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London Minister Quits in Rent Rise Controversy

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Rushanara Ali has resigned as the UK Homelessness Minister following public and political pressure over her handling of a private rental property in east London. The resignation comes amid claims she acted against the spirit of legislation her department is introducing to protect tenants.

Ali, the Labour MP for Bethnal Green and Stepney, was criticised for ending her tenants' lease last year, only to re-list the property for rent at a significantly higher price a few months later. The move appeared to contradict the goals of the Renters' Rights Bill, which she had publicly supported. The bill, currently making its way through Parliament, would make such actions unlawful.

In a letter to Prime Minister Sir Keir Starmer, Ali insisted she had followed all legal requirements and had acted responsibly. "It is with a heavy heart that I offer you my resignation as a minister," she wrote. "I believe I took my responsibilities and duties seriously, and the facts demonstrate this. However, continuing in my role will be a distraction from the ambitious work of the government."

The situation was first reported by the *i* Paper, which revealed that in November 2024, Ali ended a fixed-term tenancy on a property she owns, giving the occupants four months' notice. After the tenants vacated the house, it was re-listed for rent at £700 more per month. At the time, the property had also been listed for sale, with an initial asking price of £914,995, later reduced due to a lack of buyer interest. According to a source close to Ali, the tenants had been offered the option to remain on a rolling contract while the house was on the market, but chose to leave.

Under the proposed Renters' Rights Bill, landlords would be prevented from re-letting a property within six months if a tenancy was ended for selling. The legislation will also require landlords to give four months' notice to tenants. Although not yet law, the Bill's content mirrors the circumstances surrounding Ali's property decision, creating a clear conflict with her ministerial role.

Campaigners and opposition figures quickly responded. The London Renters Union called Ali's actions "indefensible," while Tom Darling of the Renters' Reform Coalition said her resignation was "the right decision." He added, "Her position was completely untenable."

Conservative Party chairman Kevin Hollinrake also weighed in, saying: "It is right that Rushanara Ali has now quit the government following our calls for her to go. Keir Starmer promised a government of integrity but has instead presided over a government of hypocrisy and self-service."

A Liberal Democrat spokesperson echoed that sentiment, accusing Ali of misunderstanding her responsibilities and undermining Labour's message on tenant protection.

Ali becomes the sixth MP to leave Sir Keir Starmer's government, either over policy disagreements or following public allegations. While the resignation is not seen as a threat to the Labour majority, it is the latest in a series of events that reflect poorly on the government's promise of ethical leadership.