



## In-depth Briefings

# Renting Homes (Amendment) (Wales) Bill

**10 February 2020**

### 1. Purpose

The purpose of this briefing is to provide members with an on the day update on the Renting Homes (Amendment) (Wales) Bill, including changes proposed, plans for implementation, details of Community Housing Cymru's media response, and next steps

### 2. Context

Today, the Minister for Housing and Local Government has introduced the [Renting Homes \(Amendment\) \(Wales\) Bill](#). She has also [published a written statement](#) to accompany the Bill. The Minister will make an oral statement to the National Assembly for Wales on 11 February 2020, after which it will pass to an Assembly Committee who will begin scrutiny of the Bill.

The purpose of amendments to the [Renting Homes \(Wales\) Act 2016](#) contained in this Bill are to provide greater security for people who rent their homes in Wales, particularly those in the Private Rented Sector (PRS).

The Renting Homes (Wales) Act 2016 was designed by the Welsh Government "to make it simpler and easier to rent a home, replacing various complex pieces of legislation with one clear legal framework". The Act seeks to simplify the letting process and provide more transparency and flexibility. It affects all landlords in the public and private sector.

A CHC briefing which provides an overview of the Renting Homes (Wales) Act and implications for the sector, including a guide to key terms, is [available to read here](#).



### 3. Changes to the Act introduced in the Bill

The purpose of amendments in the newly introduced Bill are to **increase security of occupation** under standard occupation contracts. The stated aim of these amendments are to increase security of tenure in the PRS, where these contracts are primarily used.

However, the 2016 Act allows social landlords to use standard occupation contracts in certain circumstances, including starter and demoted tenancies, and in supported housing, and so there are some implications for Housing Associations.

The net effect of these changes will be to double the length of time before a landlord can obtain possession at the beginning of a periodic standard contract from six months to one year – as long as the contract holder does not breach the terms of the contract. It will also ensure that, thereafter, in the event of a section 173 (which allows a property owner to seek possession of a property without a breach of contract) notice being served, contract-holders will have six months, rather than two, to find and move to a new home.

The Bill proposes amending the 2016 Act to:

- extend the minimum notice period for a notice given under section 173 (equivalent to section 21 of the Housing Act 1998, and applies to periodic standard contracts) from two months to six months
- restrict the issuing of a section 173 notice until six months after the occupation date of the contract (the 2016 Act sets this at four months), effectively creating a minimum of 12 months' security of tenure
- remove a landlord's ability to serve a section 173 notice until six months after the expiry of any previous section 173 notice which the landlord has served
- remove a landlord's ability to issue a notice during the term of a fixed term standard contract to end the contract at the expiry of the fixed term. This would mean that a periodic standard contract would automatically arise at the end of a fixed term, and a landlord who wishes to remove a contract-holder who remains in occupation at the end of the fixed term will be required to serve a section 173 notice.
- prevent the inclusion of landlord break clauses in fixed term standard contracts of less than 24 months, and prevent the activation of any break clause until at least month 18 of a fixed term contract, as well as setting the notice period under a landlord's break clause at six months



- provide a power for Welsh Ministers to make regulations which include a term to exclude a contract-holder from the dwelling for specified period under a periodic or fixed term standard contract for specific contracts.

#### 4. Implementation

The Welsh Government intends to implement the Renting Homes (Wales) Act by the end of this Assembly (May 2021). This is an ambitious timescale, and there are a significant number of past consultations on the Act's implementation which the Welsh Government is yet to respond to.

The Minister for Housing and Local Government has made clear she expects the new Bill to pass, and so the position of no fault evictions strengthened, ahead of the Act's implementation. We understand from Welsh Government they expect this Bill to be passed by the end of 2020.

#### 5. CHC's media response

The [Welsh Government's press release](#) focuses on the PRS. We have developed a responsive public media line in response to the announcement.

*“Housing associations exist to provide safe, secure and affordable homes and their priority is to work with tenants to keep them in their homes. Since 2006 the number of possession claims has halved and we are committed to ending evictions into homelessness from social housing.*

*To do this we need better funded and coordinated services across local government, charities and health to support people to stay in their homes.”*

As always, if you are approached by the media, let our Media Officer, Catrin Harries, know if you need any support.

[catrin-harries@chcymru.org.uk](mailto:catrin-harries@chcymru.org.uk)  
07960 766557

#### 6. Next Steps

The Bill will now pass to an Assembly Committee for scrutiny. We will work on behalf of the sector to prevent evidence and seek opportunities to mitigate the impact of the changes on Housing Associations.



We continue to work closely with Welsh Government to contribute to the detail of delivering the Act in practice to build a tenancy system fit for purpose for Housing Associations. Work being undertaken by the Ending Evictions into Homelessness working group will also inform delivery of the Act.

We will also continue to make the case for wider reform of the repossession system, including law and the efficiency of the courts system.

## **7. Contact**

For further information on the policy and practice implications of the Renting Homes (Wales) Act 2016 or the newly introduced Renting Homes (Amendment) (Wales) Bill, please contact:

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Please note, Will is on leave until mid-February 2020. In the interim please contact:

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