<u>Press release: Longer tenancy plans to give renters more security</u>

Renters who may be forced to leave their homes at short notice will be given more security thanks to government action to introduce longer tenancy terms.

In plans published today (2 July 2018), Secretary of State for Communities Rt Hon James Brokenshire MP proposes the introduction of a minimum 3-year tenancy term, with a 6-month break clause, to help renters put down roots, and give landlords longer term financial security.

According to government data, people stay in their rented homes for an average of nearly 4 years. But despite this, 81% of rental contracts are assured shorthold tenancies with a minimum fixed term of just 6 or 12 months.

This can lead to tenants feeling insecure, unable to challenge poor property standards for fear of tenancies being terminated, and unable to plan for their future or contribute to their wider community.

Although tenants and landlords can already agree longer terms between themselves, the majority choose not to do so.

Under the proposed longer term agreement, tenants would be able to leave before the end of the minimum term, but would have greater protection if they wanted to stay in a property for an extended period of time.

Secretary of State for Communities Rt Hon James Brokenshire MP said:

It is deeply unfair when renters are forced to uproot their lives or find new schools for their children at short notice due to the terms of their rental contract.

Being able to call your rental property your home is vital to putting down roots and building stronger communities.

That's why I am determined to act, bringing in longer tenancies which will bring benefits to tenants and landlords alike.

As part of its continuing commitment to give more security to renters, an <u>8-week consultation on the plan has been published</u>, specifically looking at overcoming the barriers to landlords offering longer tenancies.

The 3-year model is one of a range of options and the consultation seeks views on longer minimum tenancies, which are used in other countries, as well as ideas on how to implement the model agreement.

Landlords play a vital role in providing homes to millions of people in this country and the proposals ensure that longer tenancies help them avoid costly

periods while they search for new tenants and offers them flexibility to regain their properties when their circumstances change.

The government understands that some landlords worry about the time it can take to gain possession of their property in the courts. A call for evidence will be published this autumn to better understand the experience of users of the courts and tribunal services in property cases, including considering the case for a specialist Housing Court.

As part of the <u>consultation</u>, which runs until 26 August 2018, ministers are seeking views from landlords, tenants and related organisations about the most effective ways to tackle obstacles to introducing longer tenancies.

If government proceeds with mandatory longer tenancies, primary legislation will be required. Following the results of the consultation, the government will consider next steps with legal professionals.

The consultation will consider whether there should be any exemptions — such as for student accommodation.