



Department for
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De Darren

Thank you for your letter of 30 July to the Rt Hon Eric Pickles MP, about the London Assembly (Plenary) meeting of 24 July 2013. Your letter has been passed to me for reply.

Although most letting and managing agents provide a good service, I agree that a minority of agents offer a poor service and engage in unacceptable practices. To remedy this, the Government wants to strengthen the hand of consumers. That is why, as part of the Enterprise and Regulatory Reform Act 2013, we have introduced new legislation which will require all letting and managing agents in England to belong to an approved redress scheme. This will offer a clear route for landlords and tenants to pursue complaints, weed out the cowboys that give agents a bad name, and drive up standards. I am keen to make rapid progress in putting schemes in place, and will be engaging with landlords, tenants and the lettings industry during the autumn and onwards.

For fees, whilst landlords and letting agents are free to set their own charges, they are prohibited from setting unfair terms or fees under existing consumer protection legislation. Where a consumer believes that agents are in breach of this legislation, it is open to them to draw this to the attention of their local trading standards officer.

In terms of discrimination against housing benefit claimants, at present we estimate that around 26% of households privately renting are on benefits. This suggests that it continues to be possible for claimants to access the sector. The key is to increase the supply of private rented homes to give tenants great choice. That is why we have several initiatives to tackle this, including a new fund, now worth £1 billion, providing equity finance for purpose-built private rented housing, alongside a £10 billion debt guarantee scheme to support the delivery of new homes purpose built for private rent, and up to 30,000 additional affordable homes.

Finally, for security of tenure, under the current assured shorthold tenancy framework, there is nothing to stop landlords and tenants agreeing to longer minimum period. As Shelter have pointed out in their September 2012 policy report, *Towards more stable private renting: Tenancies*, on the whole, are lasting longer – the average stay in a private rented home has risen from 15.5 months in 2007 to 19.7 months in 2012.

MARK PRISK MP