d. After the six month break clause, the tenant can leave the property before the end of the fixed term provided that they give at least three months' notice in writing to the landlord. The three months' notice is intended to give the landlord sufficient notice and time to find a replacement tenant.
 - e. Rent can be increased at most once per year at a rate agreed by the landlord and tenant at the outset of the tenancy.
 - f. At the end of the fixed term a landlord is able evict a tenant in accordance with section 21 of the Housing Act 1988. They must give two months notice. Otherwise, a new contract can be agreed, or the contract will automatically transition to a statutory periodic tenancy.
- 58. Whilst the existing model tenancy agreement provides a robust proposal, we recognise that certain elements of it could be improved to better address the barriers identified in the section above. Building on the model tenancy agreement, we think that a longer tenancy proposal that could work better for both landlords and tenants is a three year tenancy with a six month break clause. The main components of such a model are described below.
- 59. A minimum three year tenancy but with an opportunity for the landlord and tenant to leave the agreement after the initial six months if dissatisfied. If both landlord and tenant are happy, the tenancy would continue following the break clause.

- 60. A three year tenancy is one option but longer minimum tenancies are common elsewhere. Some countries have no threshold and tenancies can only be ended if the tenant gives notice or has reasonable grounds. This is the approach that Scotland has recently implemented in December 2017 through the Private Housing (Tenancies) (Scotland) Act 2016.
- 61. Private rented tenancies in Scotland are open-ended and landlords are not able to evict a tenant simply because their tenancy agreement has reached its end date; the tenant must give notice or the landlord will have to use one of the new, 18 modernised grounds for repossession (Annex C), which cover all the reasonable circumstances under which a landlord may wish to regain possession of a property.
- 62. We would be interested in respondents' views on minimum tenancy length.
- 63. We understand that there may be a need for a probation period for the tenant and landlord to get to know each other, which a six month break clause might provide. However, we also want to gauge views on how to ensure this does not lead to abuse and does genuinely lead to more secure tenancies.
- 64. Following the six month break clause, the tenant would be able to leave the tenancy by providing a minimum of two months' notice in writing.
- 65. It is important that tenants can still leave the property when their circumstances change given that some value the flexibility that the private rented sector offers. This model proposes that tenants should have to provide a minimum of two months' notice when they wish to leave the tenancy. Very long notice periods may lead to tenants finding a new property and leaving a rented property early, increasing the chance of voids and lost revenue. However, we recognise that one month's notice may not give landlords sufficient time to find a replacement tenant and ensure a continuity of income. We think two months' notice strikes a fair balance but welcome views on whether a longer or shorter notice period would be preferable.
- 66. Landlords can recover their property during the fixed term if they have reasonable grounds. These grounds would be in accordance with the existing grounds in Schedule 2 of the Housing Act 1988 and would include antisocial behaviour and the tenant not paying the rent. Landlords must give the tenant notice (which would follow the notice set out in section 8 of the Housing Act 1988 for the ground or grounds used). Additionally, there would be grounds which covered landlords selling the property, as is possible in the current model tenancy agreement, or moving into it themselves. These grounds would require the landlord to provide at least two months or 8 weeks notice in writing.
- 67. Again the model does not propose to change notice periods from those already in use. While this model has been developed to provide greater stability with a longer fixed term, there will be situations in which the landlord may need to end the tenancy early to take account of unexpected changes in their circumstances or owing to failure of the tenant to comply with the terms of the agreement.

- 68. We think the grounds for a landlord to recover their asset during the fixed term in Schedule 2 of the Housing Act 1988 are the right ones and also have the benefit of being in use already and understood.
- 69. We recognise that one barrier to landlords offering longer tenancies is a concern that they may not be able to recover their property where they wish to sell it. We do not want to discourage investment in the sector and are keen to promote the supply of good quality rented accommodation. We therefore propose, as in the existing model tenancy agreement, to include sale of property as a ground for repossession.
- 70. Requiring landlords to give at least two months' notice when selling or moving into a property should ensure that the tenant has time to look for alternative accommodation but we are aware that some tenants may need more time to make arrangements. We therefore welcome views on whether a notice period of longer than 2 months would be more appropriate.
- 71. We would also encourage a landlord looking to sell their property to consider selling it with a tenant in place, to minimise disruption to the tenant.
- 72. Rents can only increase once per year at whatever rate the landlord and tenant agree but the landlord must be absolutely clear about how rents will increase when advertising the property.
- 73. We recognise that landlords may need to increase the rent to respond to market conditions and do not want to unfairly penalise them financially. The proposed model therefore permits a rent increase but does not cap the amount of increase except that it must be a level that is agreed at the outset of the tenancy agreement with the tenant. An alternative option would be to cap the rent increase at the rate of inflation in the Consumer Price Index or other measure.
- 74. However, we want to mitigate the risk of default rent rises. A capped rent rise within longer term tenancy agreements may lead to some tenants experiencing rent rises they might not otherwise have had. We believe limiting the frequency of a rent rise and prescribing that any such rent rise must be agreed by the landlord and tenant is a preferable and fairer option. This mirrors the proposal in the existing model tenancy agreement and should overcome the barrier of landlords wanting to retain flexibility with regards to rent setting whilst giving tenants assurance that they will not be subject to surprise rent increases.
- 75. Exemptions could be put in place for tenancies which could not realistically last for three years, for example, short term lets and student accommodation.
- 76. We recognise that there are circumstances where a three year tenancy would be impractical and want to encourage dialogue between landlords and tenants on this. We recognise that any future model should continue to allow flexibility and want to seek views on whether exemptions from a longer tenancy model are necessary and, if so, which parts of the market these exemptions should cover.
- 77. A summary of the difference between the existing legislative framework, the model tenancy agreement and the proposed three year contract is included in Annex A and B.

Implementation

- 78. We welcome views on how a longer tenancy model could be implemented. One option is legislation. This would improve security for all tenants across the private rented sector and would introduce consistency in the market. Exemptions would be needed in cases where a longer tenancy would not be practical or appropriate. We are also aware that a legislative approach could restrict landlords on the time taken and burden of repossessing their property through the Section 8 process and steps would be needed to mitigate this.
- 79. Another legislative option would be to mandate the proposed longer term model as the 'default' option with the opportunity to opt for a shorter term let if requested by the tenant.
- 80. Alternatively financial incentives could be explored. This could be quicker to implement but would still require legislation and could be administratively burdensome. The landlord would likely need to demonstrate compliance with other legislative requirements such as completing annual gas safety checks and protecting any deposit taken in a Government approved tenancy deposit protection scheme and this would need to be easily verifiable. We would also have to consider ways to ensure that incentives were not subject to abuse.
- 81. In recent research by the Residential Landlords Association, 63% of landlords reported that tax relief would encourage them to offer a longer tenancy. Any tax incentive would require primary legislation, and need to take into account the interaction between tax, which is partially devolved, and housing, which is fully devolved. There is a further consideration around how any tax incentive would play out in Scotland, where they have recently regulated to introduce indefinite tenancies. Different rules would also be required for individuals and corporate landlords. Cash payments could be considered for landlords who demonstrated that they had offered and delivered a longer tenancy. Such payments could be administered locally by local authorities.
- 82. A third implementation option is to promote better education and try and change behaviour through sharing of guidance and raising awareness. This could be achieved through the 'how to rent' and 'how to let' guides to landlords and tenants. Other options could include a kitemark on property portals and adverts to indicate properties where the landlord is keen to consider a longer term tenancy or simplifying the existing model tenancy agreement to make it easier to use and explore ways to more actively promote it. If awareness were increased, it could lead to greater uptake and a cultural shift towards longer tenancies.
- 83. We welcome views on both the three year tenancy model and how it could be implemented.

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²⁵ Simcock, T.J., (2018). *The Impact of Taxation Reform on Private Landlords*. Manchester: UK. Residential Landlords Association. Retrieved from: https://research.rla.org.uk/wp-content/uploads/impact-taxation-reform-landlords-2018.pdf

Questions

You do not need to answer all the questions provided; please only respond to questions that are relevant to you.

About You
Q1: Are you responding (please tick one)

Q1: A	re you responding (please tick one)
	As a private individual?
	On behalf of an organisation? (Please give organisation's name below)
	you are an individual, in which capacity are you completing these questions?
	A tenant
	A landlord
	Other (please specify)
O3· If	you are an organisation, which of the following best describes you? Please
	blank if you are answering as an individual.
	Landlord
	Property agent
	Letting agent
	Local Authority
	A sector representative body
	Charity dealing with housing issues
	Other (please specify)
Quest	tions for Tenants:
Q4: D	id you know that you could have a tenancy of greater than 6 or 12 months?
	Yes
	No
Q5: H	ave you been offered a tenancy of longer than 12 months?
	Yes
	No

	your landlord or agent offered you a tenancy of longer than 12 months wo eccept it? Please explain
	Yes
	No
lues	tions for Landlords:
ኒ7: H	lave you ever offered a tenancy of longer than 12 months? Explain reasons Yes
	No
	140
18· M	What would most encourage you to offer a longer tenancy? (Pick One)
(I do not want to offer longer tenancies
	Happy to offer them if a tenant wants one
	My mortgage provider conditions allowing it
	More efficient processes to remove a bad tenant or recover my property if need
	Longer notice periods
	No restrictions around rent
	Financial incentive
	Other [Please explain]
_	
)9: H	lave you ever experienced difficulties repossessing a property? If yes, plea
	de details of your experience including reference to time taken and cost.
	Yes
	No

Q10:	tions for all Do you think that the protection for tenants from retaliatory eviction duced in the Deregulation Act 2015 has been successful? Please explain Yes
	No
	Not aware of what these protections are
landl	with the control of the main benefits of a longer tenancy for ords? (Assign a score out of 10 for the importance of that factor with 10 being nost important) Less risk of void periods for landlords Tenants more likely to take care of property Landlords save on costs of finding new tenants Other (please explain)
<u>tenar</u>	b: What do you consider to be the main benefits of a longer tenancy <u>for nts</u> ? (Assign a score out of 10 for the importance of that factor with 10 being nost important)
	Greater security for tenants
	Tenants saving money as they do not have to sign new tenancies or renew so frequently
	Tenants have greater assurance they can afford any rent increase
	Tenants more empowered to challenge poor practice Other (Please Explain)

	Do you consider that there are any further benefits of longer tenancies tlovered in question 11? Please explain.	hat are
	overed in question it: Flease explain.	
	What do you consider to be the main barriers to landlords offering longe	er term
tenar	icies? Tenants do not want them	
_	Landlords do not want to offer them	
	Landlords concerned about void periods	
	Time taken to gain possession of property	
	Agents' advice	
	Landlords want to retain ability to increase rent	
_	Mortgage conditions Other Inlease list!	
	Other [please list]	
_		
_		
_		
_		

A New Framework

Our suggested longer term tenancy model is a three year tenancy with a six month break clause. The main components would be:

- a. A three year tenancy but with an opportunity for landlord and tenant to leave the agreement after the initial six months if dissatisfied. If both landlord and tenant are happy, the tenancy would continue for a further two and a half years.
- b. Following the six month break clause, the tenant would be able to leave the tenancy by providing a minimum of two months' notice in writing.
- c. Landlords can recover their property during the fixed term if they have reasonable grounds. These grounds would be in accordance with the existing grounds in Schedule 2 of the Housing Act 1988 and would include antisocial behaviour and the tenant not paying the rent. Landlords must give the tenant notice (which would follow the notice set out in section 8 of the Housing Act 1988 for the ground or grounds used). Additionally, there would be grounds which covered landlords selling the property, as is possible in the current model tenancy agreement, or

- moving into it themselves. These grounds would require the landlord to provide at least two months or 8 weeks notice in writing.
- d. Rents can only increase once per year at whatever rate the landlord and tenant agree but the landlord must be absolutely clear about how rents will increase when advertising the property. Any agreement on rent should be detailed in the tenancy agreement.
- e. Exemptions could be put in place for tenancies which could not realistically last for three years, for example, accommodation let to students or holiday lets.

☐ Yes☐ No☐ Q15 If you are a landlord would you be willing to offer the model of longer tenancy described above? If you are a tenant would the model of longer tenancy described above be attractive to you? ☐ Yes (landlord responding) ☐ No (landlord responding) ☐ Yes (tenant responding) ☐ No (tenant responding) ☐ No (tenant responding) ☐ One (tenant responding) ☐ No (tenant responding) ☐ No (tenant responding) ☐ No (tenant responding) ☐ Yes (tenant responding) ☐ No (tenant responding) ☐ No (tenant responding) ☐ No (tenant responding) ☐ 2 years ☐ 3 years		Do you think that a three year tenancy with a six month break clause as ribed above is workable? Please explain
Q15 If you are a landlord would you be willing to offer the model of longer tenancy described above? If you are a tenant would the model of longer tenancy described above be attractive to you? Yes (landlord responding) No (landlord responding) Yes (tenant responding) No (tenant responding) No (tenant responding) The standard process of the model of longer tenancy described above be attractive to you? Yes (landlord responding) Yes (tenant responding) No (tenant responding) No (tenant responding) The standard process of the model of longer tenancy described above? If yes tena		Yes
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□ 5 voore		
□ 5 years □ No limit set		
□ No limit set □ Other	_	

Q17: What do you think is an appropriate length of time for a break clause? Less than 3 months 3 months 6 months 12 months Other	
Q18: How much notice should landlords be required to give to tenants when the want to recover their property to sell or move into?	; y
□ Less than 1 month	
☐ 1 month or 4 weeks	
□ 6 weeks□ 2 months or 8 weeks	
□ 2 months or 8 weeks□ 3 months or 12 weeks	
□ 6 months or 24 weeks	
□ Longer than 6 months	
Q19: How much notice should tenants be required to give to their landlords whethey want to leave their tenancy?	en
□ Less than 1 month	
□ 1 month or 4 weeks	
□ 6 weeks	
□ 2 months or 8 weeks	
□ 3 months or 12 weeks	
□ 6 months or 24 weeks	
□ Longer than 6 months	
Q20: Do you think that the grounds for a landlord recovering their property during the fixed term under any longer term tenancy agreement should mirror those in Schedule 2 of the Housing Act 1988, with the addition of the right for the landlor recover their property when they wish to move in or sell it? Yes No	

vel	Do you think that there should be any restrictions on how often and by whathere the rent should be increased in a longer tenancy agreement? And if so what aximum that these restrictions should be? (Tick up to two)
	Yes – rent increases should be limited to once per year
	Yes – rent increases should be limited to once every 18 months
	Yes – rent increases should be limited to once every two years
	Yes – rent increases should be limited in frequency but not in the amount that could be charged
	Yes – any rent increases should be linked with inflation measures (e.g. Consum Price Index (CPI)
	Yes – any rent increases should be linked to local market averages
	No – rent increases should not be limited
	Other – please explain
	What do you think is the best way to ensure that landlords offer longer tern cies to those that want them or need them? Please explain.
	Change the law to require all landlords to offer longer tenancies Change the law to require all landlords to offer longer tenancies as a default with option to choose a shorter term
	Financial incentives
	Voluntary measures such as a kitemark on longer term properties or an updated version of the existing model tenancy agreement
	Other (please explain)

	All Student Accommodation Holiday Lets	
	Tenancies for those with visas ending in the next 3 years	
	Tenancies for those with short term work contracts Other (Please explain)	
	What do you think would be the benefits and disadvantages of changing	the
law to	require all landlords to offer the longer term tenancy model?	
Q25: Vexplai	What, if any, financial incentive could encourage longer tenancies? Pleas in	se
•		
Q26: I	If there were a financial incentive to offering longer tenancies, what cond	ditions
	d a landlord have to comply with to be eligible? (Tick all that apply)	
	 Meet all legal requirements Agree to certain restrictions about frequency and level of any rent increas 	es
	☐ Comply with a minimum property standards, including gas safety checks a	
	tenancy deposit protection Other (please explain)	

Q27: What other options to promote longer tenancies should be considered?

Q28: Do you o protected cha people who d	racteristic,	as defined	under the	Equalities	Act 2010, d	
□ Yes □ No						
Q29:Do you h	ave any oth	er commen	nts that hav	ve not bee	n captured	elsewhere in
his consultat	ion?					

Annex A: Comparison table for tenant security

	2 Year Model				
Tenant	6 Month	12 Month	Tenancy	Proposed 3	
Security	AST	AST	Agreement	Year Contract	
Landlord					
can evict					
without					
fault or					
reason					
(Section			24 Months (or at 6	36 Months (or at	
21) after:	6 months	12 Months	month break)	6 month break)	
Landlord					
can evict					
with tenant					
fault					
(Section 8)			.,		
at any time	Yes	Yes	Yes	Yes	
Landlord					
can evict to					
sell or move in					
after:	6 Months	12 Months	6 Months	6 Months	
aitei.	O MONTHS	12 months,	O IVIOTILITS	O MONINS	
	6 months,	unless an			
	unless an	increase is			
	increase is in	in the			
	the contract,	contract,			
	then largely	then largely			
	unregulated.	unregulated.			
	Can	Can			
	challenge in	challenge in		According to	
	the First Tier	the First Tier	According to	contract.	
Rent is	Property	Property	contract. Increases	Increases are	
controlled	Tribunal	Tribunal	are normally limited	normally limited	
for:	(rare).	(rare).	for 24 months.	for 36 months.	
	1 (after 6	0 (1 after 12			
Rent can	months) can	months) can			
increase	be more if	be more if			
times a	the tenant	the tenant	1 (limited by	1 (limited by	
year	agrees	agrees	contract)	contract)	

Annex B: Comparison table for landlord security

Landlord Security	6 Month AST	12 Month AST	2 Year Model Tenancy Agreement	Proposed 3 Year Contract
Tenant can leave within 6 Months	No	No	No	No
Notice if tenant leaving after 6-12 months	1 Month	Not Possible	3 Months	1 Month
Notice if tenant leaving after 12 months	1 Month	1 Month	3 Months	1 Month

Annex C: Grounds for eviction in Scotland

Mandatory grounds

The first eight grounds for eviction are 'mandatory'.

This means that if the Tribunal agrees that the ground exists, the tenant must leave the property.

1. LANDLORD INTENDS TO SELL THE LET PROPERTY

This ground applies if you plan on putting the let property up for sale within three months of the tenant moving out.

You'll need evidence to prove it – this could include a letter from a solicitor or an estate agent, or a recent home report for the property.

2. LET PROPERTY TO BE SOLD BY LENDER

This ground applies if your mortgage lender wants to repossess the property and sell it.

3. LANDLORD INTENDS TO REFURBISH THE LET PROPERTY

This ground applies if you want to carry out major works to the let property that are so disruptive that the tenant wouldn't be able to live there at the same time.

Example of evidence could include planning permission, or a contract between you and an architect or a builder for the work to be carried out.

4. LANDLORD INTENDS TO LIVE IN LET PROPERTY

This ground applies if you want your tenant to move out of the property so that you or your joint landlord can move in.

Evidence could include an affidavit (a written statement, signed under oath in the presence of a Notary Public or a Justice of the Peace, that can be used as evidence at the Tribunal) saying this is what you are going to do.

5. LANDLORD INTENDS TO USE THE LET PROPERTY FOR NON-RESIDENTIAL PURPOSE

This ground applies if you want the tenant to move out so you can use the property for something other than a home.

Evidence could include planning permission that will let you use the property for a different purpose.

6. LET PROPERTY REQUIRED FOR RELIGIOUS WORKER

This ground applies if the property is held to be available for someone who has a religious job (like a priest, nun, monk, imam, lay missionary, minister, rabbi or something similar).

The ground only works if the property has been used for this purpose before.

7. TENANT HAS A RELEVANT CRIMINAL CONVICTION

This ground applies if your tenant is convicted of an offence punishable by imprisonment that involved them either:

- using the property for illegal reasons
- letting someone use the property for illegal reasons
- committing a crime within or near the property

You have to apply to the Tribunal within a year of your tenant getting the conviction, unless you have a reasonable excuse for not applying before then.

8. TENANT IS NO LONGER OCCUPYING THE LET PROPERTY

This ground applies if the property isn't being used as the main or only home of your tenant or a legal sub-tenant.

This doesn't count if you've failed your duty to keep the property in good repair and the tenant has had to move out for their own safety.

Discretionary grounds

The next eight grounds for eviction are 'discretionary'.

This means that even if the Tribunal agrees that the ground exists, it still has to decide whether it will issue an eviction order.

9. LANDLORD'S FAMILY MEMBER INTENDS TO LIVE IN THE LET PROPERTY

This ground applies if a member of your family plans to move into the property as their only or main home for at least three months.

Members of your family who qualify for this are:

- someone you're married to
- someone you're in a civil partnership with
- someone living with you as though they were married to you

- a parent or grandparent
- a child or grandchild
- · a brother or sister
- step or half relatives (like a stepson or half-sister)
- a person being treated as someone's child even if they aren't related biologically or legally
- any family member (as listed above) of your spouse, civil partner or person living with you as though you were married
- the spouse or civil partner of any family members listed above, or someone living with them as though they were married

You need evidence for this ground. This could include an affidavit stating that this is what your family member intends to do.

10. TENANT NO LONGER NEEDS SUPPORTED ACCOMMODATION

This ground applies if the tenant moved in because they had a need for community care and they've since been assessed as no longer having that need.

11. TENANT HAS BREACHED A TERM OF THE TENANCY AGREEMENT

This ground applies if the tenant hasn't complied with one or more of the terms of tenancy.

This doesn't apply to cases where the tenant hasn't paid their rent (known as 'rent arrears') – there's a separate ground for this.

12. THE TENANT HAS ENGAGED IN RELEVANT ANTISOCIAL BEHAVIOUR

This ground applies if the tenant has behaved in an antisocial way to another person, by doing something which either:

- · causes them alarm or distress
- is a nuisance or annoyance
- is considered harassment

The First-tier Tribunal will consider the behaviour, who it involved and where it occurred to decide whether to issue an eviction order.

To use this ground, you have to apply to the Tribunal within a year of the conviction or behaviour taking place, unless you have a reasonable excuse.

13. TENANT HAS ASSOCIATED IN THE LET PROPERTY WITH SOMEONE WHO HAS A CRIMINAL CONVICTION OR IS ANTISOCIAL

This ground applies if your tenant allows someone into their property and they behave in an antisocial way that would have them evicted if they were the tenant.

This person could be:

- a sub-tenant
- a lodger of the tenant
- someone the tenant lets into the property on more than one occasion

To use this ground, you have to apply to the Tribunal within a year of the conviction or behaviour taking place, unless you have a reasonable excuse.

14. LANDLORD HAS HAD THEIR REGISTRATION REFUSED OR REVOKED

This ground applies if you aren't registered as a landlord in the local council area where the property is located.

This could be because the local council has either:

- refused to enter you in the register
- removed you from the register

15. LANDLORD'S HMO LICENCE HAS BEEN REVOKED

This ground applies if the HMO (House of Multiple Occupancy) licence for the property has been removed and keeping all the tenants in the property would no longer be legal.

16. AN OVERCROWDING STATUTORY NOTICE HAS BEEN SERVED ON THE LANDLORD

This ground applies if an 'overcrowding statutory notice' has been served on you because the property is overcrowded to the extent that it may affect the health of the people living there.

Annex D: Personal data

The following is to explain your rights and give you the information you are entitled to under the Data Protection Act 2018.

Note that this section only refers to your personal data (your name address and anything that could be used to identify you personally) not the content of your response to the consultation.

1. The identity of the data controller and contact details of our Data Protection Officer

The Ministry of Housing, Communities and Local Government (MHCLG) is the data controller. The Data Protection Officer can be contacted at dataprotection@communities.gsi.gov.uk

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

The Data Protection Act 2018 states that, as a Government department, MHCLG may process personal data as necessary for the effective performance of a task carried out in the public interest. i.e. a consultation.

3. With whom we will be sharing your personal data

Survey Monkey will collect some data for this consultation. We have taken all necessary precautions to ensure that your rights in terms of data protection will not be compromised by this.

4. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held for two years from the closure of the consultation

5. Your rights, e.g. access, rectification, erasure

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right:

- a. to see what data we have about you
- b. to ask us to stop using your data, but keep it on record
- c. to ask to have all or some of your data deleted or corrected
- d. to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at https://ico.org.uk/, or telephone 0303 123 1113.
- 6. The Data you provide directly will be stored by Survey Monkey on their servers in the United States. We have taken all necessary precautions to ensure that your rights in terms of data protection will not be compromised by this.
- 7. Your personal data will not be used for any automated decision making.

Your personal data will be stored in a secure Government IT system. Data ovided to Survey Monkey will be moved from there to our internal systems by muary 2019.				

About this consultation

This consultation document and consultation process have been planned to adhere to the Consultation Principles issued by the Cabinet Office.

Representative groups are asked to give a summary of the people and organisations they represent, and where relevant who else they have consulted in reaching their conclusions when they respond.

Information provided in response to this consultation, including personal data, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 2018 (DPA) and the Environmental Information Regulations 2004.

If you want the information that you provide to be treated as confidential, please be aware that, as a public authority, the Department is bound by the Freedom of Information Act and may therefore be obliged to disclose all or some of the information you provide. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Ministry of Housing, Communities and Local Government will process your personal data in accordance with the law and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties. A full privacy notice is included at Annex D.

Individual responses will not be acknowledged unless specifically requested.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

Are you satisfied that this consultation has followed the Consultation Principles? If not or you have any other observations about how we can improve the process please contact us via the complaints procedure.