

COMMUNITY SCRUTINY COMMITTEE

29TH SEPTEMBER 2016

National Licensing of Landlords and Agents

To consider and comment on the following issues:

- Progress made in relation to national licensing of landlords and agents.

Reasons:

- Welsh Government designated Cardiff Council as the Licensing Authority for the whole of Wales in 2015. However, they will depend on the support of each local authority to deliver and enforce the scheme effectively in their own areas.
- Carmarthenshire has taken a proactive approach in terms of engaging with landlords who let properties in the County about their responsibilities.
- The Community Scrutiny Committee was informed in the meeting held on 20th June 2016 of Carmarthenshire's approach with regard to national registration and licensing of landlords in Wales.
- It was agreed, at that time, that members of the Community Scrutiny Committee are regularly informed of progress on how Carmarthenshire compares nationally on the number of landlords and agents licensed and registered.

To be referred to the Executive Board for decision: NO

Executive Board Member Portfolio Holder: Cllr. Linda Evans (Housing)

Directorate: Communities	Designations:	Tel Nos. / E-Mail Addresses:
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EXECUTIVE SUMMARY

COMMUNITY SCRUTINY COMMITTEE 29TH SEPTEMBER, 2016

National Licensing of Landlords and Agents

The Housing (Wales) Act 2014 requires landlords and agents to register and obtain a licence if they own or manage private rented properties. There are two parts to obtaining a licence. A landlord or agent is firstly required to register and then complete an approved training course.

The costs to register and licence are as follows:

- Landlord registration - £33.50.
- Landlord licence- £144.00.
- Agents licence will depend on the size of their portfolio.

From 23rd November 2015 the new registration and licensing provisions came into force. However, landlords and agents have been given a grace period of up to 23rd of November 2016 to comply. The registration and licensing process is administered by Cardiff City Council who have set up a new organisation with the support of Welsh Government called Rent Smart Wales (RSW).

After the 23 November 2016 it will be an offence for a landlord to rent out a property without being registered and licensed. It will also be an offence for agents to manage rented properties on behalf of landlords if they haven't obtained a licence.

The role of Council will be:

- To review the private rented stock within their areas on a regular basis.
- To provide information to RSW where they take on prosecutions for non-compliance.
- To serve fixed penalty notices on landlords and agents.
- To undertake local promotion.

The Housing Options and Advice Team have a designated officer that will deal with RSW and all the functions that that entails.

After the 23rd of November we will actively pursue landlords and agents that have failed to register or licence. Where we identify landlords and agents that aren't registered or licensed, we will issue fixed penalty notices as appropriate. Persistent non-compliance will be dealt with by RSW. We will work with our council tax/ housing benefit departments and RSW to identify these landlords by cross referencing details that we have and a national database of landlords.

Where fixed penalty notices are served we will receive that income. Each fixed penalty notice will carry a fee of £150 and in some cases £200. Likewise, where the Council assists RSW with their functions we will be able to recharge them for the time invested.

Carmarthenshire have engaged with landlords through a range of promotional activity on a local level to encourage landlords and agents to register and obtain a license with RSW. This is reflective in the numbers that RSW have recently reported back to us, which are as follows:

- **43% (1538)** of known landlords in Carmarthenshire have become registered/ licensed so far compared to 35% nationally.
- **4% (158)** of known landlords in Carmarthenshire have recently started the application process
- **48.6% (4536)** of all known private rented dwellings in Carmarthenshire have been registered
- There is no local information available yet on the number of letting agents that have been licensed
- No landlords or agents in Carmarthenshire, to date, have been refused a licence.

Early indication shows that Carmarthenshire has the highest percentage of landlords registered/ licensed of all 22 authorities in Wales as well as the highest percentage of known private rented dwellings registered.

We will continue to promote the scheme up until and beyond the 23 November 2016 to ensure that every landlord has an opportunity to register and licence with RSW. After the 23 November 2016, the Council will take action against landlords that have failed to comply. Future reports will also include:

- Number of fixed penalty notice served
- Number of landlords prosecuted

As part of obtaining a licence a landlord has to successfully undertake an approved training course. Carmarthenshire is the first and only authority to date to have developed a landlord training programme in line with the RSW syllabus. To date we have trained 65 landlords. A further 8 courses have been arranged up to the end of October 2016. All landlords trained have passed the examination and have received their certificate to become licensed with RSW. We have also delivered 2 training events for Ceredigion County Council resulting in additional income. Feedback from landlords has been positive.

An online course is also being developed at a cost of £30-35 per delegate. Some landlords have indicated that they do not have the time to attend a full day training seminar. An online course will encourage more landlords to become trained.

DETAILED REPORT ATTACHED?

NO

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report.

Signed: **Robin Staines** Head of Housing & Public Protection

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	NONE	YES	YES	NONE

1. Policy, Crime & Disorder and Equalities

There are no crime or disorder issues. However, there are policy and equality matters which are as follows:

- All literature and training materials have been translated and in line with the Welsh language policy.
- The course venues have all been assessed and are suitable for persons with disabilities.

2. Legal

- Legal services have been consulted in relation to the terms and conditions of the Memorandum of Understanding between the Council and RSW.

3. Finance

- The Council has received £13K in 2015/16 funding from Welsh Government to mitigate the initial impact of the scheme. This funding was primarily used to develop a marketing and publicity campaign.
- For 2016/17 the council has been awarded £29K to deliver activities relating to RSW. This will extend to £35K in future years. This funding has been used to recruit an additional staff member to assist in the delivery of the scheme locally.
- The income generated from the training courses, the fixed penalty notices and the recharging for additional activities will ensure that current income targets are maintained.

5. Risk Management Issues

- Officers delivering the training programme have adequate professional indemnity through the Council's insurance provider.

6. Staffing Implications

- The new duties and responsibilities have required the employment of an additional staff member.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below:

Signed: **Robin Staines** **Head of Housing & Public Protection**

1. Local Member(s) – Members of the Community Scrutiny Committee will be consulted as part of this report.

2. Community / Town Council – N/A

3. Relevant Partners – Welsh Government undertook a national consultation exercise involving landlord and agents and other key stakeholders.

4. Staff Side Representatives and other Organisations – N/A

Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW:

Title of Document	File Ref No. / Locations that the papers are available for public inspection
Housing (Wales) Act 2014	Cymraeg http://gov.wales/topics/housing-and-regeneration/legislation/housing-act/?skip=1&lang=cy English http://gov.wales/topics/housing-and-regeneration/legislation/housing-act/?lang=en