

John Griffiths MS  
Chair of the Senedd Local Government and Housing Committee  
Welsh Parliament  
Cardiff Bay  
Cardiff  
CF99 1SN

27 January 2025

Dear John,

**Re: Two months compensation for tenants for receive a Section 173 possession notice**

As the UK's leading professional membership body for property agents, PropertyMark was delighted to provide both written and oral evidence to the Senedd Local Government and Housing Committee's Inquiry into the Private Rented Sector in Wales, which of course was part of the work of the committee that you chair. We were equally pleased that the Committee has published its recommendations which have now been considered by the Welsh Government.

Overall, I would like to congratulate you and the Committee's work on the inquiry, and we think the report includes recommendations that will improve fairness for letting agents, landlords and tenants as well as access to the private rented sector. We were particularly pleased to see that the Committee recommended that local authorities should keep a database to signpost older people and people with a disability into suitably adapted properties, when there is a short fall in social housing or when there is suitable private accommodation near their support networks.

However, I am concerned to learn that the Committee also recommended that tenants in receipt of a Section 173 possession notice, should be awarded two months final rent as compensation. This has been agreed by the Welsh Government and they will engage with stakeholders and report back with conclusions by the end of April 2025. We are concerned for two reasons:

- Firstly, the Renting Homes (Wales) Act 2016 already provides tenants with six months' notice for no-fault evictions, offering greater protection than the legislation in England when a tenant is given a possession notice in Wales.
- Secondly, introducing further financial penalties for landlords is counterproductive when they already face rising costs from tax increases, higher mortgage rates, and repair costs, risks restricting the supply of rental homes and driving up rents for tenants.

Boosting supply is the most effective way to stabilise rents and prevent further market distortions. Alternatively, the Welsh Government should improve supply by building more social homes and launching a review of all taxes relating to private landlords.

We have made representations to the Cabinet Secretary for Local Government and Housing outlining our concerns. However, I would also be grateful if you would consider meeting with representatives from Propertymark, to discuss the issue in more detail. This would be an excellent opportunity to not only discuss our concerns over this recommendation, but to also highlight how we could support the other recommendations and how we can support future work that your committee is considering. If you would like to take this opportunity forward, your office can liaise with Tim Thomas, Policy and Campaigns Officer at Propertymark via [timthomas@propertymark.co.uk](mailto:timthomas@propertymark.co.uk) [REDACTED]

I look forward to hearing from you.

Best wishes,



**Nathan Emerson MNAEA MARLA MNAEA(Comm.)**  
**Chief Executive Officer**  
**Propertymark**