

SL(6)134 - The Renting Homes (Model Written Statements of Contract) (Wales) Regulations 2022

Background and Purpose

These Model Written Statements Regulations prescribe three model written statements of occupation contract for use by landlords under the new framework established by the Renting Homes (Wales) Act 2016 (the 2016 Act).

The model written statements relate to three types of contract:

1. secure occupation contracts,
2. periodic standard occupation contracts, and
3. and fixed term standard contracts made for a term less than seven years.

The model written statements incorporate the terms that are applicable to each type of contract. The Explanatory Memorandum states that this is intended to encourage consistency in the way that written statements are drafted and provides written statements that are compliant with the legal requirements of the 2016 Act.

Landlords must provide contract-holders with written statements, though they do not have to use the model written statements.

Procedure

Negative.

The Regulations were made by the Welsh Ministers before they were laid before the Senedd. The Senedd can annul the Regulations within 40 days (excluding any days when the Senedd is: (i) dissolved, or (ii) in recess for more than four days) of the date they were laid before the Senedd.

Technical Scrutiny

The following two points are identified for reporting under Standing Order 21.2 in respect of this instrument.

1. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation

It is unclear where the model written statement of a fixed term standard occupation contract for a term of less than seven years (in Schedule 3) provides for the term of the contract to be set out in the written statement.



2. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation

We note the following drafting issues:

- (a) Schedule 2, term 47: the words “on that ground” have been unnecessarily repeated. The words are not repeated in section 157 of the 2016 Act (i.e. the section from which term 47 derives);
- (b) Schedule 3, term 10: the word “Repairs” is used in the heading to term 10 but not in the heading to section 98 of the 2016 Act (i.e. the section from which term 10 derives);
- (c) Schedule 3, term 39: all terms should be labelled F, F+ or S in order to help readers understand the status of term. However, term 39 is not labelled.

Merits Scrutiny

The following three points are identified for reporting under Standing Order 21.3 in respect of this instrument.

3. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd

We ask whether it would be helpful if the model written statement in Schedule 3:

- (a) set out a brief explanation or warning as to what happens at the end of the term (see, for example, the information included in section 184 of the 2016 Act);
- (b) warned readers that additional terms could include very important terms (for example, a landlord’s break clause that allows a landlord to end the contract before the end of the term).

4. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd

These Model Written Statements Regulations form part of a suite of regulations that implement the 2016 Act. We note the following reporting points raised by this committee in respect of some of those other regulations that implement the 2016 Act, and how those reporting points are inherited by these Model Written Statements Regulations.

Name of regulations	Reporting point	Knock-on effect on the Model Written Statements Regulations
The Renting Homes (Supplementary Provisions) (Wales) Regulations 2022	Where a contract-holder makes comments to the landlord as regards an inventory, the landlord must take certain steps. However,	The term relating to inventories is a new supplementary term. The model written statements in Schedules 2 and 3 to the Model Written Statements



	no timescale is given for the landlord to take those steps.	Regulations incorporate such new supplementary terms, therefore the issue regarding timescales is inherited by the Model Written Statements Regulations.
The Renting Homes (Explanatory Information for Written Statements of Occupation Contracts) (Wales) Regulations 2022	Lack of clarity in the wording relating to the period during which compensation is payable when a landlord fails to provide a written statement to a contract-holder.	The wording to be used in written statements is inherited by the Model Written Statement Regulations. Therefore, the lack of clarity is also inherited.
The Renting Homes (Explanatory Information for Written Statements of Occupation Contracts) (Wales) Regulations 2022	Lack of clarity as to the explanation of the need to comply with certain requirements before a landlord can give notice of termination to a contract-holder.	The explanation of the requirement to comply with those requirements is inherited by Schedule 2 to the Model Written Statement Regulations. Therefore, the lack of clarity is also inherited.

5. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd

The Explanatory Memorandum repeatedly refers to the Regulatory Impact Assessment carried out for the 2016 Act. Can the Welsh Government confirm whether that RIA (now 5 years old) is still a good basis for the ‘costs and benefits’ conclusions set out in the Explanatory Memorandum?

Welsh Government response

A Welsh Government response is required to points one, three and five.

Legal Advisers

Legislation, Justice and Constitution Committee

27 January 2022

