

# LANDLORDS IN PARLIAMENT

AN ANALYSIS OF MPS AS LANDLORDS IN A BROKEN RENTAL SYSTEM

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38Degrees

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### **FOREWORD**

38 Degrees is a community of more than a million people. We come from all walks of life, and we live in every corner of the country, in homes of different shapes and sizes. Some of us own our homes, some of us rent. What unites us is the small actions we all take, which together make something much bigger: people powered change, as together we seek to make our country a fairer, more respectful and more sustainable place to live.

For renters across England, the housing system is neither fair nor respectful. In fact, the country's private rental market is broken. For the nearly one in five households made up of private renters, an unsafe and unfair system means a roll of the dice with every new tenancy. Meanwhile good landlords must watch as irresponsible ones bring their reputation into disrepute.

For these renters, the 2019 Conservative Manifesto promise of a Renters' Reform Bill felt like a lifeline. Yet four years later, little progress has been made, leaving renters suffering the consequences of empty and unfulfilled promises - and with an impending election in 2024, the clock is ticking on this vital pledge. That's why we launched our renters' reform campaign - to push for this legislation to be brought forward without delay and to ensure the legislation which emerges lives up to the promises made to renters. More than 38,000 people signed a 38 Degrees petition demanding the Government keep its promises to renters, while members of our community from up and down the country shared their stories of navigating a broken system.

Today we are publishing our new research, which shines a light on the number of Members of Parliament who are continuing to make money from our broken rental system. It shows MPs own properties collectively worth at least £1.67m a year in rent. On Thursday 4th May - as this very research was published in The Guardian - Michael Gove offered the first glimmer of hope for England's tenants, signalling that the bill might be on its way within a week [1].

Whilst we make no inherent criticism of those politicians who make money from renting property, we highlight their extra duty, to their tenants as well as their constituents, to bring forward reform without delay. With MPs almost four times more likely to be landlords than the rest of the population, and with five cabinet members and nearly one in five Conservative MPs earning rental income, we highlight the need for tenants' voices to be heard at the top of Government.

Renters across the country will be watching and waiting ahead of an election at which the 13 million of them have potential to be kingmakers. All MPs - but especially those whose tenants are counting on them to reform our broken system - must hold Gove to his word and ensure the Government delivers on this long overdue manifesto promise.

Matthew McGregor CEO, 38 Degrees



### INTRODUCTION

The need for rental reform could not be clearer. Renters speak of Section 21 'no fault' evictions "hanging over" them and of landlords threatening to end tenancies over repair requests, while 3.4 million privately rented homes fail to meet the Decent Homes Standard [2].

Even for those with comparatively positive experiences of renting, private landlords can still deny their tenants basic features of what makes a house a home, such as the right to keep a pet. The proposed Renters' Reform Bill offers clear and muchneeded solutions to these issues, through measures including:

- · An end to Section 21 evictions
- An ombudsman to enforce renters' rights
- A landlord register, showcasing responsible property owners and highlighting those who aren't doing their jobs properly
- More power for local authorities to take action against rogue landlords
- A ban on landlords refusing to rent to people claiming benefits [3]

The repeated delays to this bill, then, have meant extended suffering for millions of tenants. In April, the Government missed a 9th April deadline to respond to a DHLUC committee report on the bill - and with an election looming in 2024, it is crucial that the Bill face no further unjustifiable delays, if it is to make it through Parliament.

Against this background, 38 Degrees is launching this report into MPs' interests in the rental sector. Our analysis shows that landlords are over-represented in Parliament, with 15.5% of MPs claiming income from property that earns more than £10,000 a year in rent. Within the Conservative party, this is 19% - nearly one in five.

At a cautious estimate, £1.67m a year is made from rental properties in England that are owned, in whole or in part, by MPs. There is nothing wrong with holding property interest, and making money from the rental sector by no means equates to wrongdoing. We make no allegation that anyone highlighted in this report has misused their public position for private gain. But we do seek to expose the risk that the perspectives of those who profit from renting may be more prominent in Parliament than those of the tenants who remain at the mercy of this broken system.



### MPS CLAIMING RENTAL INCOME

Note: the methodology used to collate and analyse the data is outlined in the 'About this research' section below.

According to the Register of Members' Interests, 101 MPs declared rental properties of any type (including residential, commercial, farming and holiday properties) earning more than £10,000 annual rent in 2022/23 - 15.5% of Parliament [4]. This means people who claim rental income are significantly overrepresented in Parliament: by comparison, just 4% of the total UK population are landlords [5]. As a result, MPs are almost four times more likely to be landlords than the population as a whole.

Looking at England specifically, where the proposed bill would be implemented, and focusing on residential properties:

- 87 MPs declared rental income from residential English properties - a total of 167 properties once farming, commercial and holiday properties are excluded.
- Of these 87 MPs, 53 (61%) claimed rental income from one home and 34 (49%) from two or more properties.
- Of the 87 MPs who made money from residential properties in England, most (68) are Conservatives. 16 are Labour MPs, two are Liberal Democrats and one is a member of the SNP.

### MONEY MADE

Given that 167 English residential properties are declared on the Register of Members' Interests as making more than £10,000, we know that at least £1.67m a year is being made in rent from MP-owned homes in England.

In reality, the amount earned is likely to be higher, since many of the properties listed will earn more than £10,000 a year in rent. Indeed, there are good reasons to think many earn a lot more.

For example, 66 of the rental properties declared were in London - more than in any other English region. With a minimum of £10,000 a year rental income each, the total for these 66 was at least £660,000. But the latest ONS statistics suggest London's median monthly rent is £1,475pcm, or - £17,700 a year [6]. That's £7,700 higher than the £10,000 a year threshold for declaration. So if every London property listed earned the capital's median rent - instead of the minimum £10,000 - the estimated rent from MP-owned properties in the city would collectively be £508,200 a year more.

87 MPs earned rent from homes in England. A total of 167 properties making at least £1.67m a year rent from MP-owned homes.

#### **MONEY MADE**

That would make the 66 London properties alone worth over £1.16m, and bring the England-wide figure up to above £2.17m.

The second most common region for MP rentals was the South East, where MPs declared 35 properties. The median annual rent in the South East is £11,700. That's £1,700 a year over the £10,000 threshold. If each of these 35 properties also earned the average annual rent for their region, it would add another £59,500 to the collective annual rental income for these properties - bringing the England-wide figure over £2.2m [7].

Transparency on this issue is limited by the lack of detail on how much MPs earn from their rental interests. There is no way to know whether an MP-owned property earns £10,000 a year in rent or £100,000 a year - and therefore it is difficult to accurately estimate the scale of MP interests in the rental market. It is also the case that some MPs declare a part-share in property that makes over £10,000 a year in rent - and therefore may be personally claiming less than £10,000, but exact figures are not available.





## CURRENT AND FORMER MINISTERS' RENTAL INTERESTS

Five members of the current cabinet declared income from properties in England this year. This includes the Chancellor, Jeremy Hunt, who has seven apartments in Southampton, as well as Suella Braverman, Gillian Keegan, Alex Chalk and Lucy Frazer.

Former PM Boris Johnson, who pledged Renters' Reform in his 2019 manifesto, has also declared rental income on three properties. One member of the DLUHC Select Committee - which scrutinises the work of the Department - has also declared rental income: Conservative MP for Harrow East Bob Blackman, who holds six buy-to-let properties in Welwyn Garden City.

Three members of the current Shadow Cabinet also earn rental income: David Lammy, Emily Thornberry and Lucy Powell, who each declared income from one property.



19% (nearly one in 5)
Conservative MPs
are landlords

#### LIMITS TO TRANSPARENCY

In reality, the number of private landlords in Parliament is likely to be higher than outlined in this report. MPs are only required to declare rental income over £10,000. Meanwhile, the ONS estimates median monthly rent across England at £800 a month, or £9,600 a year [8]. Therefore, any MP charging a tenant the median national rent would not be required to declare it - severely limiting transparency on landlord interests in Parliament. Notably, the register of member's interests shows that 69 MPs declared property worth more than £100,000 a year with no declarable rent - some of these properties may have earned rent below the threshold.

There are also concerns about the accessibility of this information. The information in the Register of Members' Interest is not easily searchable, while individual MP declarations also vary widely in specificity and clarity. Clarity on MPs' rental interests should be available to all voters through easy searches, it should not take days to collate.

A landlord register - proposed in the Renters' Reform Bill - would not only professionalise the sector as a whole, it would increase transparency about lawmakers who earn money from private rentals.



### **TESTIMONIALS**

"No fault eviction is always hanging over you"

Testimony from 38 Degrees supporters further highlight the urgent need for reform. Their stories show why the bill is so important to ensure renters can request repairs without risking homelessness; to give families confidence that they won't be kicked out on a whim; and to guarantee that everyone has access to adequate housing, regardless of personal circumstance.



66

"My previous landlord of 13 years didn't want to replace my broken boiler. [She] left me without heating for over five weeks, when it was snowing. She threatened to sell the house if I didn't stop asking her to fix it. To get me out she raised the rent by £300 a month. It forced my mental health to crash: I had two kids under the age of five, one with autism."

- Tara Ince, Colchester

"No fault eviction is always hanging over you, our last house was put up for sale, we'd lived there nine years. The house went back on the rental market a year later and had been empty all that time. Agencies are charging up to six months rent as deposit and landlords are increasing rents two, maybe three times a year."

- Phil Geisler, Mid Bedfordshire

"I have rented for over 40yrs all over the UK. Most of these rentals have ended amicably, but I have also had bad landlords, a section 21, [and been] turned down for rentals due to being disabled, having young children, dogs, DSS, etc."

- Elizabeth Grimes, Southport



### CONCLUSION

After leaving renters waiting - and all too often suffering - for the last four years, the sign that the Renter's Reform Bill may be imminent is welcome news. However, the clock is ticking and now is the time for action: the Government must ensure it is brought forward without further delay.

Renters across the country are watching and waiting, as another election looms. With landlords over-represented in Parliament, it is vital that tenants' voices are not ignored at the top of Government. MPs who are landlords have an extra duty to see rental reform through the House in a robust state, and to exert pressure on ministers to keep to their word. Indeed, their duty is not just to their constituents, but to their tenants.

Ilt is important that these MPs avoid any suggestion that they don't take seriously the concerns of those experiencing the rental market from the other side, and that they preserve trust in our democracy by acting in the interests of both tenants and landlords. MPs must listen to the united voices of tenants, responsible landlords, experts, and the 38,952 members of the public who have signed 38 Degrees' petition petition demanding that rental reform promises be kept.

### **ABOUT THIS RESEARCH**

We searched the Register of Members Interests, as of April 17 2023, for all MPs who listed an interest in "land and property" - category 6 of the house registration requirements [8]. Under this category:

"Members must register, subject to the paragraphs below, any land or property in the UK or elsewhere which:

- i) has a value of more than £100,000; or forms part of a total property portfolio whose value exceeds £100,000; and/or ii) alone or together with other properties
- ii) alone or together with other properties owned by the Member, provides rental income of more than £10,000 in a calendar year."

Entries were analysed based on location, type and number of properties declared. As noted by Transparency International in a 2022 report on Parliamentarian's interests, detail on what and where MPs properties' are is "scant and inconsistent" [10]. Where property was explicitly listed as farming or business premises (including shops, dental practices, etc.) it was excluded from calculations of the number of residential rental properties. Properties explicitly described as holiday rentals were also excluded. However, where entries simply read "house" or "flat", these properties were assumed to be residential.

For consistency, we have considered in this report any properties that were owned by MPs within the last calendar year (17th April 2022-2023) - including any that were sold within that time frame. Whilst MPs are required to declare any interests received for 12 months after they expire, some MPs

have included in the current register properties sold more than 12 months ago. In the interests of fairness, we have not counted these properties in this report. This lack of clarity on registration rules again impedes transparency, making it harder for ordinary voters to understand the register.

Although reference has been made to the total number of MPs who declared rental income, this report primarily focuses on those who claimed rental income from residential properties in England, since it is these that would be affected by the delayed Renters' Reform Bill.

MPs are required to include property owned either by themselves or with a spouse or dependent child. Several MPs mentioned in their entries that rental income from their properties is paid to a spouse - for the purposes of this report, such income has been treated in the same way as other entries, since it forms part of that MP's household income.

MPs do not have to register any property which is used "wholly for their own personal residential purposes, or those of their spouse, partner or dependent children". This means it is possible that those who earn rental income could also themselves be tenants, renting the home that they live in.

The full data can be viewed here.

# FULL LIST OF MPS DECLARING ENGLISH RESIDENTIAL PROPERTIES GIVING RENTAL INCOME OF OVER £10,000 A YEAR

Name	Consituency	Number of properties declared	Region of rental property	Party
Atherton, Sarah	Wrexham	1	North West	Conservative
Bottomley, Sir Peter	Worthing West	1	London	Conservative
Braverman, Suella	Fareham	1	London	Conservative
Brown, Ms Lyn	West Ham	1	North West	Labour
Cadbury, Ruth	Brentford and Isleworth	1	London	Labour
Clark, Feryal	Enfield North	1	London	Labour
Collins, Damian	Folkestone and Hythe	1	London	Conservative
Costa, Alberto	South Leicestershire	1	London	Conservative
Coutinho, Claire	East Surrey	1	London	Conservative
Cox, Sir Geoffrey	Torridge and West Devon	1	London	Conservative
Davies, Geraint	Swansea West	1	London	Labour
Davies, Philip	Shipley	1	London	Conservative
Double, Steve	St Austell and Newquay	1	South West	Conservative
Drax, Richard	South Dorset	1	South West	Conservative
Duddridge, Sir James	Rochford and Southend East	1	London	Conservative
Edwards, Ruth	Rushcliffe	1	London	Conservative
Eshalomi, Florence	Vauxhall	1	London	Labour
Ford, Vicky	Chelmsford	1	East	Conservative
Fox, Dr Liam	North Somerset	1	London	Conservative
Frazer, Lucy	South East Cambridgeshire	1	London	Conservative
Garnier, Mark	Wyre Forest	1	South West	Conservative
Gibson, Peter	Darlington	1	Yorkshire and the Humber	Conservative
Grant, Mrs Helen	Maidstone and The Weald	1	South East	Conservative
Hillier, Dame Meg	Hackney South and Shoreditch	1	London	Labour
Hinds, Damian	East Hampshire	1	South East	Conservative
Hoare, Simon	North Dorset	1	South East	Conservative
Holloway, Adam	Gravesham	1	South East	Conservative
Javid, Sajid	Bromsgrove	1	London	Conservative
Keegan, Gillian	Chichester	1	London	Conservative
Lammy, Mr David	Tottenham	1	London	Labour
Lewis, Sir Julian	New Forest East	1	London	Conservative
Logan, Mark	Bolton North East	1	London	Conservative
Malhotra, Seema	Feltham and Heston	1	London	Labour
McCabe, Steve	Birmingham, Selly Oak	1	West Midlands	Labour
McCartney, Karl	Lincoln	1	East Midlands	Conservative
Murrison, Dr Andrew	South West Wiltshire	1	South West	Conservative
Neill, Sir Robert	Bromley and Chislehurst	1	London	Conservative
Nicolson, John	Ochil and South Perthshire	1	London	SNP
Powell, Lucy	Manchester Central	1	London	Labour
Pritchard, Mark	The Wrekin	1	London	Conservative
Robertson, Mr Laurence	Tewkesbury	1	London	Conservative
Russell-Moyle, Lloyd	Brighton, Kemptown	1	South East	Labour

Name	Consituency	Number of properties declared	Region of rental property	Party
Siddiq, Tulip	Hampstead and Kilburn	1	London	Labour
Thomas, Derek	St Ives	1	South West	Conservative
Thomas, Gareth	Harrow West	1	London	Labour
Thornberry, Emily	Islington South and Finsbury	1	South East	Labour
Throup, Maggie	Erewash	1	West Midlands	Conservative
Trevelyan, Anne-Marie	Berwick-upon-Tweed	1	London	Conservative
Villiers, Theresa	Chipping Barnet	1	London	Conservative
Watling, Giles	Clacton	1	East	Conservative
Western, Matt	Warwick and Leamington	1	South West	Labour
Whittingdale, Sir John	Maldon	1	London	Conservative
Wiggin, Sir Bill	North Herefordshire	1	London	Conservative
Ali, Rushanara	Bethnal Green and Bow)	2	London	Labour
Baron, Mr John	Basildon and Billericay	2	London	Conservative
Bhatti, Saqib	Meriden	2	West Midlands	Conservative
Chalk, Alex	Cheltenham	2	London; South West	Conservative
Dunne, Philip	Ludlow	2	London; unknown.	Conservative
Firth, Anna	Southend West	2	South East	Conservative
Freer, Mike	Finchley and Golders Green	2	London	Conservative
Grayling, Chris	Epsom and Ewell	2	London	Conservative
Hobhouse, Wera	Bath	2	North West	Liberal Democrat
Kruger, Danny	Devizes	2	South West; London	Conservative
Marson, Julie	Hertford and Stortford	2	South East	Conservative
Morgan, Helen	North Shropshire	2	South East; North West	Liberal Democrat
Morris, Anne Marie	Newton Abbot	2	London; South East	Conservative
Pow, Rebecca	Taunton Deane	2	South West	Conservative
Rees-Mogg, Mr Jacob	North East Somerset	2	South West; London	Conservative
Swayne, Sir Desmond	New Forest West	2	London	Conservative
Zahawi, Nadhim	Stratford-on-Avon	2	West Midlands; London	Conservative
Bristow, Paul	Peterborough	3	London	Conservative
Johnson, Boris	Uxbridge and South Ruislip	3	South West; London; South East	Conservative
Mayhew, Jerome	Broadland	3	East; London	Conservative
Smith, Julian	Skipton and Ripon	3	London	Conservative
Bruce, Fiona	Congleton	4	North West	Conservative
Butler, Rob	Aylesbury	4	South East	Conservative
Churchill, Jo	Bury St Edmunds	4	East Midlands	Conservative
Griffith, Andrew	Arundel and South Downs	4	London; South East	Conservative
Mackinlay, Craig	South Thanet	4	South East	Conservative
Adams, Nigel	Selby and Ainsty	5	Yorkshire and the Humber	Conservative
Clifton-Brown, Sir Geoffrey	The Cotswolds	5	London	Conservative
Dines, Miss Sarah	Derbyshire Dales	5	East; South East; London	Conservative
Gray, James	North Wiltshire	5	South West; South East	Conservative
Hollinrake, Kevin	Thirsk and Malton	5	Yorkshire and the Humber	Conservative
Blackman, Bob	Harrow East	6	South East	Conservative
Hunt, Jeremy	South West Surrey	7	South East	Conservative
	TTTM: 11001 Dulley	·	Yorkshire and the Humber	Conservative

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[7] See [6]

[8] See [6]

[9] Code of conduct for Members of Parliament - Registration of Members Financial Interests:

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