

PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT
GENERAL COMMITTEES

Public Bill Committee

CROWN TENANCIES BILL

Wednesday 1 March 2017

CONTENTS

CLAUSES 1 to 8 agreed to.
Bill to be reported, without amendment.

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Sunday 5 March 2017

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The Committee consisted of the following Members:

Chair: GERAINT DAVIES

† Barwell, Gavin (<i>Minister for Housing and Planning</i>)	† Robinson, Mary (<i>Cheadle</i>) (Con)
Bruce, Fiona (<i>Congleton</i>) (Con)	† Saville Roberts, Liz (<i>Dwyfor Meirionnydd</i>) (PC)
† Cadbury, Ruth (<i>Brentford and Isleworth</i>) (Lab)	Smeeth, Ruth (<i>Stoke-on-Trent North</i>) (Lab)
† Cleverly, James (<i>Braintree</i>) (Con)	† Throup, Maggie (<i>Erewash</i>) (Con)
† Foster, Kevin (<i>Torbay</i>) (Con)	Twigg, Stephen (<i>Liverpool, West Derby</i>) (Lab/Co-op)
† Glindon, Mary (<i>North Tyneside</i>) (Lab)	† Whiteford, Dr Eilidh (<i>Banff and Buchan</i>) (SNP)
† Harris, Rebecca (<i>Castle Point</i>) (Con)	
† Morton, Wendy (<i>Aldridge-Brownhills</i>) (Con)	Glenn McKee, <i>Committee Clerk</i>
† Pawsey, Mark (<i>Rugby</i>) (Con)	
Pound, Stephen (<i>Ealing North</i>) (Lab)	† attended the Committee

Public Bill Committee

Wednesday 1 March 2017

[GERAINT DAVIES *in the Chair*]

Crown Tenancies Bill

9.30 am

The Chair: Welcome to the Public Bill Committee on the Crown Tenancies Bill, and happy St David's day.

I have a few preliminary announcements. Please switch all electronic devices off or to silent. Tea and coffee are not allowed during sittings, although water obviously is.

We begin with consideration of clause 1, but no amendments to the Bill have been tabled, so I suggest, for the convenience of the Committee, that we have one debate on the contents of the Bill. If the Committee is content with that suggestion, once we have completed consideration of clause 1, I will put the questions that clauses 2 to 8 stand part of the Bill formally, on the basis that those clauses will have already been debated. Is that approach agreeable to Members?

Hon. Members: Aye.

The Chair: Thank you.

Clause 1

MOST CROWN TENANCIES MAY BE ASSURED TENANCIES

Question proposed, That the clause stand part of the Bill.

The Chair: With this it will be convenient to discuss clauses 2 to 8 stand part.

Wendy Morton (Aldridge-Brownhills) (Con): it is an absolute pleasure to serve under your chairmanship, Mr Davies, especially on St David's day. I am conscious that other members of the Committee represent Welsh constituencies, and I am sure that we all share in the Welsh celebration. Wales is also covered in the Bill, as the Committee will have noted.

I thank hon. Friends and hon. Members for attending this sitting, because we have had a flurry of private Members' Bills getting through, fortunately, into the system and reaching Committee stage, and I understand the pressure that that puts on Ministers, Parliamentary Private Secretaries and Members, who are all keen to see us make progress. In that spirit, I hope that I may continue to count on the support of Members as the Bill proceeds on its passage through the House.

For historical reasons, people known as Crown tenants who rent public properties have few legal protections. Most people who rent from a private landlord are given an assured shorthold tenancy. During the initial six months they have security of tenure, which means the landlord may evict the tenant only if he or she has done something wrong, such as failing to pay their rent or committing antisocial behaviour. After that the landlord may obtain possession on so-called no fault grounds, but only after giving 60 days' notice. Crown tenants are specifically excluded from the assured tenancy regime, which means that the only statutory protection enjoyed

by them is that provided by the Protection from Eviction Act 1977. That allows the landlord to get possession at any time without having to give reasons after giving the tenant just 28 days' notice. Surely it cannot be right that some tenants get less protection than others simply because they rent from a Government Department. It is time to remove the anomaly in the interest of fairness and that, fundamentally, is what the Bill is designed to do.

Mark Pawsey (Rugby) (Con): I congratulate my hon. Friend on this very important Bill to give Crown tenants the same protection as private tenants enjoy. How many Crown tenants are there, and will she give us a practical example?

Wendy Morton: I am grateful to my hon. Friend for that question. He championed this Bill in the Session last year, so I am pleased he is in Committee today. He makes an interesting point with his question about how many Crown tenancies there are. It has been estimated that about 500 Crown tenants fall into this category. Most Departments have a number of Crown tenants—examples include the Forestry Commission, the Department for Transport and of course the Ministry of Defence, which I will come on to later because its accommodation is slightly different.

At the moment Crown tenancies probably number in the hundreds. Members of the armed forces who live in service accommodation are not Crown tenants; they get a licence agreement, not a tenancy. However, the Ministry of Defence has plans from 2018 to grant tenancies to service personnel and their families who occupy service family accommodation, which means that some 45,000 service personnel in England and Wales will become Crown tenants and will benefit from the provisions in the Bill.

Kevin Foster (Torbay) (Con): To be clear in my own mind and for the benefit of the Committee, the MOD is looking to alter its licence agreements to tenancies anyway, so service personnel will become Crown tenants and then benefit from this change, which will give them added protection. Is that how it works?

Wendy Morton: My hon. Friend is right. It is useful to clarify that. I understand that he has a particular interest in the MOD. For a number of years, I was a forces wife, and although we did not live on married patch, I understand the importance of the Bill. When the MOD makes that change, military families will get the extra protections.

I believe that the assured tenancy regime gives Government Departments ample flexibility to carry out their business. It works for private landlords and I see no reason why it should not work for public ones too. Of course, there will be exceptional circumstances where it is necessary to get possession of a property quickly, and it is important that we provide for those circumstances.

The Bill contains five key measures. First, it brings most Crown tenants within the assured tenancy regime and gives them the same level of protection as tenants of private landlords. Secondly, it retains a specific exemption for properties that have been compulsorily purchased

by the Department for Transport in order to build the high-speed rail scheme between London and the west midlands.

Maggie Throup (Erewash) (Con): The Bill mentions the high-speed route from London to the west midlands. Phase 2b, which is the second phase from the west midlands to Leeds, goes through Long Eaton in my constituency. How does the Bill apply to phase 2a or 2b of the high-speed rail scheme?

Wendy Morton: I am grateful to my hon. Friend for making that relevant point. I appreciate that the planned phase 2 of HS2 goes either through or very close to her constituency.

Only properties located within the Act limits for the purposes of High Speed 2, between London and the west midlands, will be covered by the Crown tenancy exemption in the Bill. The exemption does not currently apply to properties acquired in connection with phase 2 of the HS2 scheme, to which my hon. Friend referred, because Act limits for phase 2 have not yet been determined and the Bill has not been deposited. However, I believe the proposed legislation will allow for the list of tenancies to which the exemptions apply to be amended. The Minister may wish to expand on that. In broad terms, people can continue to live in these properties and provide rental income for the Government, but at the same time the Department will be able to get possession at short notice where that is necessary to meet construction deadlines.

Thirdly, the Bill allows for other specific exemptions to be created in future and, as importantly, to be removed if they are no longer needed. That will ensure they are considered by Parliament on a case-by-case basis, which is a very sensible approach. Fourthly, the Bill recognises that it is not always easy to identify at the start of a tenancy whether the property is one that may need to be recovered quickly, so it creates two new grounds for possession. One enables the Ministry of Defence to obtain possession of properties where that is necessary for military operational reasons. The other enables Welsh Ministers to obtain possession of properties that have been let as a short-term management measure—for example, for road schemes or redevelopment. Finally, the Bill will ensure that the Ministry of Defence can continue with its current rent charging arrangements so that they apply uniformly across all service accommodation.

I hope I have made clear that this is not about making it more difficult for Government to carry on their business. The Bill aims to promote fairness by rectifying an anomalous situation that deprives Crown tenants, simply because they rent from a public landlord, of the rights that most private tenants currently enjoy. Although this is a private Member's Bill, it contains important provisions that the Government feel strongly about and I am pleased that the UK Government and the Welsh Government offer their support to the Bill.

Ruth Cadbury (Brentford and Isleworth) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies. I welcome the Bill. As the hon. Member for Aldridge-Brownhills says, the Bill rectifies an anomaly that tenants of Crown property have suffered under. To date, they have had a less secure form of tenancy; in particular,

military families have had only licences. The Bill comes at an appropriate time and ensures that military families will have the same security of tenure and rights available to all assured and private tenants.

We appreciate the reasons for the exemptions, which seem entirely appropriate. There is some family accommodation at the barracks in Hounslow, near my constituency. It will be a relief for those families to get much better terms than are offered by a licence, which is clearly insecure and offers few rights. There are bigger concerns, though perhaps not for exploring in this Committee, about military families' experience regarding the quality of the management of their accommodation. That is for a different debate.

I have one question that I hope the Minister will answer. As I understand it, most military family accommodation is managed by another agency or agencies. I assume that the Bill would apply to all of the occupants of the family housing that is managed by those private companies. If that were not the case, it would cause further difficulty for those families that are already facing management issues. I am happy to endorse the Bill.

The Chair: I know that St David's day is a very exciting time in Croydon Central, so I invite the Minister to excite us.

The Minister for Housing and Planning (Gavin Barwell): It is a pleasure to serve under your chairmanship, Mr Davies, I think for the first time. I wish you a happy St David's day. Some hon. Members may not be aware of your familiarity with Croydon Central as the former Member for my constituency, and how St David's day is celebrated there.

I start by congratulating my hon. Friend the Member for Aldridge-Brownhills on promoting this important and welcome Bill and her skill in steering it successfully thus far. Several members of the Committee can testify that private Member's Bills are not always easy to chart through. Those of us who have tried it wish we had had the success on Second Reading that this one enjoyed.

I pay tribute also to my hon. Friend the Member for Rugby. As my hon. Friend the Member for Aldridge-Brownhills said, he sought previously to bring the Bill forward and it is good to see him on the Committee where it is making progress today.

It is my responsibility to welcome and support the Bill on behalf of the Government. It sits well within the wider sense of Government housing policy. We recently published a housing White Paper in which we made it clear that trying to improve the conditions that people experience right now in the private rented sector is an important objective for the Government. The Bill fits neatly into that wider ambition set out in the White Paper.

As my hon. Friend the Member for Aldridge-Brownhills pointed out, the Bill is about promoting fairness and ensuring that tenants of Government Departments have similar protections to people in the private rented sector. The Government do not think that Crown tenants should have less protection than that available to private tenants, just because they happen to be tenants of public bodies.

[Gavin Barwell]

The assured shorthold tenancy has been the default type of tenancy since 1997. It gives landlords significant flexibility and control to manage their tenancies, so there is no longer any risk that bringing Crown tenancies within the assured tenancy regime could compromise in any way Government Departments' flexibility and control in managing the properties they own. However, the Bill provides exemptions for some Crown tenancies from the assured shorthold tenancy in specified circumstances as an additional safeguard, to which my hon. Friend referred. We should seize this opportunity to get rid of an outdated anomaly and put Crown tenants on a similar footing to the majority of tenants in the private rented sector.

As my hon. Friend said, while the number of Crown tenants is currently small, the MOD's plans to move its service family accommodation from licences to tenancies in April 2018, when we seek to commence this legislation, will mean that up to 45,000 more Crown tenants will benefit from the statutory protection provided in the Bill. That is a significant number of people who will benefit.

To answer the question from the hon. Member for Brentford and Isleworth, my understanding is that we are talking about service family accommodation properties. Who manages those properties is not the issue. It is not all of the MOD's accommodation; it is about 45,000 service family accommodation properties. Service personnel who are occupying single living accommodation and certain types of accommodation that are provided for specific roles will continue to be granted licences. We are talking here about service family accommodation. I hope that that is helpful to my hon. Friend the Member for Torbay and clarifies the position.

The Bill will contribute to the Government's commitment under the armed forces covenant to ensure that members of the service community do not experience any disadvantage as a result of their service to this country.

Mark Pawsey: Will the Minister clarify the point about single living accommodation? Clearly, we would not want the MOD to be restricted in its flexibility when service personnel are sent overseas on exercises and so on. Will he clarify that this is for family accommodation and will not affect accommodation for the large number of single service personnel?

Gavin Barwell: I am happy to provide my hon. Friend with that clarification. The reason for that difference is exactly the one he alluded to. We want to put those in family accommodation on a similar footing to those in the private rented sector, but single living accommodation and accommodation provided to people because they hold a specific post will remain on licences. That will ensure the MOD is able to mobilise the personnel it needs at relatively short notice and so maintain the operational effectiveness upon which all of us rely, in terms of the professionalism of our armed forces.

As my hon. Friend the Member for Aldridge-Brownhills said, we need to recognise that there will always be some circumstances—we have just heard one example—where it is necessary to get properties back quickly or move people quickly for departmental operational effectiveness. The Bill makes specific provisions for such circumstances. She invited me to respond further to our hon. Friend the Member for Erewash, who asked about HS2. My understanding is that legislation has passed through this House that sets limits for phase 1 of the HS2 scheme up to the west midlands, but we have not yet had primary legislation in relation to the next phase. We are not therefore in a position to incorporate that, but there is a possibility that the exemption in this Bill could be updated using the regulating powers we have here to include land within the phase 2 limits, once we know what those are. I hope that that reassures my hon. Friend.

This Bill gets the balance right between providing greater protection for tenants of Government Departments while continuing to give Departments flexibility to carry out their vital role in delivering public services. That is why, on behalf of the Government, I am delighted to support the Bill and to congratulate my hon. Friend the Member for Aldridge-Brownhills on securing support, as I hope she will, from across the House for this much needed reform. I wish her continued success with the remaining stages. I commend the Bill to the Committee.

Question put and agreed to.

Clause 1 accordingly ordered to stand part of the Bill.

Clauses 2 to 8 ordered to stand part of the Bill.

Bill to be reported, without amendment.

9.50 am

Committee rose.

