

RHA 10

Bil Rhentu Cartrefi (Diwygio) (Cymru)

Renting Homes (Amendment) (Wales) Bill

Ymateb gan: Cymdeithas Llywodraeth Leol Cymru

Response from: Welsh Local Government Association



The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales, and the three national park authorities, the three fire and rescue authorities are associate members.

The WLGA is a politically led cross-party organisation, with the leaders from all local authorities determining policy through the Executive Board and the wider WLGA Council. The WLGA also appoints senior members as Spokespersons and Deputy Spokespersons to provide a national lead on policy matters on behalf of local government.

The WLGA works closely with and is often advised by professional advisors and professional associations from local government, however, the WLGA is the representative body for local government and provides the collective, political voice of local government in Wales.

This submission is framed around the Committee's terms of reference: -

- **the general principles of the Renting Homes (Amendment) (Wales) Bill and the need for legislation to deliver the stated policy intention.**

WLGA are supportive of the general principles of the Bill, and agree that legislation is required to deliver the policy objectives.

Landlord's notice: minimum notice periods

Extending the minimum notice period for a section 173 under the 2016 Act from two months to six months will provide greater security to PRS contract-holders, as this

will give them more time to find suitable alternative accommodation. The current notice period of two months often does not give tenants enough time to find suitable accommodation within their chosen area (for example, to stay close to family or to reduce disruption to children's education), and leads to contract-holders having to "take what's available" even if it is not ideal.

Housing Options teams are likely have more time to find suitable accommodation for households presenting as at risk of homelessness due to having received a Section 173 notice. This is likely to improve the ability to prevent homelessness in some circumstances.

When landlord's notice may be given

Extending the restriction on giving notice from four months to six months after the occupation date of the periodic standard contract will have the effect of providing greater security to PRS contract holders. This is likely to make the PRS more attractive to prospective tenants ,therefore, increasing potential housing options for those in housing need and reducing pressure on the scarce supply of social housing in many areas.

Giving and withdrawing landlord's notice

The restrictions on the circumstances where landlords are able to give notice will have the effect of increasing security of tenure within the PRS, and will add to the perception of the PRS being an attractive and viable choice for households in housing need. These provisions also support a more equitable and balanced approach to contract holders in different housing sectors.

- **any potential barriers to the implementation of the Bill's provisions**

The capacity of the Court Service in Wales has been highlighted by a number of stakeholders as a possible barrier to the successful implementation of the Bill's provision and achievement of the overall policy objectives. As a partial response to these concerns, Welsh Government colleagues have identified the voluntary move by social landlords to a position of "no evictions into homelessness" as a way of significantly reducing the use of possession proceeding by social landlords which will have the effect of reducing pressure on Court Service resources. While we are in agreement with the overall principle of avoiding the situation where social landlords have no option but to take action which results in a household becoming homeless, the implementation of such an approach is at an early stage. It may take some time for this to be successfully implemented, and discussions about the additional

resources required to support success, e.g. through additional services commissioned via Housing Support Grant, have yet to be meaningfully advanced.

- **the appropriateness of the powers in the Bill for Welsh Ministers to make subordinate legislation** (as set out in Chapter 5 of Part 1 of the Explanatory Memorandum).

The provisions within the Bill for Welsh Ministers to bring forward regulations appear to be appropriate, given the need to ensure enough flexibility to respond to changing and emerging housing practices.

- **whether there are any unintended consequences arising from the Bill**

The provisions with the Bill will make the PRS a more attractive option for prospective tenants, and will make it easier for Housing Options teams to promote the PRS as a sustainable and secure option, and as a viable and genuine alternative to social housing.

However, it is possible that some PRS landlords may be more reluctant to rent their properties to vulnerable people who are on low incomes, therefore reducing housing options in some areas.

In addition if, as a consequence of the provisions of the Bill, some PRS landlords chose to leave the market, or not enter it in the first place, this could have the unintended effect of reducing the overall stock of housing available to vulnerable households.

The impact on the use of Introductory Tenancies by Community Landlords is rightly identified within the Explanatory Memorandum and this will have an impact on local authorities by reducing the perceived effectiveness of Introductory Tenancies, however, we are in agreement with the overall principle that social housing settings should be no less secure than those in the private rented sector. It is not the current practice of Local Authority landlords to utilise Section 21.

- **the financial implications of the Bill**

We broadly agree with the financial implications for local authorities as set out in Part 2 of the Explanatory Memorandum in respect of their roles in relation to housing advice and homelessness prevention and their role as community landlords.

However, we would highlight that the cost savings identified for local authorities' homelessness functions identified is minimal, at less than 1% of total costs. The additional costs for familiarisation are likely to exceed the identified annual savings.