

Clive Betts MP
Chair, Housing, Communities and Local Government Committee
House of Commons
London
SW1A 0AA

15 March 2018

Dear Mr Betts,

Local Government Association evidence – inquiry into the Private Rented Sector and Draft Tenant Fees Bill

Thank you for inviting the LGA to give evidence to the Committee's inquiry. Further to my evidence on Monday 29 January, I would like to take this opportunity to provide you with some additional information in response to your questioning.

Report on local authority affordable housing initiatives

In response to a question [Q169] on the non-regulatory measures which local authorities are undertaking in order to improve standards within, and access to, the private rented sector, I was pleased to mention a recently-launched report by the Co-operative Councils Innovation Network (CCIN). *Community-Led Housing: a Key Role for Local Authorities*, led by the CCIN's Housing Commission, is aimed at promoting good practice and innovation to enable councils to work with communities to generate more affordable housing and make the best use of government funding for community-led housing (CLH).

The report argues that CLH should be 'added to the strategic mix' to increase the supply of homes that local people can afford. Different solutions are required for different markets, but CLH can make a contribution, whether through new build homes, returning empty properties to use or introducing CLH into the management of existing homes. I have included a copy of the report in my accompanying email to this letter. I hope this is helpful to your inquiry.

Draft Tenant Fees Bill – recovery of financial penalties

I also wanted to give a more detailed answer to the question posed by Liz Twist MP (Q173) relating to schedule 3, paragraph 7 (3) of the draft Tenant Fees Bill. The paragraph in question concerns the ability of local authorities to recover a financial penalty where it has not been paid in accordance with a final notice. It was stated in the session that this would prevent defendants from proving they had paid.

We do not have any reason to believe that this provision would lead to councils seeking to recover financial penalties where a fine has been paid by a defendant. The provision clearly states that the local authority can recover a penalty on the order of the court *only* once the final penalty notice has been served. Local authorities would be unwilling to sign and present a certificate to court if it had already received the payment from the defendant. Therefore we do not believe the provision is unfair to defendants.

The same provision is contained within other pieces of legislation, and we are unaware of the existence of this provision leading to abuse by local authorities of the ability to recover financial penalties. The same provision exists in the Consumer Rights Act 2015 (Schedule 10, paragraph 6 (5)) and the

Housing and Planning Act 2016 (Schedule 1, paragraph 11 (3)). We expect that the Government has taken this precedent into account when drafting the Bill, and that its further scrutiny of the draft Bill will determine whether this is the most appropriate provision for enforcement of the ban on fees.

Yours sincerely,

Cllr Tony Newman,

**LGA Environment, Economy, Housing and Transport Board
Leader, London Borough of Croydon**