

# CABINET

31<sup>ST</sup> OCTOBER 2022

## IMPLICATIONS OF THE RENTING HOMES (WALES) ACT 2016

### PURPOSE:

To raise awareness and provide an update to Cabinet on the implications of the Renting Homes (Wales) Act and to request that introductory tenancies and its successor under the Act are no longer used.

### RECOMMENDATIONS / KEY DECISIONS REQUIRED:

**Recommendation One:** From 1 December 2022 the council will not issue introductory standard occupation contracts under the Renting Homes (Wales) Act 2016.

**Recommendation Two:** That the Council's previous decision electing to operate an introductory tenancy regime shall be revoked with immediate effect.

### REASONS:

From 1 December 2022, all tenancies issued by landlords in Wales convert under the new legal regime of the Renting Homes Act to contract holders. The Act supersedes previous housing legislation on tenancies passed by UK Parliament. Introductory tenancies will no longer exist in Wales but can convert to Introductory Standard Contracts. There would be little benefit to continue to issue this type of contract to new tenants (Contract Holders) as the Act has made several changes enhancing tenants' rights. Other legal remedies to tackle ASB remain in place.

**Cabinet Decision Required** YES – 31<sup>st</sup> October, 2022

**Council Decision Required** NO

### CABINET MEMBER PORTFOLIO HOLDER:-

Cllr Linda Evans – Homes and Deputy Leader.

#### Directorate: Communities

Name of Head of Service:

Jonathan Morgan

Report Author: Les James

#### Designations:

Head of Housing

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**CABINET**  
**31<sup>ST</sup> OCTOBER, 2022**

**IMPLICATIONS OF THE RENTING HOMES (WALES) ACT**

**1. Executive summary**

- 1.1. The Renting Homes (Wales) Act has been developed to simplify legislation associated with renting a property from Social Housing and Private Rented Sector landlords in Wales by creating a single main piece of legislation. The Act will replace the different tenancy and licence that currently exist with just two types of 'occupation contract' - one for the private rented sector and one for the social rented sector.
- 1.2. The Act fundamentally changes all aspects in the way we issue and administrate occupational contracts (tenancies, licences, management agreements) that are issued to tenants in Wales. The main elements of the Act come into force on 1 December 2022.
- 1.3. The emphasis of the Act is to place the person at the centre so that they have secure occupation. The Act brings together new and additional rights for the contract holder placing requirements on the landlord to act within a reasonable timescale to requests and ensuring properties are fit for habitation.
- 1.4. It is recommended that we issue Occupational Secure Contracts (formerly known as secure tenancies) to all of our Council tenants, and we do not use Introductory Standard Contracts, (commonly known as introductory or probationary tenancies) as these are seen as "watered-down" versions of the original introductory tenancies, it should be noted that all tools to tackle ASB are unchanged.
- 1.5. Under the Act we will have to give tenants 2 months' notice of any rent increase instead of the current one-month notice. This may pose some difficulty in terms of when we are notified of what the rent increase is to be (currently due to the high inflation rate it is a Ministerial decision). Rent increases require full council approval and therefore any increase would need to be approved before the end of January.
- 1.6. The main implications of the Act are summarised in the attached report.

**DETAILED REPORT ATTACHED?**

**YES – Implications of the Renting Homes (Wales) Act**

# 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: **Jonathan Morgan**

Head of Housing

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

## 2. Legal

Under the 2016 Act it is up to the Council whether to issue introductory standard contracts to new contract-holders after 1st December 2022.

If the Council does not revoke its previous decision to operate an introductory tenancy regime under the Housing Act 1996, on 1st December 2022 introductory tenancies will become introductory standard contracts.

If we use introductory contracts and do not revoke our previous decision to operate an introductory tenancy, it is likely that we will need to have at least 5 different Written Statements of Contract to deal with our new and converted introductory and secure contract-holders. This will make the management of our occupation contracts more complex than at present. Moving away from introductory tenancies and contracts will simplify our implementation of the new legislation.

**Alan Evans (2.9.22)**

# CONSULTATIONS

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

Signed: Jonathan Morgan

Head of Housing

<b>1. Scrutiny Committee request for pre-determination</b>	NO
<b>Scrutiny Committee</b>	N/A
<b>Date the report was considered:-</b>	N/A
<b>Scrutiny Committee Outcome/Recommendations:- N/A</b>	

**2. Local Member(s)**

Not applicable

**3. Community / Town Council**

Not Applicable

**4. Relevant Partners**

Not Applicable

**5. Staff Side Representatives and other Organisations**

Service Managers have been consulted on the proposals. The proposals were also approved by Renting Homes Steering Group.

<b>CABINET MEMBER PORTFOLIO HOLDER AWARE/CONSULTED?</b>	YES Cllr Evans has been briefed on the implications of the Act and endorses the proposal to issue Occupational Secure Contracts to new and existing tenants.
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**Section 100D Local Government Act, 1972 – Access to Information**  
**List of Background Papers used in the preparation of this report:**  
  
**THERE ARE NONE**