

KING'S SPEECH 2023

ON-THE-DAY UPDATE

Tuesday 7th November 2023

Charles III today delivered his first King's Speech as Monarch, and the first King's Speech for over 70 years, at the 2023 State Opening of Parliament.

The King's Speech sets out the Government's legislative programme for the forthcoming parliamentary session, and as such indicates the Government's future priorities. It is expected that this will be the final King's Speech before the next general election, which must take place at some point before 28th January 2025.

Press coverage prior to the Speech anticipated that the Government would focus on new legislation in areas such as criminal justice and new oil and gas licensing, while some legislation such as the Renters Reform Bill and Leasehold reform would be carried over from the previous parliamentary session.

These predictions were mostly accurate, with the Government briefing that criminal justice was 'at the heart' of the King's Speech with no less than five Bills. **Legislation of particular interest to NHC members includes a Leasehold and Freehold Reform Bill and the continuation of the Renters Reform Bill.**

Proposals were also trailed over the weekend by Suella Braverman to restrict the use of tents by rough sleepers, deemed a "lifestyle choice" by the Home Secretary. These proposals did not, however, make it into the final Speech.

Commenting, NHC Chief Executive Tracy Harrison said: "This was a relatively thin King's Speech, reflecting the late stage of this Parliament. It is encouraging to see the Renters Reform Bill continue, though this Bill will only be genuinely effective in driving improvement if local authorities have the resources and capacity to effectively enforce its requirements. It is also notable how focused the Speech was on issues relating to anti-social behaviour, suggesting this will be a continued priority for Government."

Further detail on relevant legislation included in the King's Speech can be found below. An Autumn Statement is due on November 22nd, at which Government will set out its fiscal priorities.

Renters Reform Bill

The King pledged that his Government would ensure that "renters will benefit from stronger security of tenure and better value, while landlords will benefit from reforms to provide certainty that they can regain their properties when needed". The Government will therefore

carry the Renters Reform Bill, which recently received a second reading in the House of Commons, forward into the new parliamentary session.

A full guide to the Renters Reform Bill and the policies within it can be found [here](#), but the key aims are:

- To abolish Section 21 or 'No Fault' evictions, ceasing the use of fixed-term tenancies and moving to a system where all assured tenancies are periodic.
- More comprehensive grounds for landlords to take possession of their property e.g. repeated rent arrears and Anti-Social Behaviour.
- Stronger protections for tenants against 'backdoor' evictions such as above-market rent increases.
- The establishment of a PRS Ombudsman to provide fair, impartial and binding resolutions on issues and complaints between private tenants and landlords.
- Creating a Privately Rented Property Portal where all privately let homes will need to be registered.
- Giving tenants the right to request a pet in their privately rented property.

In addition, amendments will be brought forward "at the earliest opportunity" to increase local authority enforcement powers against rogue landlords and to make it illegal for landlords to blanketly refuse to rent their property to tenants in receipt of benefits or with children.

Housing Secretary Michael Gove has recently confirmed that the abolition of Section 21 'No Fault' evictions will not take place until after the successful implementation of reforms to the nation's courts. It is expected that Section 21 evictions will therefore not be abolished before the next general election.

The Government also confirmed that they will not be taking forward proposals to establish EPC C energy efficiency requirements in the private rental sector. This U-turn was previously announced as part of Rishi Sunak's 'New Approach to Net Zero'.

There is currently an open call for written evidence for anybody in the sector who wishes to share their views on the Renters Reform Bill. Members can submit evidence [here](#).

Leasehold and Freehold Reform Bill

The Bill will deliver the Government's manifesto commitments on leasehold reform to establish "fairness in the housing market". The reforms will mean that all newly built homes must be sold as freehold, though new flats can still be leasehold.

The Bill will include provisions to:

- Make buying or selling a leasehold property quicker and easier.
- Ban the creation of new leasehold [houses](#).
- Require transparency over leaseholders' service charges.
- Increase the standard lease extension term from 90 years to 990 years for both houses and flats, with ground rent reduced to £0.
- Build on the legislation brought forward by the Building Safety Act 2022, ensuring freeholders and developers are unable to escape their liabilities to fund building remediation work.

There will be a consultation on capping existing ground rents. Subject to that consultation, the Government will look to introduce a cap through this Bill.

The Bill tackles some existing problems such as making it cheaper and easier for more leaseholders to extend their lease, buy their freehold, and take over management of their building. Many might consider the proposals address only a few of the injustices of the leasehold system.

The Law Commission review which finished three years ago was a full review of the law with wide recommendations. Former Shadow Levelling Up, Housing and Communities Secretary Lisa Nandy had stated that a Labour government would, within 100 days of taking power, implement the law commission proposals.

The Bill is a positive reform but many will consider there is a risk of a two-tier leasehold market as the phasing-out of leasehold for some properties leaves existing leasehold properties even less desirable for those selling their homes or re-mortgaging.

The legislation governing leasehold tenure has developed in an ad hoc way and has been subject to a good deal of amendment. The Law Commission had been tasked with simplifying and consolidating existing legislation into a single Act. It will be unclear whether this proposal achieves such a consolidation until the legislation emerges.

Keeping people safe

The Government says “Anti-social behaviour isn’t inevitable, and it isn’t a minor crime. It makes life miserable for so many and it can be a gateway to more extreme crimes.”

Two immediate bans were highlighted:

- Nitrous Oxide: possession will be illegal from tomorrow (08/11/23).
- XL Bully Dogs: under the Dangerous Dogs Act by the end of the year.

The Government will introduce a **Criminal Justice Bill** to reform the criminal justice system and give police new powers including:

- Increasing the multi-agency management requirements on offenders convicted of coercive or controlling behaviour.
- Introducing a mandatory duty on those who work with children to report concerns relating to Child Sexual Abuse.
- Addressing the crimes and anti-social behaviour that blight communities by:
 - taking tougher action on drugs through an expansion of drug testing on arrest.
 - increasing the maximum penalty for sale of dangerous weapons to under 18s.
 - creating a criminal offence of possession of a bladed article with the intent to cause harm.
 - tackling ‘persistent, nuisance, and organised begging’.

The speech also announced a **Sentencing Bill** to “ensure tougher sentences for the most serious offenders and increase the confidence of victims.” It will move to reform short sentences to help with rehabilitation and reduce reoffending – using suspended and community sentences, where they are more effective than short custodial sentences.

The Government will also introduce a **Victims and Prisoners Bill**, to give “ministers the power to stop the parole of the worst offenders”.

Levelling Up/Support for Towns

The Prime Minister set out in his introduction to the King's Speech his desire to reinforce people's 'pride in the places they call home'. The Speech promised 'a long-term plan to regenerate towns and put local people in control of their future', however promised legislation is limited to a Bill relating to Football Governance and another on the use of Pedicabs in London.

Of course, the Levelling Up and Regeneration Bill received Royal Assent on 26 October 2023, bringing in new laws to speed up the planning system, hold developers to account and enable the building of new homes. According to the Government, the bill forms the core of their long term commitment to levelling up, including new development for local areas and investment in local infrastructure, including giving councils new powers to improve high streets. You can read more on DLUHCs plans on this [here](#).

Welfare Reform

The Government did not include a specific welfare bill in the King's Speech, but it did assert that proposals will be published to reform welfare and support more people into work.

The King's Speech also restated the Government's existing commitments to:

- reform electricity grid connections.
- deliver a 'Network North' programme of local and regional transport links.

Look out for an NHC on the day briefing on the 22nd November, when the Chancellor will set out his public spending plans in the Autumn Statement. We'll provide a comprehensive update of all the relevant details for the housing sector announced in the Statement.