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Public Bill Committee

LEVELLING-UP AND REGENERATION BILL

Twelfth Sitting

Tuesday 12 July 2022

(Morning)

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Saturday 16 July 2022

The Committee consisted of the following Members:

Chairs: Sir Mark Hendrick, † Mr Philip Hollobone, Mrs Sheryll Murray, Ian Paisley

Atherton, Sarah *(Wrexham)* (Con)
† Benton, Scott *(Blackpool South)* (Con)
† Farron, Tim *(Westmorland and Lonsdale)* (LD)
† Fletcher, Colleen *(Coventry North East)* (Lab)
Gibson, Patricia *(North Ayrshire and Arran)* (SNP)
† Henry, Darren *(Broxtowe)* (Con)
† Johnson, Gareth *(Dartford)* (Con)
† Jones, Mr Marcus *(Minister of State, Department for Levelling Up, Housing and Communities)*
† Lewell-Buck, Mrs Emma *(South Shields)* (Lab)
† Maskell, Rachael *(York Central)* (Lab/Co-op)
† Moore, Robbie *(Keighley)* (Con)
† Mortimer, Jill *(Hartlepool)* (Con)
† Nici, Lia *(Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities)*
† Norris, Alex *(Nottingham North)* (Lab/Co-op)
† Pennycook, Matthew *(Greenwich and Woolwich)* (Lab)
† Smith, Greg *(Buckingham)* (Con)
† Vickers, Matt *(Stockton South)* (Con)

Bethan Harding, Adam Mellows-Facer, *Committee Clerks*

† attended the Committee

Public Bill Committee

Tuesday 12 July 2022

(Morning)

[Mr Philip Hollobone *in the Chair*]

Levelling-up and Regeneration Bill

9.25 am

The Chair: Before we begin, I have some preliminary announcements. Please keep electronic devices on silent mode. No food or drink, except for the water provided, is permitted during Committee sittings. *Hansard* colleagues would be grateful if hon. Members emailed their speaking notes to hansardnotes@parliament.uk.

Clause 72

Long-term empty dwellings: England

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

The Minister of State, Department for Levelling Up, Housing and Communities (Mr Marcus Jones): It is a pleasure to serve under your chairmanship, Mr Hollobone. I would like to pay tribute to my right hon. Friend the Member for Surrey Heath (Michael Gove) and our predecessors on the Committee, my right hon. Friend the Member for Pudsey (Stuart Andrew) and my hon. Friend the Member for Harborough (Neil O'Brien), all of whom did a huge job to bring the Bill to where it is today. Through their diligent work, we are debating a Bill which will help to level up across the country.

Committee Members will be familiar with the challenge in many areas, whereby homes are left empty while local families are struggling to find a home close to their jobs or families, due to the pressures on local housing supply. It cannot be right that there are families left without an affordable home when there are owners not doing their best to bring their properties back into productive use for the benefit of the community. The Government are taking action to encourage those empty properties back into use. The longer a property is empty, the more likely it is to deteriorate and attract antisocial behaviour such as vandalism or squatting, which can reduce the value of properties and drive away the local communities. That is why we have introduced powers for councils to charge extra council tax on homes left empty for more than two years.

In 2018, we introduced a stepped approach so that councils can increase the premium depending on the length of time the property has been empty. Councils now have the power to charge up to four times the amount of the standard council tax bill when a home has been empty for more than 10 years. Nearly every council already makes use of the empty homes premium. I welcome the creative ways in which some councils use these powers to stimulate better use of the housing stock in their areas—for example, by providing refurbishment grants to bring empty homes to the standard for renting out, or conversion grants to help pay for converting a large empty home into smaller units. Why should councils wait two years before they have the power to take action to bring empty homes back into use? Through the Bill, we will give councils the power to apply the 100% premium on properties left empty after one year, rather than the current two years.

Clause 72 makes a simple change to section 11B of the Local Government Finance Act 1992. It will change the definition of "long-term empty dwelling" from meaning a dwelling that has been unoccupied, and substantially unfurnished, for more than two years, to one that has been unoccupied, and substantially unfurnished, for at least 12 months. To ensure that the change is implemented rapidly, but also provides sufficient opportunity for homeowners who may be affected to take steps to avoid the charge, subsection (2) provides that the amended definition has effect for financial years beginning on or after 1 April 2024. The clause will strengthen the powers for local councils to take action to incentivise owners to bring empty properties back into use, address the impacts of empty homes and help to increase the supply of affordable housing where it is needed. I commend the clause to the Committee.

Alex Norris (Nottingham North) (Lab/Co-op): It is a pleasure to serve with you in the Chair, Mr Hollobone, and to serve with new members of the Committee. Perhaps it should be of concern that your predecessor, the hon. Member for Wellingborough (Mr Bone), sat in the Chair for a number of our sessions, but the idea of just one more seemed less preferable than entering Government. That may be a sign of what is to come between now and the end of September. In all seriousness, we welcome the Ministers to their place and we look forward to working with them.

I thank the hon. Member for Harborough and the right hon. Member for Pudsey for their efforts and communications with the shadow ministerial team inside and outside Committee. They worked very collegiately, which we appreciated, and I think that has been reflected in the quality of the debate so far, and the good spirits. We are here to disagree on points of substance, but are able to do so in good humour, and I know that that will continue with the new Ministers. I also thank the Whip, the hon. Member for Derbyshire Dales (Miss Dines), for enabling us to work together. I am sad that the new Ministers have missed out on those weeks of debate, which were largely composed of speeches from me. I am happy to start again if they wish—or perhaps not; those who have heard them seem to be moving further and further away, so perhaps I should take that as my cue to move on.

I am glad that the Minister is choosing to address the clause stand part debate, because it is an important part of the legislative process. When law is put on to the statute book, Ministers ought to make a case for it, so we appreciate his contribution. Given today's development, I hope that the Minister may be able to offer one more. The continued absence of an impact assessment needs to be addressed. According to the Minister's own words, the Bill is an important piece of legislation that will help to level up the country. At the moment, we do not have much of a base to build that case on, so we would be keen to see the impact assessment. I hope that the Minister will respond to that point.

Clause 72 is important because we are currently in a severe housing crisis, with a lack of supply of affordable homes for young people and no opportunities for families to get on the property ladder. Coupled with that, long-term

empty dwellings are sat idly by, serving no purpose. It is right that the Government want to act, and we support the clause. However, we feel that it is a missed opportunity and that even the Bill will not give local authorities sufficient tools to get a grip of the situation and protect their local communities. We should have gone further with a power to levy a greater empty homes premium and to close the loophole through which properties are pushed into the business rates category—or slid into it—to avoid council tax. The Government should revisit that issue. I know that the Minister will have a full inbox, so he does not need to look far for inspiration. The Welsh Government seem streets ahead of the UK Government with their current policies. It is not a matter on which to divide the Committee, but I hope that the Minister will revisit the issue at a later stage, because we certainly will.

Tim Farron (Westmorland and Lonsdale) (LD): It is a great pleasure to serve under your oversight and chairmanship, Mr Hollobone, and I offer a huge welcome to the new Ministers. I also pay tribute to the right hon. Member for Pudsey and the hon. Member for Harborough. The debate in Committee has indeed been consensual, collegiate and courteous, and I am sure that is how it will continue. It is a privilege to be on the Opposition side of the room and to join in the important endeavour of scrutinising this important Bill.

When it comes to communities like mine, it is worth bearing in mind that long-term empty dwellings—properties that are not used at all—are a challenge. In my district of South Lakeland, we have something in the region of 900 to 1,000 of such properties at any given time. It is likely that there are between seven and 10 times as many properties not lived in, but classified as second homes. If the Government are committed to retrieving properties that are out of permanent usage, and which are effectively displacing local people and the local workforce, empty homes are important, but not nearly as important as tackling the excessive second home ownership problem in communities such as the lakes and the dales. We look forward to discussing those issues when we consider later amendments today.

Mr Jones: First, I thank the hon. Member for Nottingham North for his very kind welcome. I look forward to working with him and his fellow shadow Minister, the hon. Member for Greenwich and Woolwich, in a good spirit. I suspect that we may not agree on everything as the Bill goes through the House, but I am confident that we will work together with a good spirit, both in Committee and outside.

In response to a couple of the points that have been made, I know that the impact assessment has been a concern. It will be provided shortly, and I would certainly expect that to be the case before the conclusion of the Committee's proceedings. I hope that we will provide it as soon as we can.

On Wales, we have already given councils the power to apply a 300% premium to properties that have been empty for more than 10 years. That is part of our stepped approach to increasing the level of premium the longer the property remains empty. What we propose strikes the right balance between providing an incentive to bring empty properties back into use while recognising more challenging cases in which owners are taking action to have property suitable for accommodation within that time frame.

I thank the hon. Member for Westmorland and Lonsdale for his kind welcome. I do not disagree with his point about the challenges in many areas, especially those that have a strong tourist economy. I am sure that we will debate those challenges when we come to the next set of amendments. It is good to hear his comments, and that the ministerial team are thinking about that issue.

Question put and agreed to.

Clause 72 accordingly ordered to stand part of the Bill.

Clause 73

Dwellings occupied periodically: England

Rachael Maskell (York Central) (Lab/Co-op): I beg to move amendment 79, in clause 73, page 81, line 30, after "dwelling" insert

"for six months or longer per year".

This amendment seeks to further define how long a property must be empty for to be described as occupied periodically.

The Chair: With this it will be convenient to discuss amendment 80, in clause 73, page 81, line 31, at end insert—

"(c) the occupier declares the dwelling is not their principal residence and there is no tenant in the property for 6 months or longer per year."

This amendment seeks to provide further definition around the conditions around occupancy.

Rachael Maskell: It is a pleasure to see you in the Chair this morning, Mr Hollobone. I welcome the Ministers to their places and wish them well during the consideration of the Bill. We have had a cordial debate so far, but they will hear much about York's housing crisis, which is a prism through which to look at the Bill as well as an important case study to help the Government understand the real challenges we face.

The amendments highlight that some properties are occupied on a part-time basis only. They are let as short-term holiday lets from time to time, perhaps not consistently, or may be empty for periods and utilised some of the time. We all recognise from our constituencies that some properties have different patterns of occupation, so that they are not always empty, but are not fully occupied either. The challenge is that that can remove opportunities for people who desperately need a home.

The amendments seek to define a period of vacancy and reduce it from a year to six months. It is reasonable to expect a property owner to visit the property every six months. A longer period would raise questions of whether they in fact reside there. I am aware of circumstances in which people have families overseas, for instance, and may make extended visits to see them. I would not want to penalise people because their life journey and responsibilities differ from mine, but if they do not visit a property for six months we can conclude, under the definitions in the clause, that it is an empty dwelling.

This is an important issue, because empty homes, especially during a period of inclement weather, can impact on neighbouring properties. Gardens can become unwieldy and overgrown in less than six months, which can impact on the morale of the neighbourhood and on

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house prices. I can point to many such examples in my constituency. In fact, a resident called me into her garden in Tang Hall on Sunday and showed me the consequences of a home being neglected for a period of around six months. The brambles were about 6 feet high and encroaching on her garden space. These things really matter to neighbourhoods. Neglected properties can also spread damp to each other, which is another concern for neighbours.

Neglected properties should attract an uplift in council tax. Having clearer and shorter parameters by which councils have permission to operate an increase in council tax enables councils to make better decisions, as well as generating revenue for the council. I would therefore like to focus on my amendments in order to achieve that. I have further amendments that I will dwell on shortly, but the reason that this amendment is so important for communities such as mine is that we are increasingly seeing properties being developed not for occupation, but for asset. We will return to that theme on numerous occasions throughout the debate.

We can see around us the new developments in London. We are also increasingly seeing that situation in York, where there may be one or two occupancies in luxury apartment buildings, but nobody has ever moved into many of the units. They are literally just investments for people in the UK or overseas. Residents in my city who are desperate to get on the property ladder and have a home know that there are dormant units within their community, and they are significantly concerned about the implications.

I will talk further about this issue, but I am putting the Minister on alert about the York Central site, which he will certainly get to know over the coming days. We have a 45-hectare brownfield site—the biggest brownfield site in Europe—yet our council sees the development of luxury apartments that no one will live in as its priority, as opposed to the site being used for homes for local people, and for economic space, which would be the best use for it. Indeed, Homes England has identified that the whole area could well turn into Airbnbs. We know that York already has around 2,000, so this is a serious encroachment on future housing use. Therefore, we do not want to see lip service paid to these measures; we want to ensure that we have the right measures in statute to protect our community and give them the opportunity to have a home.

Alex Norris: Clause 73 has much in common with clause 72 and, again, we are minded to support it when we get to the stand part debate. I congratulate my hon. Friend the Member for York Central on her efforts to improve the clause, which amendments 79 and 80 certainly would do.

Clause 73 deals with the second home premium. In the light of the housing crisis, as discussed in the previous stand part debate, it is right that we seek to deal with this issue. It is a serious gap in the legislation that billing authorities can currently levy the empty homes premium only on homes that are unoccupied and substantially unfurnished, which could leave out a significant number of dwellings as well as leaving the edge cases to be defined via case law, rather than in statute. It obviously leaves a big gap where there is no permanent occupant but the property is furnished and habitable, allowing the skirting of the empty homes premium in its entirety.

It is right that we seek a second homes premium—as I say, we will support the Government in that venture—but it is also right to try to tighten up the measure on the face of the Bill, as my hon. Friend has sought to do, by drawing a line in the sand at six months' occupation of the property. This is about seeking a balance between the individual and the broader society, which is always—certainly at its edges—a hard thing to do and to define, because it is right that people are allowed the peaceful enjoyment of their property in the way they see fit. As my hon. Friend said, it is right that we understand that people have different lives, and we in this room know that as well as anybody else. We genuinely spend our week split between two different places, and a one-size-fits-all approach will not work.

As my hon. Friend said, we also have to understand the impact that properties that are long-term vacant and only notionally lived in can have on a community, including the detrimental effect of overgrown places on amenity, problems caused by burst pipes, and antisocial behaviour targeting empty houses. Those effects are frustrating for communities. When we set that problem against the fact that people are crying out for properties, it is clear that a balance must be struck. We are glad that the Government have started to address the problem, but my hon. Friend's amendments would improve the Bill, and I hope that the Minister will accept them.

9.45 am

Tim Farron: I also agree that the amendments are helpful, and I urge the Government to seriously consider them. There is no doubt in my mind that although the housing crisis is one of supply, the supply that we have is distorted. We live in a strange world in which property is seen more as an investment than places for people to live and have homes. That is the way the market is, but if the market is broken, surely we have to intervene.

Levelling up is an interesting phrase and concept—one that I personally believe in—but we have to understand carefully what drives the absence of opportunity that we are trying to tackle. Housing, more than any other issue that the Government will consider through the Bill, is the cornerstone. There are challenges in every part of our country, so there will need to be an acknowledgment that the market is distorted and broken, and that it will therefore need radical intervention if we are to make best use of the properties we have and maximise opportunities for everybody, in every part of this country.

Empty dwellings—as distinct from second homes and holiday lets—are a challenge. I mentioned that they are a big problem in my community, although not as big a problem as second homes and holiday lets. Properties are empty for a range of reasons, some of which are perfectly understandable, others less so. Having time limits is wise, as is ensuring that homes are effectively monitored. Using fiscal measures—fines, taxation and so on—to encourage people and focus their minds to make the best use of the property they own is also wise.

I encourage Ministers to make the available tools easier to use. They include empty dwelling management orders, which basically allow local authorities to requisition

an empty home and turn it into a social rented property. I have seen that work in my own community, but it is hard to do. Such orders are valuable, because a property can be brought back into usage—it effectively becomes a social rented property under the control of the local authority for seven years—but they are most useful because they act as a warning shot to other landlords and show what might happen to them if they do not make good use of their properties. The problem is that the process is lengthy, laborious, expensive and difficult. I encourage Ministers to look carefully at beefing up that existing provision by ensuring that councils can use it more readily.

We want to build more genuinely affordable homes for people, but it is just as important that we made good use of properties that already exist by turning them into formal homes. That is a no-brainer, really. As far as I am aware, empty dwelling management orders are not addressed in the Bill, but I would love it if the Government considered beefing them up and making them more easily accessible, which would draw more homes back into use for local communities.

Mr Jones: I thank the hon. Member for York Central for her kind welcome to the Committee. It sounds as though I am likely to hear a great deal about York Central—somewhere I am not a stranger to, having been there to present a high streets award to Bishy Road some years ago, in the dim and distant past when I was last a Minister in this Department.

The Government's proposal for a second homes premium makes clear the situations in which a council may quite properly apply a premium. Those situations are, first, that a property is substantially furnished—distinguishing it from empty property dwellings that may more properly be subject to the empty homes premium—and secondly, that there must be no resident of the property. For the purposes of council tax, a resident is someone who has their sole or main residence in the dwelling. In that case, the resident would pay the council tax normally due on that dwelling as essentially it would be their main home. They would not be subject to a premium as it is their sole or main residence.

Owners of second homes may well occupy those properties during the course of the year, and how much use they make of them will vary depending on circumstances. It may be that the hon. Member's amendment is to enable the premium to be applied only when the homeowner does not use the property for more than six months a year. If that is the case, it might be helpful to set out how councils already determine what is and is not a second home.

Councils already make judgments as to whether an individual's property is their sole or main residence and, by default, what might be a second home. That is because they want to be satisfied that any discounts or exemptions are applied correctly and to the right property. In making a judgment on whether a property is a sole or main residence, councils will reflect on legislation and case law and take into account a range of factors including where the person is registered with a doctor, where they are registered to vote and the occupancy of the property.

Given those established processes for assessing what is a second home, I do not believe that a further restriction on the definition of properties that may be subject to a premium is needed. In addition, the assessment of whether a property is a second home will take into account a number of factors and not just the period of occupation. A reference to the number of days may well preclude treatment of the property as a second home when other factors suggest that, in effect, it is being used as a second home. The amendment could result in a reduction in the number of second homes liable for the premium.

Amendment 80 would mean that, where the property has a tenant for more than six months, the premium would not apply. Council tax is usually paid by the occupants of the property and, in cases where a tenant is occupying the property as their sole or main residence, the tenant would be liable for that council tax, not the property owner. Therefore, no premium would be due.

The premium is not aimed at properties that are let out to a tenant as they will be somebody's sole or main residence. It is right that a second homes premium should not apply to such properties. With those clarifications, I hope the hon. Member will agree to withdraw her amendment.

Rachael Maskell: I appreciate the considerations given in this debate, and I am sure that the Minister, knowing Bishy Road, will look forward to getting to know other parts of York. He made an interesting point about the definition of a second home. Later we will look at some of those issues, which our constituents are rightly asking about, because when people do not have homes, they ask a lot of questions about housing. Questions are being asked in particular about unoccupied dwellings, which we are considering here.

The shadow Minister, my hon. Friend the Member for Nottingham North, was right to highlight the fact that many empty dwellings can be targets for antisocial behaviour. In drawing out that important point, he also set out the reason to focus on that and disincentivise it. Empty dwelling management orders can be used effectively. Newham Council is probably the local authority that has used them to best effect, by taking properties and turning them into social housing. However, the legislation is clunky and the processes are slow. I would welcome it if we looked at how to use that legislation. In the light of this debate and those to come, I beg to ask leave to withdraw the amendment. I am sure that we will return to this issue.

Amendment, by leave, withdrawn.

Rachael Maskell: I beg to move amendment 82, in clause 73, page 82, line 14, at end insert—

> "(10) The Secretary of State must by regulations make provision for and about offences punishable by a fine for people who submit misleading, inaccurate or incomplete information to a billing authority in relation to the occupancy of their dwelling."

This amendment would provide for fines to be issued to those who fail to provide correct and accurate information regarding the occupancy of their dwellings as an anti-fraud measure.

I will be brief in my comments about this amendment because I think it speaks for itself. My amendment is not particularly about local authorities being vexatious in proposing to use levers to ensure that properties are properly recorded—I am sure that many owners will find it hard to distinguish whether properties are second homes, an empty dwelling and so on. Clarity is needed, and registering properties for the purposes of paying

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the right level of council tax will benefit the whole community, because the more revenue councils have, the more they can do.

This simple amendment would provide local authorities with an additional lever to incentivise people to declare their property in the right category, to ensure that they are not misleading the authority, and that the information is accurate and complete. It would make the billing authority's life easier and enable it to recover not only the expected costs, but the additional costs if the information had previously been wrong. The amendment is about local authorities recovering additional revenue, rather than making additional expenditure, as well as acting as a lever for people to correctly register their property.

Alex Norris: As we can tell from the discussions so far about clauses 72 and 73, legislating in this space gets fiddly. Previously, it has been easy to skirt the empty homes premium by having a "substantially furnished" residence, and what constituted "substantially" was left to the courts. It is good that we are seeking to tighten things in this space.

In making the case for proposed new section 11C(2)(b) of the Local Government Finance Act 1992, the Minister gave a helpful explanation of how it will address that challenge, which is a really good thing. I am more worried about proposed new subsection (2)(a) and the concept of "no resident". Again, the Minister entered into this space with some of the tools that local authorities will be able to use. I am not sure about data registration; if people were minded to try to skirt these regulations, that test would likely be easy to pass without breaking any laws. He mentioned access to healthcare, which would be a better tool. Will he expand on some of the other ways in which local authorities would be expected to establish when a home is genuinely a second home? My fear is that by closing one loophole we may create another one, particularly one that is undefined in statute, as the Minister did not accept the opportunity provided by amendments 79 and 80 to give a clearer definition.

Legal action is unlikely to be a good risk-reward proposition for local authorities. In general, the clause as constituted offers them a chance to basically double council tax on those properties, which would be in the order of £1,000 to £2,000 a year on a normal property. That is not a great incentive for local authorities to chase.

As my hon. Friend the Member for York Central said, the amendment's importance is not about vexatious regimes or councils being overbearing and entering this space too much. Similarly, the amendment would not require individuals or families to take expensive advice in order to comply with the regulations and know whether they ought to be paying a long-term or second home premium, or neither. The arrangements should be fair and candid, and should be sufficient to guide them to pay—or not pay—in the way that they ought to.

The amendment would provide a second disbenefit to those who might seek to work around the legislation. At the moment, if it is a risk-reward proposition for an individual, then perhaps that amount of money is worth a bit more to them, set against the fact that local authorities might not be minded to pursue them. There must be clarity on the face of the Bill, and in the follow-up regulations, that this is a serious matter, as the amendment specifies, and that the Government look dimly on those who seek to circumvent and evade the regulations by not making a fair and candid assessment. It must be made clear that that is a bad thing, that it is looked upon dimly, and that there is a proper punishment regime that lies alongside that, to provide an extra disincentive to those who seek to work around the rules.

10 am

Tim Farron: This, too, is a welcome amendment. It is also a reminder to us all that if we are to take the radical action needed to make the best use of the properties we have in this country, so that we can underpin communities, particularly those such as mine in the Lakes and the Dales in Cumbria, we will have to be wise in ensuring that the radical measures in the Bill are actually enforced. For example, I can think of countless properties in Cumbria with a local occupancy clause on them that are currently being advertised as Airbnbs. I see that the Yorkshire Dales National Park Authority recently made great strides forward, making it clear that new properties to be built within the national park must all be for 100% permanent occupancy. I do not think the authority has the power to enforce that, but the fact that it is showing that leadership is something we should massively welcome.

There will be a whole industry built around trying to create loopholes and get around any mechanisms—those either already in the Bill or that might come into it—to control excessive second home ownership, numbers of holiday lets and the presence of unused, empty properties, so we must be savvy and wise, and prevent that. Not all of that will be about the right legislation; it will also be about the right commitment to funding.

The Government talk about funding levelling up and putting money into projects that may involve construction, and so on. That is absolutely right. It is a great use of money—and will probably cost less money—to invest better in planning departments and to make sure we have the quality and the numbers of people to get out there and police the regulations that already exist and those we hope will come in through the Bill.

There is no point having the power in theory to maintain a permanent population in our towns and villages if we cannot enforce that. At the moment, the evidence before our eyes, certainly in Cumbria, is that we are unable to ensure adequate enforcement. The Government must invest, and it would be a wise investment, as it would rescue many homes for local communities to underpin the local workforce.

Mr Jones: I thank the hon. Member for York Central for the thought that has gone in to her amendment. I am sure we all agree about the importance of ensuring that people play by the rules and provide accurate information to allow councils to issue the correct council tax bills, and also that when people do not do the right thing, councils can take the appropriate steps.

The proposed amendments would require the Secretary of State to make regulations to create new offences, punishable by a fine, in relation to the submission of occupancy information. I completely understand the objectives of such a measure. However, I assure the hon. Member that existing powers already enable councils to take appropriate action where there is evidence that

the individual has taken steps to avoid payment of the premium. The Local Government Finance Act 1992 already provides powers for councils to issue penalties to a person who fails to provide information requested to identify who is liable for council tax on a dwelling, or knowingly supplies information that is inaccurate. In addition, where false representation is made dishonestly for gain, the Fraud Act 2006 may well apply.

I share the hon. Member's concerns about ensuring that evidence of wrongdoing is tackled and that councils have appropriate powers, and I have described those that already exist. However, if we do become aware of evidence of an underlying problem that cannot be covered by the powers that I have set out, the Secretary of State does have powers to make regulations to create powers for councils to require information and to create offences for a failure to provide information or for providing false information. We have already used those powers in connection with information for local council tax support schemes. We would be able to use them again if evidence were provided that the application of the premium was being frustrated by misinformation that could not be tackled by the existing powers. I trust that, with the assurances that I have described, the hon. Member for York Central will withdraw her amendment.

Rachael Maskell: I am grateful to the Minister for setting out the measures that are already available to local authorities, in particular under the Local Government Finance Act 1992 and the Fraud Act 2006, and the opportunity to exercise those powers in relation to this set of circumstances. The advice to all people seeking to register their property is to ask for advice from the local authority to ensure that their property is within the right council tax band, and there would then be no need for such measures.

However, the hon. Member for Westmorland and Lonsdale is absolutely right when he talks about loopholes: I have no doubt that individuals will be examining the Bill for such loopholes to exploit. Our responsibility is to close loopholes as we debate the legislation, because we do not want to be back discussing the same measures, when we had the opportunity to bring about change. However, I am satisfied with what the Minister has set out today, so I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Rachael Maskell: I beg to move amendment 83, in clause 73, page 82, line 28, at end insert—

"(3A) The Secretary of State must by regulations make provision to ensure that that, where a dwelling is occupied periodically as the result of a bereavement, higher council tax is not charged for at least two years."

This amendment would extend the period of time people would have to make arrangements for their property following a bereavement.

The Chair: With this it will be convenient to discuss amendment 84, in clause 73, page 82, line 28, at end insert—

"(3A) The Secretary of State must by regulations make provision—

(a) to ensure that that, where a dwelling is occupied periodically as the result of dilapidation, the higher rate of council tax is not charged for at least one year from the change in ownership of the property, and

(b) about appeals against determinations under this section."

This amendment would give owners of dilapidated properties up to a year after acquiring the property to refurbish before additional council tax rates are incurred.

Rachael Maskell: These would be important amendments to the legislation. We have talked about the categorisation of dwellings and whether they are occupied, but we are all aware of circumstances in our constituencies where people are not occupying a dwelling. Amendment 83 in particular is one of compassion, to recognise that if individuals have had a bereavement—typically, that would be of parents, but it might be a child or another relative—part of their grieving process is clearing the house and seeking how best to honour the deceased in the disposal of goods and in ensuring that the disposal of the property itself is in good order and respectful. It can take time for people to go through the memories and the grieving process, especially if they live some distance away or have a job. It can be challenging.

I am sure that we can relate to such circumstances. Therefore, allowing time for that to be gone through—I suggest a period of two years—enables the process to be done with dignity, as opposed to what we often see with people who have to clear out social housing. Literally, I have had cases of notices dropping through the door before the deceased has even been buried. I have had that fight locally about ensuring that we respect the dignity of the family and their needs.

The amendment would build compassion into the clause, being generous in the time that it gives people before recognising that a house is no longer occupied. In particular during covid, it has been challenging for people to empty properties so that they can put them on the market and sell them. There can be extenuating circumstances in which the measure may apply.

Moving on to amendment 84, I recognise that bringing old, dilapidated buildings back into use can benefit the whole community and individuals. Taking time to do that is important, to get it right. I grew up on a building site, with a DIY father. I think the whole of my upbringing was on a building site—it takes time to do up an old property or extend it. I lived on a building site, though many people move out. I am talking about people moving in order to focus on getting a roof on a house, putting in walls or doing essential renovation to bring the property into good use. Therefore, the amendment recognises that there are circumstances when dwellings will be unoccupied and unfurnished for work to be done. It encourages people to bring properties back into use, without having to pay higher rates of council tax.

I trust the Minister will understand the sentiment behind both amendments, and will recognise that they are sensible ways of dealing with some practical and sensitive issues that, if they are not dealt with in Committee or later in the passage of the Bill, will be raised by residents with their local authorities.

Alex Norris: I congratulate my hon. Friend on these amendments. There is a certain amount of prescience to them, given when they were tabled. When we debated clause 72, the previous Minister, the hon. Member for Harborough, raised a concern that some of my amendments would inadvertently sweep up families that were suffering bereavement, and these amendments are a prescient way of avoiding that.

[Alex Norris]

For all the reasons my hon. Friend the Member for York Central set out, we recognise that sorting estates, untangling and consolidating finances, applying for probate, and even selling a property, can be a long and arduous process that is set against and alongside the grief that families feel when they lose someone. That makes it really hard, and then, as my hon. Friend said, we have to factor in distance and work responsibilities, and I would add caring responsibilities, so it is right that we build as much compassion and understanding into the system as possible. It feels like the two years is a good way of doing that. I note that it is an "at least" period, so there could be plenty of room for understanding from the local authority if, say, at the end of two years, the property had not been sold yet, or was sold subject to contract—certainly if there is a chain, it can take a long time. There is plenty of room in the amendment to ensure that families that have suffered are not caught up in ways that are unfair, unkind and not how the Bill is designed.

On amendment 84, last Tuesday the then Minister raised a similar concern about dilapidated properties that are being done up. Again, this amendment, which was tabled before that debate, is prescient in that regard. It is again an "at least" provision, which means that local authorities could be thoughtful about delays to work because of all sorts of things, including planning concerns and the weather—significant events that can set development back—and the long process of sale. These amendments would put on the face of the Bill some understanding, humanity and common sense, and would ensure that the balance is struck and that the Bill does what it is seeking to do.

Tim Farron: These are important amendments for my communities. In dozens of villages in Cumbria, more than half the properties are not lived in, and the damage to the local community and the local economy is immense. We have already talked about that, and we will continue to do so as we go through the Bill.

A proportion of the empty homes—a minority—are not holiday lets or second homes, but are empty and simply not used, and a proportion of those are empty for entirely understandable reasons. It is important for us to state that, because I would not like anybody to get from the things I say—I am sure this is the case for other members of the Committee—that we are not seeking anything other than opportunities for our communities to ensure there is a full-time, vibrant population. It is not about going after people, being envious of them or seeking to be beastly about them. It is important that we get the tone right.

10.15 am

The hon. Member for York Central gave two examples of why there might be an empty property, and why it is important to be generous, understanding and compassionate. People do find themselves in such circumstances, so it is right to be compassionate. It is also right to recognise, when it comes to people seeking to renovate a property that has been used in the past or acquired by them, that the evaporation of the long-term rented sector in Cumbria in the last two years has devasted our community even more. It has also devasted the workforce. I could cite one dales town in my constituency that had 104 unfilled job vacancies a couple of months ago—that is typical. If that is the case, it is a reminder that it will impact on a landlord's ability to get the work done. Where is the workforce? They have all been evicted—they are all in a big town 50 miles away. The workforce does not live locally anymore because of the housing crisis.

The problem is circular. If we are not compassionate, patient and reasonable, then we will do things that are not right. It is right to include the amendments so, as we take the radical action that we must to ensure that homes that are not currently full-time permanent homes for our community become so—although I am not convinced the Government are ready to do that—we do so wisely and with compassion.

Mr Jones: I will deal with the two amendments in turn. With amendment 83, the hon. Member for York Central's desire is to ensure that those people who inherit property are not unduly penalised by the rapid imposition of a second homes premium. I will set out what happens with council tax liability when the owner of a property passes away and leaves it empty. Such a property is exempt from council tax as long as it remains unoccupied and until probate is granted. Following a grant of probate, a further six-month exemption can be provided, so long as the property remains unoccupied and the ownership has not been transferred. There are already strong protections in place.

Amendment 83 proposes that in addition to those protections, the property should be exempt from any potential second homes premium for a period of at least two years. A premium would only apply if the property was not someone's sole or main residence, and if it was furnished. I understand the hon. Member for York Central's concern. I hope that she will be reassured that the Bill includes powers for the Secretary of State to make regulations that exempt certain classes of property from application of the premium. We will reflect on the points that she made and consider whether to consult on potential exemptions to the premium.

Amendment 84 appears to suggest that someone purchasing a second home that requires some improvement should be able to benefit from an exemption for at least one year. While I fully support homeowners investing in their main or second homes by renovating and improving them, I am unclear as to why such work on second homes should benefit from an exemption to the premium. The premium would only apply if a property was furnished. If it required substantial rebuilding work, it seems unlikely that the property would be furnished. In that case, a second homes premium would not be due in any case since the property would not meet the definition in the Bill.

Rachael Maskell: I am grateful to the Minister for the points he is making. It is possible to be in a situation where part of the property was furnished because that is not the area where dilapidation has occurred, but part of it is unfurnished because it needs, for example, a new roof or an extension. There is a situation where there is furnishing, but the property is still unoccupied due to renovation work.

Mr Jones: The hon. Lady raises an interesting point. It seems clear to me that that property would be partly furnished, but not be occupied by the owner. It would therefore still constitute a second home—that is the argument I am making.

On amendment 84, the hon. Lady gave the example of the roof not being on a property. If a property were not in a fit state for habitation and required substantial work to bring it into a reasonable state, it is quite possible that the Valuation Office Agency would consider a request to remove the property from the council tax list, thereby removing its liability for council tax.

I hope I have been able to clarify my understanding of amendment 84, and I hope that with my reassurances the hon. Lady will withdraw both her amendments.

Rachael Maskell: I welcome the debate we have just had. For the record, I think it is important that we take forward discussions around these issues and understand the challenges our constituents in sensitive circumstances are facing. The Minister's response on the powers that local authorities already have until probate is granted was helpful and gives us the opportunity to reflect on that issue. It would be my sincere hope that local authorities will be able to work with families who are bereaved to give them the support they need to dispose of a property in a timely way.

On the dilapidation of properties, the hon. Member for Westmorland and Lonsdale was absolutely right to highlight some of the workforce challenges currently facing the construction industry. We know the Government are making many demands on that depleted workforce, which is taking time to recover and has many challenges pressing down on it. We simply do not have the labour supply to address the multiple demands being placed on construction and maintenance. Even the timescales I suggested in the amendment could be challenged due to that demand on the industry.

The Minister's comments on the role the Valuation Office Agency can play in removing a property from the council tax list during a period of renovation were quite helpful. I am sure they will be well heard by people in those circumstances, but I think I am perhaps just scarred from growing up in a property where we had a tarpaulin roof for many a winter, and living under it posed real challenges. The suggestions the Minister has made and the direction he has shown through his comments to the Committee have been helpful. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

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

Mr Jones: Clause 73 contains a power for councils to introduce a council tax premium on second homes. We recognise that second homes can benefit local economies and the tourism sector. Second homes can also provide flexibility to enable people to work in and contribute to the local community, while being able to return to a family home in another part of the country on a regular basis. However, the Government understand the concerns that large numbers of second homes, particularly where they are concentrated in a small area, can have a negative effect on the vitality and viability of local communities.

A large number of second homes impacts on the size of the permanent population who help to generate the demand needed for their local services the year round. It creates a hollowing-out effect. The local schools have insufficient pupils to remain open. The local buses do not have enough passengers to maintain the service. The village pubs and post offices do not have the customers to sustain them through the year. These are all arguments that many Members are familiar with and have made to the Government.

The risk is clear that, without action, some communities will become increasingly unviable as local services close due to a lack of a permanent year-round population. The Government are not prepared to stand by and watch that happen. We are investing £11.5 billion in the affordable homes programme, which will deliver up to 180,000 affordable homes.

We have introduced a higher level of stamp duty on the purchase of second homes. The clause supports that by providing new powers for councils to apply a premium of up to 100% extra council tax on second homes. The use of that premium will be discretionary, and it will be for councils to exercise their own judgment as to whether to apply a premium and at what level—up to a maximum of 100%. The premium will provide councils with the flexibility to access additional revenue. It will be for councils to decide how best to use this funding. For example, councils may choose to support the local shop or village pub, or they may invest it in new affordable housing for local families, so they can help maintain the lifeblood of their community.

We are clear that second home owners should be given sufficient notice of the introduction of a premium. The clause will require each council introducing a premium to have a minimum period of 12 months between making its first determination and the financial year in which it takes effect. That will give second home owners plenty of time to make plans for how to respond to the forthcoming premium. Of course, there may be circumstances where it is not appropriate to apply a premium. Proposed new section 11D(1) provides a power for the Secretary of State to make regulations prescribing categories of dwelling in relation to which the council tax premium on second homes cannot be charged. We will consult on such categories.

Proposed new section 11D(3) includes a power for the Secretary of State to vary the maximum council tax premium that can be charged on second homes. It is clearly sensible to maintain a degree of flexibility for the future. If circumstances suggest that consideration should be given to adjusting the level, any consequent regulations will be made through the affirmative resolution procedure and will require approval of this House. The power contained in the clause will enable every council to decide whether to apply a premium at a level that is suitable for their own circumstances. It will enable them to generate additional revenue, and they will be able to use it to mitigate the impact of high levels of second homes in their areas. I commend the clause to the Committee.

Alex Norris: We have covered much of the debate through the very good amendments, so I do not intend to detain the Committee for long, but I want to clarify one point with the Minister. As he has said, the clause inserts proposed new sections 11C and 11D in the Local Government Finance Act 1992. Proposed new section 11D(1) states:

> "The Secretary of State may by regulations prescribe one or more classes of dwelling in relation to which a billing authority may not make a determination under section 11C."

It basically says that the powers we have debated and all the very good reasons for them actually do not apply if the Secretary of State decides they do not want them to.

[Alex Norris]

That is a concern we have had in previous debates: this is localism, but only where local communities get the answer right.

It is welcome that the Minister has said the measures will be consulted on before being used, but the Government must have a sense of what properties they have in mind, otherwise there would not be much of a case to reserve the power. I am keen to know how that power will be used or certainly what the Minister had in mind when asking for it. I do not think it is enough for us to detain the Committee because we think the clause is important in general, but that specific point needs to be addressed. There is not much of a case for the provision if it is a power that can only be filled out by consultation. I wonder then: why ask for it at all?

Tim Farron: I thought the Minister outlined very well the impact of excessive second home ownership on communities such as mine. There is no doubt whatsoever about the consequences of excessive second home ownership in the Lake district, the Yorkshire dales and other parts of the country, where, as he says, the reduction in the permanent population means a smaller school roll, with schools potentially at risk. These places lose their bus services, pubs and corner shops, and all the services are frittered away because of the lack of a permanent population. I am afraid that the radical situation, which he rightly outlined, is not being radically addressed.

The Minister outlined the positives of the council tax premium. If we analyse it, however, it gets to probably a very small minority of those people we call second homeowners—people who, basically, very rarely make use of those properties. People need to be quite rich to have a second home from which they do not benefit financially through renting it out, or that they do not bother using very often. This might catch 5% of second homeowners, but they are the ones who can afford it, so it will not have much impact on them. I do not think it will do what the Minister says it will do. It does not provide the opportunity to do what we will seek to do in other parts of the Bill, which is to enforce—by using the law, and planning law in particular—a move away from excessive second homeownership. But more on that later.

In many ways, what the Minister has just said has been the best articulation I have heard from a Government Front Bencher of the impact of excessive second home ownership on communities such as mine. I thank him for that, but the action proposed does not address the findings of the analysis, and that is what we will push the Government to do.

10.30 am

Mr Jones: I nearly thought that that the hon. Member for Westmorland and Lonsdale was going to cross the Floor, given his glowing praise of my analysis. I understand his concerns. That is why we have, over time, put in place a number of policies, including increased stamp duty for purchases of second dwellings, and why the Bill introduces a council tax premium. Clearly, there is a wider picture, and we understand that picture. It is a complex issue and we constantly look at it.

The hon. Member for Nottingham North is concerned about the Secretary of State's involvement. I do not want to pre-empt the result of the consultation, but it might include the points that he has made about probate. I expect the consultation to take place this autumn, and I hope he will look carefully at it and respond to it.

Question put and agreed to.

Clause 73 accordingly ordered to stand part of the Bill.

Clause 74

Alteration of street names: England

Rachael Maskell: I beg to move amendment 85, in clause 74, page 83, line 23, at end insert—

"and it has considered the historical, cultural or archaeological significance of a name change".

This amendment requires cultural, historical and archaeological factors to be considered before making a name change.

We are considering many things in the Bill, and we come now to a clause that deals with street names. Needless to say, the issue of street names is one of much interest not only to the population of York at large but to archaeologists and historians, whom I meet regularly in our city. It is probably obvious why that is the case: we are clearly a proud city and there is much history to be debated.

A lot of streets in York have changed their name over time. A case could be made to change some of them back to their original names. In York, the streets are named gates, the gates are called bars, and the bars are called pubs. Our language is slightly different from that used in other places. Many of the names have been changed for good, sensitive reasons. What was Beggargate, for instance, is now called Nunnery Lane, and some names were far worse. Our approach to the naming of streets evolves. We have many layers of history, and there are areas of Roman, Viking and medieval significance in places such as York.

Names could be changed at the stroke of a vote, but it is important to put in place checks and balances, including a consultation process and engagement with the wider community stakeholders and residents, to ensure that streets have appropriate names.

There are examples of those who were once heroes but are now fallen individuals. We may have seen a darker side of them or of our colonial past. The street name can tell a different story and therefore the changing of a name is not only a process but can be a historical or political act in itself. It may be desirable, but to understand the past is important. Therefore, to explain the name rather than change it may be the action to take to reflect that on a newer estate. Perhaps we will look at the industrial past of an area or some event or place of significance, or perhaps point to a new age and opportunity.

There are countless reasons why a street name vote may be sought. However, recognising the significance of a name or a former name could help define a street or an area, as well as the historical, cultural or archaeological significance of a place. My amendment will simply ensure that the history and archaeological understanding of a place is not lost. I am seeking assurances from the Minister that that understanding will form part of a consultation around the name change and the process set out in clause 74.

Alex Norris: This is the third time in part 2 that we have addressed names. We addressed alternative names for Mayors and alternative names for combined county authorities. My view on street names is the same as in

those cases. My experience in Nottingham is that if we seek to do anything daft with names, the public pretty soon sniff it out and have a good way of correcting it, whether at the ballot box or through more informal means. I have a lot of confidence in our communities to make the right and sensible decisions given the right framework in law.

We are interested in the clause. I may make some more arguments in the next amendments. It is important that the important historical and archaeological factors are not lost. This is probably a de minimis provision and only asks for consideration. It is no greater fetter than that. I hope the Minister is minded to that.

Mr Jones: The amendment would add additional criteria for local authorities when considering the renaming of a street. I understand the importance of history, archaeology and culture in this process. However, the Government strongly believe that local people should have the final say on changes affecting street names. We would expect those local views to reflect the historical or cultural associations of the names concerned, and the importance that communities place on them. It is not clear that a freestanding additional requirement to consider heritage is necessary, or how it would work. It could, for example, make it harder to secure name changes that have local support but where new considerations, such as the need to honour a local person or event, take precedence over an archaeological interest. For instance, some Olympians had streets named after them following the 2012 Olympics.

We recently consulted on the prospective secondary legislation and guidance to deliver those changes. Respondents were overwhelmingly positive about our proposals, with 91% agreeing that the regulations and statutory guidance should set out how local authorities should seek consent when changing a street name. In view of that support, and the fact that heritage and cultural significance are matters that communities will weigh up, I hope the hon. Member will withdraw her amendment.

Rachael Maskell: I thank the Minister for his comments. My hon. Friend the Member for Nottingham North is right to highlight how our residents will do the right thing and we can depend on people to make the right choices, as I am sure they will in York. It is important to hear the Minister's comment on the record that he will expect residents to reflect on the historical and cultural aspects of their streets and communities. People wanting to honour people or events of note in their communities will have the opportunity.

It is also important to recognise the place-making ability of a vicinity—for example, if there are quarters in a place, certainly in places as historical as York—to ensure that there is an ambience, an identity, given to a place. That could impact on the tourist aspect and the economic opportunity of a place, as well as the name in itself. I am sure there will always be streets in which to honour local individuals and at the same time balance the cultural sensitivities of an area. I found the Minister's remarks helpful; I put that on the record. I think it will help with the next discussion, so I am happy to beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Alex Norris: I beg to move amendment 70, in clause 74, page 83, line 37, at end insert—

"(za) the local authority has carried out the necessary consultation, the necessary publicity, and the necessary notification, before making an order to alter the name of a street, or any part of a street, in its area,

(zb) the local authority has given due 'regard to the outcomes of that consultation,."

This amendment, together with Amendments 71 and 72, replaces a power to make regulations about referendums on street names with requirements for local authorities to consult residents and the wider community.

The Chair: With this it will be convenient to discuss the following:

Amendment 71, in clause 74, page 83, line 40, at end insert—

"(6A) In subsection (6)—

(a) 'the necessary consultation' means consulting with—

(i) whatever community representatives the local authority thinks it appropriate to consult,

(ii) owners and occupiers of residential premises in the street subject to the order, and

(iii) any businesses with premises in the affected street;

(b) 'the necessary publicity' means—

(i) publishing the proposed change, including but not limited to publishing the proposal on its website, and

(ii) publicising the proposal, including but not limited to erecting in the street to which the proposal relates such notice (or notices) as it considers sufficient to draw the attention of any member of the public using that place to it.

(6B) In subsection (6A), 'community representatives' means any individual or body appearing to the authority to represent the views of people who live in, work in or visit the restricted area."

See explanatory statement for Amendment 70.

Amendment 72, in clause 74, page 84, line 1, leave out subsections (7) and (8).

See explanatory statement for Amendment 70.

Alex Norris: The Opposition believe it is important for members of the community to have the chance to change their street name and to be consulted on any changes. Whether that is to remove the name of a slaver, to better reflect changed geography, or just because they want to, the power ought to exist. My concern is not about the broad substance, but the method and the way that it is drafted—not just that there be consultation, but that the measure is prescribed in the form of a referendum with a turnout threshold. We are fine up to subsection (8). We are comfortable with the first seven subsections, but then we start to get into trouble, and that is what I am seeking to try and moderate with amendments 70, 71 and 72.

As drafted, the proposal is for regulations to be introduced to require local authorities to run a local referendum before a name can be changed. The Bill sets out that under the regulations,

"a specified percentage or number of those entitled to vote in the referendum exercise that right"—

that is the floor provision—and that

"a specified majority of those who vote indicate their support"

[Alex Norris]

for the change. The wording in the Bill would also introduce a time-consuming and expensive solution to a problem that research by the Local Government Association suggests does not exist and that undermines the fundamental principles of local democracy and will not be workable in practice.

We have seen changes—the measure exists in a context of name changes that are already happening—where councils have previously considered making changes and have involved their communities in the process through their democratically elected representatives and through formal consultations. The LGA research suggests there are no examples of a council changing the name of a street without giving the residents on that street an opportunity to have their say. This is where we get to the problem with the absence of the impact assessment.

The evidence says there is not a problem. Clearly, we are trying to solve a profound problem, but we have yet to see any evidence for that. It opens us up, I fear, to some confusion in local communities because we are saying that to change a street name, not only must there be a referendum, which is quite a significant action, but it will also have turnout thresholds and what not around it, which is pretty much out of context with any other decision being made in this country on this day or any other day.

Lots of us, including you, Mr Hollobone, my hon. Friend the Member for Greenwich and Woolwich and many others in the room have been local authority councillors. Some of the hardest things you do in that role include making changes to residents' parking schemes, building humps on roads, general road layout, never mind pedestrianisation of streets—or perhaps that relates to inner cities or towns. A decision to change a street name can be significant, totemic and a real cause of fallouts and online arguments.

I would argue, however, that that is of less daily importance in a person's life than whether their child can park their car in front of their parents' house. However, it would be very hard to explain to residents why such a decision on parking is not subject to significant controls whereas a street name change is subject to them. The point of having a local democracy and local representatives is to resolve such issues, never mind the consideration of bigger issues such as the closure of a library or a youth centre.

We will table new clauses to add community power to the levelling-up agenda, because the Bill is bald of that right now. I have spoken about the importance of co-design of public services, particularly those that affect local communities, estates and streets. Clause 74 is not offering that, and it is not clear what problems Ministers are seeking to solve with its implementation. They would certainly not accept such fetters of control when making difficult decisions. The current clause will cause a great deal of confusion, and the referendum requirement will impose significant costs and increased demand on electoral registering authorities, returning officers and electoral staff. It would create a whole industry in pursuit of a problem that we are yet to see exists.

10.45 am

Amendments 70 to 72, which have been tabled after we talked to local government representatives, are designed to offer something that is perhaps more practical and which would deliver what the Government are seeking to do, without imposing lots of burdens. The amendments would allow local authorities to gather feedback from residents, address concerns and perhaps move away from making things false binaries that are subsequently subject to referendums. They would extend the family of people who may have a view—for example, pupils, staff and alumni of a school whose name derives from a road may have views about a possible name change. Likewise, members and supporters of a sports club or social club may feel that they have a stake in a road name. The amendments would improve the scope of those who get a say.

The amendments would retain a statutory requirement on local authorities to consult residents, businesses and others and to have regard to the outcome of that consultation. We could therefore be confident that local voices would be heard. Crucially, the amendments would offer local areas, local councils and local leaders the flexibility to determine the necessary nature and scope of the consultation, and to make it fit the place rather than trying to make place fit the global scheme offered by the Bill.

I do not think that we are at cross-purposes with what the Minister is seeking to achieve, but in this instance the Government are too rigid. I hope that we will hear that common sense will be applied to make the provision a little more user-friendly.

Rachael Maskell: I support the amendments, particularly in the light of my withdrawing amendment 85. I believe that what sits at the heart of the clause is proper consultation with community stakeholders, whether they are residents, businesses or wider stakeholders, for instance Historic England, or the city archaeologist in the example I cited. The process of consultation is of key significance, and I am grateful to my hon. Friend for Nottingham North for setting out in such detail the type of proper consultation that should be embarked on.

I think we can all recall the naming process of the research boat Boaty McBoatface, and there has certainly been learning from that experience about what could happen with a renaming process. I speak as someone who has a street in my constituency called Whip-Ma-Whop-Ma-Gate, which means neither one thing nor the other—in itself curious. Names can be curious, but a rigorous consultation that can flush out the issues could avoid those significant pieces of amusement, ensure that the proper voices are heard and confirm a sensible place name. A name is not just a name; it is an identity. We all think about the addresses we have lived at, and the identity they have given us, so it is important that people have ownership. A thorough consultation by a good local authority is what my hon. Friend seeks through his amendment.

On the consultation exercise, although the digitalisation of processes is welcome, I emphasise how important it is that signs are still placed on street corners, as proposed in amendment 71. People in the community need to know what is happening. It is not an either/or; it is a both. People should be able to engage with a physical notice. We all see signs up across our constituencies and stop to read them, because they are an important indicator of how people can get involved. I urge the Government to consider the breadth of that opportunity.

Finally, I highlight my hon. Friend's points about referendums. We know that they have costs attached, and a referendum on a street name would place an additional cost on a local authority at a time when resources are thin. Given the time and complexity involved, is that really the right focus for the Government, when a consultation could do the job by utilising the existing democratic process through elected councillors? I trust that the Minister will reflect on the realities of the clause when alternative routes, as my hon. Friend set out, could strengthen the process and enable the right outcome.

Mr Jones: The Government are strongly of the belief that people should have the final say on the character of the area in which they live. That must include protecting their local heritage. In this context, I agree with the underlying intent behind the amendments. There should be clear processes for making sure that local views on proposed street name changes are taken into account. It is, however, important that we do this in the right way, so that the processes are robust, but can be adjusted if required.

The Government recently consulted on the prospective secondary legislation and guidance to deliver the reform to street naming set out in the Bill. Respondents were overwhelmingly in favour of the proposals set out in the consultation, with 91% agreeing that regulations or statutory guidance should set out how local authorities should seek consent when changing a street name.

The amendments would remove the Government's ability to do that and replace it with less specific requirements than we intend. I reassure the hon. Member for Nottingham North that we will be setting out clear, transparent and robust arrangements in secondary legislation. As I said, a significant number of respondents to the consultation want a proper say, and we can understand why. If the name of a residential street was changed, for example, individuals in any particular property would face significant costs from amending the title of their property or the addresses on their car logbook, bank accounts, utility bills, driving licence, and a number of other things that we could all reel off. Such things are important considerations, and that is why we are setting out down our chosen path.

By setting out the detail for how consultation on street naming will work in regulations and guidance, we will maintain flexibility to update processes in line with changes in circumstances, such as new technology. With that explanation, and those assurances, I hope the hon. Member will be willing to withdraw the amendment.

Alex Norris: I am grateful for colleagues' contributions to the debate. My hon. Friend the Member for York Central brought up the good example of Boaty McBoatface. That shows, as always, the brilliant sense of humour of the British people—I have an awful lot of confidence in that—but also how in such cases it is rarely the answer that is daft; perhaps the question was less wise. The key thing, which goes to the point of the clause, is that people with a stake ought to have a say. When people have a stake in things, they take them seriously. I am certain that there will be no Boaty McBoatface Avenues. People would much more likely take a slightly different and perhaps more moderated view for their own street. That is why it is important that, as the Minister said, local questions about the character of a community are addressed.

I agree with the Minister that local residents should have the final say on the character of an area, but that can work in a number of different ways. We have a representative democracy, and change in the character of an area could be about a decision to cut back a tree, or to put bins in collective storage, leave them in the back ginnel or put them outside the house. Every day, there is a combination of hundreds of small actions that are seemingly unimportant until someone gets excited about them, but in aggregate they are substantial to people's lives. We do not put them to daily referendums with turnout thresholds—we could not operate like that—so we have representatives who are accountable to their communities, and if they do not seem to be doing their job, they are changed for others.

I am not sure that the Minister's stated aim is measured by what is in the Bill. He said that amendments 70 to 72 would weaken the Government's ability to meet what was wanted in the consultation. I am afraid that I do not accept that, because 91% of people wanted to have a proper say and to have that set out. I completely agree with them—I am surprised that 9% did not agree—that the worst situation would be one where a local authority could make merely the narrowest compliance effort and not really listen. There is not much evidence of risk there. Again, the Minister could not make the case as to why, in general, there is a problem to be solved—and, absent the impact assessment, there is no case for that. The experts in the field say that there is no problem to be solved. I hope that he will reflect on that. My amendments would in no way restrict the ability to ensure that those 91% of people got what they wanted: a proper say. However, the Minister has gone a step further in prescribing how that looks, which is a disproportionate approach that will not serve.

The Minister has committed to further consultation and engagement. I hope that he will engage with colleagues in the Local Government Association and listen to them about the practical realities. If he has not already had a chance to do so, he should engage with their research about what is really going on and how we might achieve the aims without putting something onerous in the Bill. They will be willing to have those conversations.

I hope that this might be an ongoing part of the conversation as we move through the Bill's stages, and that the Minister will at least carry this issue away and find a bit more detail. We will not detain the Committee by dividing it, so I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

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

The Chair: With this it will be convenient to discuss that schedule 5 be the Fifth schedule to the Bill.

Mr Jones: The Government are committed to giving a voice to residents over the naming of their street, and we are strongly of the belief that people should have the final say on the character of the area in which they live, which must include protecting their local heritage. Although street names play a fundamental part in representing the rich history of a neighbourhood, the relevant legislation has not been fundamentally reviewed since the early part of the 20th century. The matter is spread over three Acts, rendering the process of changing street names

[Mr Marcus Jones]

not only opaque but obsolete. I believe it should be uncontentious, if nothing else, to say that a lot has changed since 1907, and therefore a modern framework will be of benefit to local authorities.

11 am

The current legislation means that there are three systems, with different rights, that may apply depending on where people live. In London, authorities can change the name of a street at their discretion. The right of appeal in the current legislation is so vague that, in practice, it is difficult for anyone to appeal the wide discretion that has been given to local authorities.

We have discussed the importance of names in our consideration of the Bill previously, as I have heard from my predecessors, particularly in relation to the title for combined county authorities and Mayors. Street names can form a central part of an area's character and identity, which is why explicit local support should be obtained before local authorities can change the name of a street. That is what this clause requires, supported by the technical changes in schedule 5.

Preserving cultural heritage across the UK is a Government priority and we support all efforts to inspire pride in the places in which we live. The clause makes it clear that a local authority may only change the name of a street if it has sufficient local support. We will set out in regulations the detailed operations of this framework and how sufficient local support can be obtained by local authorities.

We have consulted on the principles underpinning the clause. Our response to the consultation was published earlier this week. Respondents were overwhelmingly in favour of the propositions set out, with 75% agreeing that those on the electoral roll for a street should have a decisive say on whether a proposed name change can occur. Giving communities and those most directly affected the final say on preserving, enhancing or creating their area's identity is vital, and I therefore commend the clause to the Committee.

Alex Norris: I will not repeat any of the arguments I have made. We agree on the substance of allowing people to decide their street name, but we are troubled by the process and its rigidity. I hope the Minister will keep reflecting on that in the following stages.

I am labouring a point I made the last time I rose, but this is the last time I will make it today—I promise, Mr Hollobone. This is the end of part 2 of the Bill. The Minister made a welcome commitment that we will see the impact assessment before the end of Bill Committee, but I gently say that it will not be much use for parts 1 and 2. Frankly, there be no impact on part 1, because that was a plan to make a plan, but part 2 will make combined county authorities, which presumably are supposed to be quite impactful. It is a problem that we have not been able to argue those in the round.

The next part of the Bill, which is on planning, includes really significant decisions that will shape communities. I am not sure that colleagues on the Government Benches, never mind the Opposition Benches, should be comfortable making those decisions without an impact assessment. I hope to prevail on the Minister that if the impact assessment is not going to appear before part 3 of the Bill today, we may at least have it before the summer recess so that we can have it for our discussion about the remaining clauses.

Mr Jones: I thank the hon. Member for Nottingham North for his comments, which I will look at carefully and consider, and see what more can be done to expedite the impact assessment.

Question put and agreed to.

Clause 74 accordingly ordered to stand part of the Bill.

Schedule 5 agreed to.

Ordered, That further consideration be now adjourned. *—(Gareth Johnson.)*

11.4 am

Adjourned till this day at Two o'clock.