## Community Housing Cymru



# **In-depth Briefings**

# Renting Homes Wales Act 2016

## **Update on implementation**

## Background

The <u>Renting Homes (Wales) Act 2016</u> was enacted in response to increased numbers of people currently accessing the rented market in Wales and in an effort 'to make it simpler and easier to rent a home, replacing various complex pieces of legislation with one clear legal framework.' 1 Around a third of the population of Wales lives in rented accommodation. The changes proposed by the Renting Homes (Wales) Act will affect almost all of those people and their landlords.

#### Provisions of the Act

The Act will require landlords to issue a written statement of the occupation contract which clearly sets out the rights and responsibilities of landlords and those renting from them. To help landlords comply with this requirement, the Welsh Government will provide free model contracts, still to be consulted on. The contracts will contact a number of areas modelled on the model contracts. The written statement needs to set out all the terms of the contract.

#### • Key Matters:

The following are key matters in relation to all occupation contracts— (a) the dwelling, (b) the occupation date, (c) the amount of rent or other consideration, and (d) the rental periods.



#### Further key matters of standard contracts

The following are key matters in relation to standard contracts (in addition to those set out in section 26) -(a) whether the contract is periodic or made for a fixed term, (b) if it is made for a fixed term, the term for which it is made, and (c) if there are periods during which the contract-holder is not entitled to occupy the dwelling as a home, those periods (see sections 121 and 133).

#### • Fundamental Terms:

Part 2 of this Act establishes the concept of a "fundamental provision"; that is, a provision of this Act (generally a section) which is automatically included as a term of all occupation contracts, or of specified occupation contracts (and so forms part of the contract between a contract-holder and a landlord).

• Supplementary Terms:

Supplementary provisions will be set out in Regulations made by the Welsh Minister. These are automatically incorporated into occupation contracts to which they apply unless both landlord and contract-holder agree (no further constraints or requirements).

#### • Additional Terms:

Additional terms are terms agreed between landlord and contract-holder which are not fundamental or supplementary terms, or terms addressing key matters (section 28)

You can find detailed requirements of the Act in our<u>briefing</u> which summaries main provisions of the Act.

### Update:

This briefing aims to provide you with an update on progress towards implementation of the Renting Homes (Wales) Act 2016. Although implementation date is still unknown we continue to work with Welsh Government and other stakeholders to support the development of statutory instruments required in implementing the Act. An update from <u>Welsh Government</u> in the summer of 2018 indicated that the implementation date will not be before Spring 2019. As indicated in the letter to stakeholders the following consultations have been completed either with stakeholders or as full public consultations. Below we have highlighted our responses to the different consultations and where appropriate Welsh Government's response to the consultation.



- Regulations on information required in connection with deposit schemes; This prescribes the information that a landlord will have to give a contract holder when he or she has paid a deposit, under the Renting Homes Wales Act (2016). This very much mirrors the existing arrangements as set out in *The Housing (Tenancy Deposits) (Prescribed Information) Order 2007 – SI* 2007 – 797.
- <u>Regulations on the review of decisions to extend or terminate introductory</u> and prohibited conduct standard contracts;
- Regulations on determining fitness for habitation;
- Regulations on the safeguarding of property in an abandoned dwelling; and
- <u>Statutory guidance on temporary exclusions from supported</u> <u>accommodation.</u> You can find the Welsh Government summary of responses to the consultation <u>here</u>.
- Guidance on activities and Services within Programmes of Social Support- Welsh Government will not be providing guidance on this as evidence shows that there is on-going work with landlords already providing support to tenants.
- **Regulations Prescribe Persons Determining Rent Applications** those contracts that convert that already have a right to a rent tribunal set out in regulation- Where there is currently no rent review clause. If they currently have a right it stands. If the landlord wishes to increase rent the contract holder has a right to take it to the rent tribunal.

A schedule of the <u>implementation list</u> shows the update so far of all the areas that need to be carried out before the final implementation.

We are currently working on responses to the consultation on *the draft Renting Homes (Supported Standard Contracts) (Supplementary Provisions) (Wales) Regulations.* 

It is expected that this consultation will be followed by a consultation looking at the *Prescribed Written Statements of Contract (secure / periodic standard / short fixed term standard / fixed term standard / introductory / prohibited conduct standard / supported standard / hybrids*).

This will also include a consultation on the *Explanatory Information to be included in Written Statements.* 

Welsh Government has indicated that stakeholders will have 6 months lead in time to implementation of the Act to enable them to prepare and set up their systems.



To enable this process they plan on carrying out a major campaign on the Act. We are working with other stakeholders and a Communications sub-group of the main stakeholder group will develop a communications strategy to help disseminate information.

A training sub-group led by stakeholders on the implementation group is currently working on producing training material which can be used to inform on the Act.

We will ensure that any dates or progress is shared with you through new and existing channels (Yammer) and propose to run workshops to inform on the contracts once we have further information.

If you have any queries on the content of this briefing in the meantime please contact: Selina Moyo, Policy Officer on 029 2067 4807 or <u>selina-</u> <u>moyo@chcymru.org.uk</u>