



Department for
Communities and
Local Government

Lord McKenzie of Luton
House of Lords
London
SW1A 0PW

Lord Tariq Ahmad of Wimbledon
Parliamentary Under Secretary of State

**Department for Communities and Local
Government**

4th Floor, Fry Building
2 Marsham Street
London SW1P 4DF

Tel: 0303 444 3461
Fax: 0303 444 3291
E-Mail: lord.ahmad@communities.gsi.gov.uk

www.gov.uk/dclg

18 November 2014

Dear Sir

I would like to thank you for the valuable contribution you made to the debate on the Deregulation Bill, Clause 34, in the Lords Grand Committee on 30 October.

I am pleased that you took some comfort from my explanation of the Government's intentions for Clause 34. The Government is seeking to provide certainty for all residents across London that they are able to let their homes on a short-term, temporary basis, such as when they are on holiday, without having to deal with the unnecessary bureaucracy of applying for planning permission. It is not our intention to provide opportunities for short term letting on a permanent or commercial basis.

You asked why other major cities, such as Paris, New York and Singapore, are looking to tighten their legislation, when we are looking to deregulate section 25 of the Greater London Council (General Powers) Act 1973. The Government believes this reform is right for London. It will bring the 1973 legislation up to date and ensure it is fit for purpose by striking an appropriate balance between allowing freedoms for occasional short-term letting by residents, and maintaining the important provisions of section 25 that protect London's housing stock for those living and working in the Capital. London is a great city, which attracts millions of visitors every year. We are giving Londoners the opportunity to be a part of this huge industry and help support their income. We are leaders, not followers, and we want to open up this great global city to more people.

You also asked whether anyone has been prosecuted for letting out their home for a couple of weeks while they have been away, without getting planning permission. I should confirm that the Government does not hold this information, as it is of course a matter for each local authority. However, we have heard that practices vary across London local authorities, and we are clear that the purpose of our reform is to create certainty for all London residents.

Lord Tope asked whom the Government consulted before deciding to insert this clause, when did we do that consultation, what was the response, and whether it has been published. I mentioned that there was a public consultation on the need to update the current legislation. The Review of Property Conditions in the Private Rented Sector consultation paper was published in February 2014 as part of a wider consultation. That paper sought

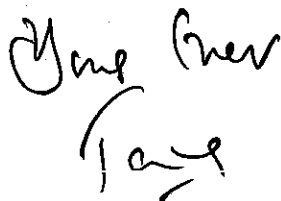
views on whether Section 25 of the Greater London Council (General Powers) Act 1973 should be reviewed or updated. The Government has not yet published its response, but will do so shortly. Lord Tope also asked when the draft regulations will be available. I mentioned that it is the Government's intention to introduce regulations as soon as possible on Royal Assent. When that happens will of course be subject to Parliamentary timings.

Baroness Donaghy asked how Clause 34 reconciles with the model tenancy agreement. The Government published a model agreement for a shorthold assured tenancy in February this year. While the model agreement does contain a model prohibition on assignment and subletting, its use is entirely voluntary. There is no legal requirement to use it, although landlords and tenants will be able to do so with confidence. The Government will keep the agreement up to date with changes in the law, so we would need to consider any updates to the agreement, once regulations are made under Clause 34. Baroness Donaghy also asked about the number of fines that are imposed for failing to secure planning permission for a change of use under section 25. As I mentioned above, the Government does not hold this information, as it is a matter for each local authority.

Baroness Hanham asked whether the current wording of the legislation, which refers to "accommodation of any residential premises", describes the Government's intention specifically to allow people to let out their homes. I mentioned that rather than specifying how the deregulation will work on the face of the Bill, the clause seeks the power to make regulations which will provide the detailed legal framework. These regulations will follow the affirmative procedure and will be subject to debate and the approval of Parliament. They will clarify the circumstances in which short-term letting will not constitute a change of use requiring planning permission.

The Government will continue to work closely with interested parties in London, including the local authorities. We want to ensure that the measures brought forward meet residents' aspirations for temporarily letting out their homes or spare rooms, while retaining the key purpose of Section 25 of the Greater London Council (General Power) Act 1973 which is to keep London homes for those who live permanently in London.

I will place a copy of this letter in the library of the House.

A handwritten signature in black ink, appearing to read "Tariq Ahmad". The signature is written in a cursive style with a horizontal line under the name.

LORD (TARIQ) AHMAD OF WIMBLEDON