

Renting Homes (Amendment) (Wales) Bill – survey analysis

26 March 2019

The Equality, Local Government and Communities Committee is scrutinising the Renting Homes (Amendment) (Wales) Bill. As part of its Stage 1 scrutiny of the Bill, the Committee conducted a survey, aimed at landlords. The views of tenants were gathered via focus groups. A note highlighting the key themes which emerged from the focus groups is available.

Survey promotion and analysis

The aim of the survey was to hear from landlords. The survey was promoted extensively through a variety of channels:-

- Through the networks of key stakeholders including landlord forums;
- On the National Assembly for Wales' website and social media platforms. This included focused advertisements which allowed us to target landlords in areas where we tend to get a lower response rate;

To compile this summary, an in-depth analysis of a complete data set was conducted; all data can be sourced to individual responses and further analysis can be undertaken upon request. Each question in the survey is addressed in turn.

Results are calculated from the number of respondents who answered the specific question and not the overall number of respondents to the survey. There were **304 responses** in total.



1. Which of the following applies to you?

77.6% of respondents to this question were private landlords. **1.0%** were social landlords, whilst **9.9%** were letting agents. **11.5%** were neither a landlord nor a letting agent.

2. What type of tenants do you typically rent to? (Select all that are applicable)

65.3% of respondents to this question selected 'Families', with **48.7%** selecting 'Single people'. **29.8%** of respondents to this question selected 'Households claiming benefits', whilst **25.3%** selected 'Students'. For the **10.6%** of respondents to this question who selected 'Other (please specify)', couples and professionals were the most common answers given.

3. In the last two years, have you evicted a tenant from a property?

68.3% of respondents to this question selected 'No', with **29.4%** selecting 'Yes'. **2.3%** of respondents to this question preferred not to answer.

4. Section 21 of the Housing Act 1988 provides that landlords are able to evict assured shorthold tenants following a two-month notice period, without needing to give a reason.

In the last two years, have you issued a Section 21 notice?

84.6% of respondents to this question answered 'Yes', with **15.4%** selecting 'No'.

5. What were your reason(s) for issuing a Section 21 notice? (Select all that are applicable).

'Non-payment of rent' (**80.3%**) was the answer most often selected by respondents in response to this question. This was followed by 'Anti-social behaviour' (**43.9%**) and 'Damage to the property' (**40.9%**).

31.8% selected 'In order to sell the property' with **19.7%** selecting 'In order to carry out work to the property which required vacant possession'. **10.6%** of respondents selected 'To allow someone else to move into the property.' For the **13.6%** of respondents who selected 'Other (please

specify)', the following were some of the more common answers given (please note that the following is a sample of all responses received. All responses are available on request.):-

- *When the landlord(s) needed to occupy the property themselves.*
- *For re-occupation by a member of the clergy.*
- *Tenant was in an annex to our house and through ill health we need to down size, so we have to sell to down size.*

6. Have you taken possession of a property over the last two years using another approach?

68% selected 'No', with 32.1% selecting 'Yes'.

7. What approach did you take?

For those who selected 'Yes' to the previous question, the majority of respondents issued a Section 8 notice.

8. Why did you take that approach?

The majority of responses to this question focused on rent arrears.

"Tenants hadn't paid rent"

"Non payment of universal credit to landlord. Tenants spent the money!"

"Non payment of rent out of pocket by £5,000"

"Frequent arrears, anti-social behaviour, neighbour complaints"

9. Did you experience any challenges in taking possession of the property?

56.5% selected 'Yes' in response to this question, with 39.1% selecting 'No'. 4.4% of respondents to this question opted not to answer.

10. What were those challenges? (Select all that are applicable)

Tenant(s) refusing to leave the property without a court order (92.3%) was the option most often selected by respondents to this

question. **84.6%** of respondents selected 'The cost of the court procedure', with **61.5%** selecting 'Court delays'.

46.2% of respondents to this question selected 'Bailiff delays', with **46.2%** selecting 'The need to pay for legal advice'. For the **38.5%** of respondents who selected 'Other (please specify)', answers primarily focused on the tenants' refusal to leave the property:

"The tenant refused to leave the property IN SPITE of the court order. Once a tenant is at this point of no return it is much more likely that the tenant will dig in because they have NOTHING LEFT TO LOSE and this forces the landlord into further and further debt. We need a system which allows us to manage a process together through friendly communication and with a reasonable short dead line date by which we must have brought the arrears to a manageable amount (i.e. 2 months section 21 - or a similar system) which I use regularly for my tenants with low income, universal credit glitches, alcohol difficulties, job losses, periods of sickness. If that type of option is removed we have no choice but to go directly to Section 8 & court proceedings which will cause many more evictions and many more people with CCJs & bad credit scores thus disabling them from getting any new tenancy."

11. Section 173 of the Renting Homes (Wales) Act 2016 is similar to Section 21, in that it retains a landlord's ability to evict tenants following a two-month notice period, without needing to give a reason. The Welsh Government proposes extending this notice period under the 2016 Act to six months. To what extent do you agree or disagree with this proposal?

80.6% of respondents to this question disagreed or strongly disagreed with this proposal. **10.5%** of respondents agreed or strongly agreed with this proposal. **7.7%** of respondents neither agreed nor disagreed with this proposal with **1.2%** selecting 'Don't know'.

12. What are the reasons for your answer?

For those who responded to this question, here are the main issues which arose:-

6 months is too long

"A lot of damage can be done in 6 months. Revengeful damage that is."

"A landlord with bad tenants has to put up with difficulties for too long - in my case it would be bad for my health."

"An extension of the notice period required will place landlords in the position of, on occasions, watching their property be destroyed or build up unpayable debts without recourse for a total of 12 months. Most landlords welcome responsible reasonable tenants and work with their tenants to ensure successful and long term tenancies. The ability to give notice to quit as a resource without offering a reason is an unfrontational way of resolving issues which will often be clear to all parties. To go to court to claim possession and evict us not an easy or cheap process to navigate. Landlords need to be appreciated for providing accommodation rather than reviled and punished."

Selling their property

"My choice to sell if required."

"If u r the landlord and you need to sell the house cause you need the money then you should be able to if its your house."

"It leaves all the power with the tenant and too much risk for a single property landlord like myself. I will be selling my property and take the hit to invest in a holiday let instead. Less satisfaction than a personally well run rental property, but I can't take the risk."

Increasing amount of legislation favouring tenants

"Too much legislation in favour of tenant will force landlords to think twice about letting property. Not all landlords are ogres who treat tenants poorly, this is just a small minority. Most landlords go through all proper procedures etc to ensure tenants are looked after which costs them. Will find landlords looking to sell off private rental property as too much hassle for them."

"I believe that the Landlord should have greater rights with their property. I understand the tenants need to be safe and secure in their home but all the legislation coming in seems to

favour the tenants and take more rights away from landlords. I think there will be less and less private landlords in future."

"Tenants rights are outweighin landlord rights. They can get away with unpaid rents and damage. Need a fairer playing field."

Change of landlord's circumstances

"The landlord may need the property back before then. Landlords circumstances change."

2 months is reasonable

"2 months is an acceptable time. I have previously had to evict a tenant who would not give access to the property for repairs. If this was in place for 6 months the house would be severely damaged."

13. Under the 2016 Act, a landlord is prevented from issuing a Section 173 notice within the first 4 months of a new occupation contract, starting with the date the contract-holder is allowed to occupy the dwelling. The Welsh Government propose extending this period from 4 months to 6 months. This, along with an extended notice period of 6 months, would mean that contract-holders who have started a new contract will have the security of staying in their home for at least 12 months, providing there is no breach of contract.

To what extent do you agree or disagree with this proposal?

75.2% of respondents to this question disagreed or strongly disagreed with this proposal. **12.4%** of respondents agreed or strongly agreed with this proposal. **12.4%** neither agreed nor disagreed with this proposal or selected 'Don't know'.

14. What are the reasons for your answer?

For those that answered this question, here are the main issues which arose:-

Bad tenants

"Even if there is a breach of contract by extending the period you are simply allowing bad tenants to stay in a property without paying rent. You risk destabilising the whole renting market."

"I would never seek possession against a good tenant. It will give bad tenants even more rights."

"If a tenant misbehaved what protection do landlords have and landlords circumstances may change needing house back."

"I know far more bad tenants than landlords. I should have control over my asset not government or tenant. Both type of tenancies could remain available, a tenant can then chose not to rent if they do not like section 21."

"Loss of power if tenant abuses the tenancy. I will switch from tenancies to people on benefits or Airbnb."

No rights for landlords

"Tenants have more rights than landlords"

"What rights do the landlords have? If they are behind on their rent but pay a contribution towards it 0 they can't be evicted for a year? Again I had a tenant who would pay £1 a month so I couldn't serve notice."

"Again you wish to give all the powers to the tenants. It's hard enough already finding stable tenants that respect the property and the fact you have to pay your way in life."

15. The Welsh Government also propose placing a 6 month restriction on issuing a notice following the expiry of a previous notice.

To what extent do you agree or disagree with this proposal?

73.9% of respondents to this question disagreed or strongly disagreed with this proposal. **7.7%** agreed or strongly agreed with this proposal, whilst **18.5%** neither agreed nor disagreed with this proposal, or selected 'Don't know'.

16. What are the reasons for your answer?

For those who answered this question, here are the main issues which arose:-

Legislation favouring tenants over landlords

"My answer remains the same. I strongly feel the legislation is always geared to the tenant and no support for the landlords."

"The government does not support the landlord."

"Again loaded for the tenant."

"It is our property and we should be allowed to decide who stays in it. Tenants have plenty of help already."

"The tenant will rarely exit the Tenancy after the 2 months' notice. In fact, if they are treated as "voluntarily homeless" by the Local Authority and not entitled to accommodation. Thus, invariably the Landlord has to go through a Court Procedure and Bailiffs to regain the property. This can take nearly 6 months which is in addition to the 2 months' notice. This increases the rent arrears and gives the Tenant an inordinate amount of time to continue trashing the property. Leaving the Landlord with several thousands pounds in rent arrears and costing several thousands of pound to remediate the property. The Tenant will generally have no assets from which I could claim my losses. Increasing the notice to 6 months gives the tenant at least 12 months before notice is served and then another 6 months for me to regain the Tenancy. I am minded to issue Section 21 Notices to all my tenants now and then sell the properties."

**17. In what way will the proposed changes affect you?
(Select all that are applicable)**

77.8% of respondents to this question said that it would be more difficult to remove an unsuitable tenant. **60.4%** of respondents said they would be more selective when choosing tenants, whilst **54.2%** of respondents said they would consider selling their property.

40% of respondents said it would be more difficult to sell the property whilst **33.8%** said that it would be more challenging to make changes to the property. **6.2%** of respondents said that the proposed changes would not affect them in any way. For the **28.4%** of respondents who selected 'Other (please specify)' some of the most common themes that emerged were:-

"I would not let tenants on benefits and consider Airbnb"

"I am likely to move into the holiday let business, thus removing the property from the domestic rental market."

"Holiday letting will enable possession when it suits my needs."

"I will consider moving to holiday letting. I will not be as tolerant of rent arrears of personal difficulties the tenants may have."

"As a responsible landlord who complies with all new legislation I'm sick to death of being penalised. Spend time and money rooting out unlicensed landlords rather than loading good ones with more bureaucracy."

"I am concerned that I will not be able to reclaim my home for my own use if needed in an emergency."

Demographic of survey respondents

Location

54.8% of respondents identified as being from South Wales, with **10.6%** coming from Mid and West Wales and **29.1%** from North Wales. **5.5%** of respondents were from outside Wales.