

A Welsh Perspective: Rent Smart Wales

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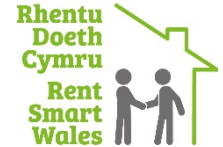
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Today

- ✓ **Housing (Wales) Act 2014**
- ✓ **Details of the legislation**
- ✓ **How administered and enforced**
- ✓ **Lessons learnt**
- ✓ **The future for Rent Smart Wales**



Rationale for change



- **Information is critical to developing strategic plans**
- **Limited information about the private rented sector**
WG Dwelling stock estimates (202,000). Otherwise limited data.
- **Key Housing Option but traditionally poor standards**
- **Often lack of knowledge & understanding**
Research shown that training has a significant impact on management practice; with comparative little resource required. Tenant awareness also powerful in improving expectations.
- **Landlord Accreditation Wales**



Introduction to Legislation

- Royal Assent in Sept '14
- Majority of Part 1 came into force 23rd Nov 2015
- Enforcement commenced on 23rd Nov 2016

All law can be read on-line at:

www.legislation.gov.uk



The screenshot displays the website [legislation.gov.uk](http://www.legislation.gov.uk), which is delivered by The National Archives. The page is for the **Housing (Wales) Act 2014** (2014 anaw 7). The main content area shows the title and a status message: "Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format." Below this is the Royal Coat of Arms of Wales and the title "Housing (Wales) Act 2014" followed by "2014 anaw 7". A summary of the Act is provided: "An Act of the National Assembly for Wales to provide for the regulation of private rented housing; to reform the law relating to homelessness; to provide for assessment of the accommodation needs of Gypsies and Travellers and to require local authorities to meet those needs; to make provision about the standards of housing provided by local authorities; to abolish housing revenue account subsidy; to allow fully mutual housing associations to grant assured tenancies; to make provision about council tax payable for empty dwellings; and for other housing purposes." The date "[17 September 2014]" is shown in the bottom right corner. The left sidebar contains navigation options such as "Table of Contents", "Content", "Explanatory Notes", and "More Resources".

How is this administered?

- WG designated a Licensing Authority to administer the system, under the brand name Rent Smart Wales
- Cardiff Council has the designation
- Cardiff maintains the register and administers and grants registrations and licences
- Landlords and agents have one application to cover them for whole country.
- Close partnership with 22 LAs. Captured in MOU

The Housing (Wales) Act Part 1

- Act introduced a legal requirement for all **landlords** to register themselves and their rental addresses
- **Landlords** and **agents** who act on their behalf who **let** and/or **manage** rental properties must become licensed
- Licensing based on training (no property inspection)
- Domestic Tenancy
 - Assured tenancy for purposes of the Housing Act 1988 (this will include Assured Shorthold Tenancies)
 - Regulated tenancy for the purposes of the Rent Act 1977

Rent Smart Wales Activity Levels

Landlords Registered

85,265

Properties Registered

173,636

Landlords Licensed

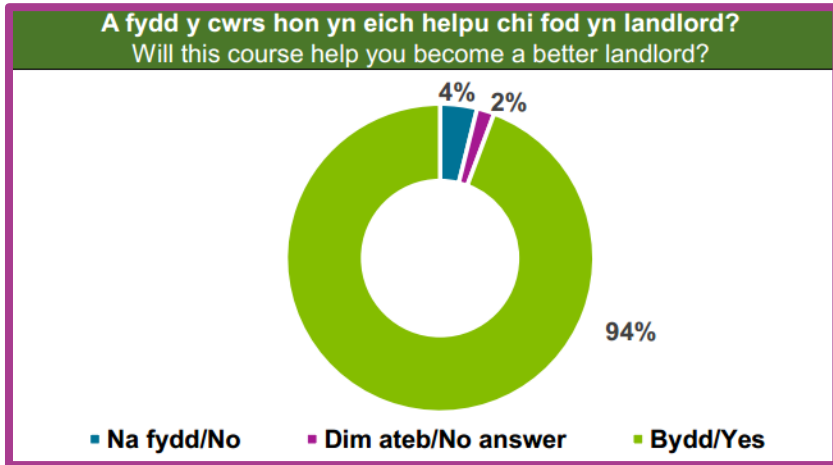
16,716

Agents Licensed

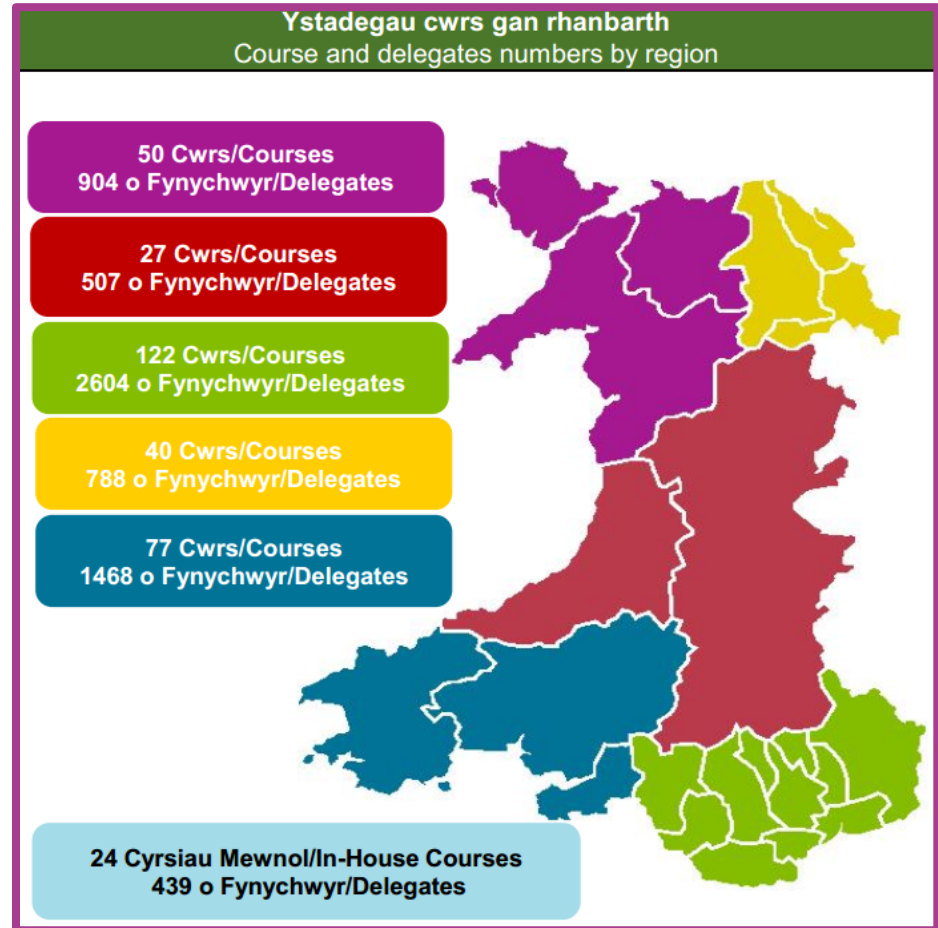
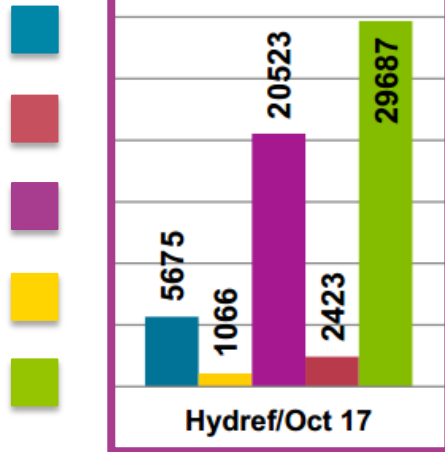
2,641

Year to date statistics as of the 31st October 2017

Rent Smart Wales Training Activity



- Online Landlord
- Online Agent
- Classroom Landlord
- Classroom Agent
- Total



Year to date statistics as of the 31st October 2017

Rent Smart Wales Enforcement Activity



Enforcement

- 159 FPNs Served
- 112 Paid
- 8 Successful prosecutions

Residential Property Tribunal Cases

- 4 Landlord licence applications refused
- 2 appealed and unsuccessful (RPT/0001/05/16 and RPT/0002/05/16)
- 4 further appeals - withdrawn

Lessons Learnt

- Most landlords dispute receiving their notice – reminder letter is key
- Most don't pay on time
- Landlords comply on receipt and then dispute payment.
- Payment plan requests

Year to date statistics as of the 31st October 2017



Overview of Requirements

Registration

Landlord Must:

- Provide correspondence info
 - Give address of all rental property
 - Pay a fee
 - Identify who does letting and management at each property
-
- Once registered:
 - Lasts 5 years;
 - Obligation to keep information up to date.

On-line process (including fee payment)

Simple, quick and automated

Register is not public; but tenants can verify landlords

Overview of Requirements

Licensing

Persons who 'let' or 'manage' rental property must apply for a licence.

Applicant must :

- Be fit and proper
- Undertake approved training
- Pay a fee

If licence granted:

- Conditions attached
- Lasts 5 years.
- Obligation to keep information up to date

'Letting' and 'managing' defined in the Act

Applicant could be landlord, commercial letting & management agent, family member

Either applicant or all staff of applicant doing letting and management work to be trained



Why registration?

Identifies private sector rented properties

Produces statistics to inform policy

Collects contact details (including e-mails and phone numbers)

Assists with information dissemination

Why licensing?

People dealing day to day with all rentals are fit & proper

Gives knowledge to those persons who need it

Makes people letting & managing accountable; including agents

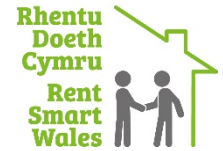
Unsuitable persons can not manage homes

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Llywodraeth Cymru
Welsh Government

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Code of Practice

**for Landlords and Agents
licensed under Part 1 of the
Housing (Wales) Act 2014**

October 2015

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**Produced by
Welsh Government**

- Legal requirements
- Best practice



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Licence Conditions for Agents

- Client money protection; professional indemnity insurance, membership of redress scheme
- Train staff (newly employed), within 3 months of starting
- Also general conditions re: notifying client landlords about registration; providing info on client landlords to RSW, etc



How is the system enforced?

- Marketing has encouraged most people to comply **but enforcement is being used for those who do not comply intentionally.**
- **What Enforcement Options are there?**
 - Prosecutions & Fixed Penalty Notices
 - Rent Stopping Orders
 - Rent Repayment Orders
 - Restriction on terminating tenancies (no s.21)
 - Revocation of a licence



[Home](#)[Check register](#)

Search the public register

[Landlord](#)

The law and how to comply

[Agents](#)

The law and how to comply

[Tenants](#)

Know your rights and obligations

[About](#)

Background to Rent Smart Wales

[Apply](#)

Start the process online

[Home](#) > [Check Register](#)

Check Register

The Housing (Wales) Act 2014 states in Schedule 1 what information must be provided about a registered landlord, property or licensed landlord or agent if a request is made to the Licensing Authority.

Use the search below to find out information on the public register.

Please note: this search and the results presented are on all property addresses within Wales which have a postal address. Therefore finding the address is no indication that the property is, or has even been, rented.

Not found what you were looking for?

If you are unable to find what you are looking for then please [contact us](#).

Enter an address or postcode of a rental property in Wales

Licence Application considerations: Fit and Proper

- Legal definition (s. **20 of the Act**)
 - Offences involving fraud or other dishonesty, violence, firearms or drugs, or offence in Sexual Offences Act 2003
 - Unlawful discrimination or harassment
 - Contravened any housing or landlord & tenant law
- Check against a **prosecution register**

**Purpose: a person who is not safe to “rent out”
has to appoint an Agent to act on their behalf.**

Promoting compliance: what more needs to be done?



- Marketing and Communication campaigns
- Respond to complaints / referrals swiftly and robustly
- Implement the MOU consistently across Wales
- Wrap RSW activity around routine inspection work at LA level
- Pursue those who have not complied robustly e.g. “seek and find” projects
- Make use of the powers we have to access data



Evaluation of the scheme... is it a success?



**WG undertaking continuous evaluation of the scheme.
First report available.**

- Operating as intended after year 1
- Awareness raising appears to be successful
- Funding concerns were raised particularly by LAs
- Further guidance on enforcement action requested by LAs
- Training well received
- RSW had the potential to improve standards in the PRS



Recap



- ✓ All landlords have to register & property manager must have a licence
- ✓ One licence covers the agent/landlord for any property in Wales;
- ✓ Sector has received considerable amount of training / info
- ✓ Enforcement and licence conditions are making a difference
- ✓ Information is supporting intervention at a local level
- ✓ **JOURNEY - NOT THERE YET!**





Time for Questions

Contact Us:

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