
**Local Government
and Housing Committee**

Jayne Bryant MS
Cabinet Secretary for Housing and Local Government
Welsh Government

25 October 2024

Dear Jayne,

Renters' Rights Bill LCM

You'll be aware that the Legislative Consent Memorandum (LCM) for the Renters' Rights Bill has been referred to the Local Government and Housing Committee for consideration. We initially considered the LCM at our meeting on 23 October and Members agreed that I should write to seek clarification on a number of issues.

We note that the main reason given in the LCM for making these changes using a UK Bill is expediency. However, we are aware that many of the provisions in the previous Renters (Reform) Bill, now replicated in this Bill, were introduced in advance of November 2023 and still have not been implemented due to the dissolution of Parliament. As we noted in our report on the previous LCM, relying on the UK Government and Parliament to progress a Bill, rather than bringing legislation within a timetable set by the Senedd, is a disadvantage of the LCM process. We are conscious that, should the Welsh Ministers have decided from the outset to bring forward a Senedd Bill to amend two Senedd Acts, then it could have done so sooner than this Bill. Given the significant delays in enacting the provisions in this Bill relevant to Wales, we would be grateful if you could explain why you believe expediency to be a valid reason for using the LCM approach.

We note that the LCM describes the changes to both the Renting Homes (Wales) Act 2016 and the Renting Homes (Wales) (Fees etc.) (Wales) Act 2019 as "*a discrete policy aim*". However, the Bill goes further than the rental discrimination provisions. Moreover, the rental discrimination provisions are far-reaching (e.g. impacting insurance and mortgages) and create a new criminal offence for landlords in Wales. We would be grateful if you could clarify your plans for implementation of the changes: will there be a grace period for landlords to ensure they do not contravene the new provisions? What steps will be taken to raise awareness of these changes e.g. through Rent Smart Wales etc?

We are aware that the position on sanctions and enforcement differs between England and Wales. Breaches in England will be a civil offence with a fine of up to £7,000. Breaches in Wales and Scotland will be subject to criminal sanctions. Please could you confirm whether Welsh Government intends to maintain its position that criminal enforcement is the preferred approach and, if so, why.

We would be grateful if you could provide further information on the data available regarding how many tenants are currently in Occupation Contracts that prevent them from claiming benefits or having children at the properties. Could you outline what practical difference would it make if these changes only applied to Occupation Contracts entered into after the Bill comes into force? We would also like to know whether the Welsh Government has undertaken any consultation on these changes in Wales.

Clause 46 would enable the Welsh Ministers, through regulations, to add to the groups of people protected from rental discrimination. It would be useful to know how the Welsh Government envisages using this power and the groups likely to be added. We note the consultation requirements on Welsh Ministers before making such regulations and that a Statutory Instrument containing such regulations will be made under the affirmative procedure. We also note that clause 47 grants similar regulation-making powers to the Secretary of State, but that an LCM has not been deemed as needed for this provision. Please could you explain why such a regulation-making power for the Secretary of State has been included, whether this been inserted into the Bill with the Welsh Government's consent and why the Welsh Government has not listed this clause as requiring consent. It would also be useful if you could provide examples of when it is envisaged that this power will be used and outline whether the same consultation requirements would apply.

Clause 70 makes amendments to Schedule 2 of the Housing Act 1996 which concerns housing complaints in the social rented sector. Social landlords must be members of a Government approved social landlord redress scheme, the only approved scheme currently being the Housing Ombudsman. We note that the Explanatory Notes to the Bill indicate that this provision does not apply to Wales and the LCM process is not engaged, however paragraph 33 of the LCM states that the Welsh Government's opinion is that consent is required for these changes. Paragraph 40 goes on to state:

"Despite the fact that applies to a dwelling in England, it is the view of the Welsh Government that the amendment to paragraph 10 of Schedule 2 to the Housing Act 1996 is not consequential on the new PRS landlord ombudsman service but is substantial because it applies in relation to a number of homes in Wales".

We find paragraph 40 to be confusing as it states that the change applies to dwellings in England but also that it applies to a number of homes in Wales. Please could you clarify the reasons for consent being sought, particularly as the Housing Ombudsman only deals with complaints about social housing in England.

Similarly, clause 29(2) provides the Secretary of State with powers to introduce regulations to amend legislation or the effect of private instruments so that they operate to comply with the changes to the assured tenancies system made by Part 1 Chapter 1 of the Bill, specifically in relation to a ground for possession in Schedule 2 to the Housing Act 1988. However, as acknowledged by paragraph 11(a) of the LCM, the assured tenancy regime is no longer applicable in Wales so it is unclear why this clause requires consent. Please could you clarify the reasons for consent being sought.

We note that the Bill contains some England only provisions which we considered as part of our work on the private rented sector.

The Bill includes some provisions in relation to pets, for example clause 10 grants a right to request permission to keep a pet, which a landlord cannot unreasonably refuse and that these will apply in England only. Given that we recently received evidence on this during our recent inquiry, please could you explain why similar measures were not included for Wales or if there is any intention to introduce those at a later stage.

The Bill would bring an end to 'no fault' evictions in England, subject to exceptions, using section 21 notices, while such evictions are possible in Wales with 6 months' notice under section 173 of the Renting Homes (Wales) Act 2016. As we stated in our recent report, we would not want tenants in Wales to be worse off than tenants in England. We would be grateful if you could therefore outline how the situation in Wales will differ from England if the Bill is passed and the Welsh Government's intentions for no fault evictions in light of these reforms for England.

We would be grateful for a response by 7 November to enable us to consider it at our meeting the following week and report by the deadline of 29 November.

I am copying this letter to the Chair of the Legislation, Justice and Constitution Committee.

Yours sincerely



John Griffiths MS

Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

Jayne Bryant AS/MS
Ysgrifennydd y Cabinet dros Lywodraeth Leol a Tai
Cabinet Secretary for Housing and Local Government



Llywodraeth Cymru
Welsh Government

John Griffiths MS
Chair of the Local Government and Housing Committee

SeneddHousing@senedd.wales

8 November 2024

Dear John

Renters' Rights' Bill Legislative Consent Motion

Thank you for your letter of 25 October seeking clarification on several issues related to the Legislative Consent Memorandum (LCM) I laid in relation the Renters' Rights Bill. I have addressed the questions in the order they were asked in your letter.

I believe expediency remains a valid reason for seeking to introduce these provisions in Wales through a UK Government Bill, as the current estimate is that this Bill will receive Royal Assent sometime next year. We could not introduce a Senedd Bill and achieve Royal Assent within the same period without having a serious impact on the current legislative programme. The other choice would be to wait for a legislative opportunity sometime in the future, most probably during the next term of Government, which would put tenants in Wales at a disadvantage compared to tenants in England and Scotland.

While the Renting Homes (Wales) Act 2016 only requires a period of 14 days for landlords to update contracts to reflect legislative changes, there will be some lead-in time before commencement of the relevant provisions in the Bill for landlords and agents to prepare. Landlords and agents will be informed of the new requirements through Rent Smart Wales communications.

It remains our view that criminal enforcement is the preferred approach as it reaffirms the gravity of the situation should a landlord behave in a discriminatory way. Rent Smart Wales must consider whether a person is "fit and proper" to hold a licence. Evidence of criminal behaviour, such as a criminal conviction, can potentially result in the removal of the

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

Gohebiaeth.Jayne.Bryant@llyw.cymru
Correspondence.Jayne.Bryant@gov.Wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

ability of a landlord or agent to be able to operate as a licensed person in Wales, which could have severe financial implications for their business which would go beyond a court-imposed fine.

We do not have data on current occupation contracts which may contain discriminatory clauses. The practical difference of only applying these provisions to new contracts would be that if these clauses exist in a contract currently, then those tenants could be subject to those discriminatory clauses for many years to come. This would be clearly unfair on those tenants who do not want to, or cannot, move out of their current property. We have not consulted on these changes.

Commencement of clause 46 will be kept under review as will the exercise of the power itself. This means that, in future, should we wish to exercise the power, we could bring in additional cohorts should there be evidence of discrimination which goes further than those currently identified in the Renters' Rights Bill.

Clause 47 grants the Secretary of State the same power as the Welsh Ministers in Clause 46, albeit only where provision would relate to reserved matters and fall outside the legislative competence of the Senedd. This power could only be exercised should a change be needed which falls outside of the legislative competence of the Senedd. We agree with its inclusion, but we are not seeking consent for clause 47 as the clause re-affirms that the Secretary of State can make provisions in relation to areas where the Welsh Government do not have devolved powers. If the Secretary of State wishes to use these powers, then they would have to consult with relevant stakeholders.

In relation to clause 70, there are a small number of English-based Registered Providers (RPs) who own and rent social housing stock in Wales, and the Housing Ombudsman can investigate complaints about social housing providers who operate across the Welsh border. The amendments relate to the devolved matter of housing, as far as they relate to RPs with housing stock in Wales and will affect tenants in Wales of such social housing. Whilst the amendments will have minor impact given the small number of England-based RPs with social housing stock in Wales, the amendments nonetheless relate to the devolved matter of housing.

In terms of clause 29(2), some housing legislation still cross-refers to legislation that links to the assured tenancy regime despite there currently being no assured tenancies in Wales following the implementation of Renting Homes. As an example, Schedule 12 of the Renting Homes (Wales) Act 2016 refers to various grounds under the Housing Act 1988 if the tenancy were an assured tenancy before the appointed day. A landlord may claim possession of a dwelling in relation to a converted contract which was an assured tenancy using any of the grounds referred to in paragraphs 28 and 29. These provisions remain unchanged by the Renters' Rights Bill (see paragraph 50 of Schedule 2).

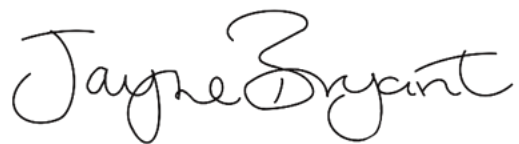
UK Government did not extend an invitation for inclusion in the provisions regarding pets. I would however draw your attention to the White Paper on securing a path towards Adequate Housing, including Fair Rents and Affordability, which contains our proposals to support people renting with pets.

We will keep a watching brief on how the changes to the assured tenancy regime in England develop. We have always been clear that it is far preferable for a tenant to be given a longer notice period if they are going to be evicted through no fault of their own. It should be noted that the Renters' Rights Bill still gives the landlords grounds to evict a tenant when they are not at fault, such as if a landlord wants to house a relative or sell the property. Some of the "no fault" grounds which this Bill allows for give extremely short notice periods, such as two-weeks' notice if the property is to be rented to students. As such, it

remains my belief that we have taken the right approach for tenants in Wales by providing extended notice periods through the Renting Homes (Wales) Act 2016.

I hope that this letter addresses your questions about the LCM.

Yours sincerely

A handwritten signature in black ink that reads "Jayne Bryant". The signature is written in a cursive, flowing style.

Jayne Bryant AS/MS

Ysgrifennydd y Cabinet dros Lywodraeth Leol a Tai
Cabinet Secretary for Housing and Local Government