

### **Chair Update**

- @Douglas\_Haig
- @RLAWales

Buffet Sponsored by Comprehensive Tax Planning

Chinese New year - 5<sup>th</sup> of February 2019 - Year of the Pig



# What to expect...

- Looking back at 2018
- Looking to the future of 2019
- Reflection on Developments in England
- General Updates from Douglas



## 2018; 'Nothing has changed' ....

- Renting Homes Fees Bill
- Renting Homes (Wales)Act 2016
- Rent Smart Wales
- Change of Government Ministers
- Brexit ... will just be mentioned
- PEARL Research
- EPC Ratings and ECO Flex
- Decarbonisation
- GDPR
- Cladding
- Gas Certificate Changes
- Future Renting WalesConference
- Selective licencing
- Leasehold reform
- Sex for rent campaigns

- Planning reforms
- Universal Credit and APA
- Open Doors Project with RLA
- Mortgage Interest Relief
- New Policy Officer & Public Affairs Officer for RLA Wales
- Housing First Projects
- S21 Challenges
- Housing Court
- Long Term Tenancy Challenges
- Homelessness increases (UN Report)
- Welsh Government
   Announcements Gold

   Standard of Housing
- New Tax Powers LTT (The Welsh Stamp Duty)
- Council Tax Reduction exemption on Voids



#### The Fees Bills, 1st lets review our neighbour Lloegr (England)

- England has a set date of 1<sup>st</sup> of June this year for implementation
- England has limited deposits to 5 weeks where annual rent is below £50,000
- Default fees will be limited:
  - Can only charge for property damage
  - Tenant loses their keys
  - Tenant is late paying the rent
- Default fees will be capped to 'reasonable costs'



#### **England Fees ban continued**

- Default fees must be evidenced by receipts cannot charge for your time or inconvenience!
- Rent arrears can only charge 3% above the Bank of England Base rate (currently 0.75%)
- £50 can be charged for change of tenancy (any charge above the figure needs to be evidenced).
- It a tenant wants to leave the tenancy early tenant will have to pay rent up to the maximum length of the fixed term contract



#### New Cabinet Minister in Wales...

- New Cabinet Position for Housing
- Julie James AM holds the position
- Hannah Blythyn AM is her Deputy





# Changes in England translates to possible further changes in Wales, three major current plans are:

- Increase Fixed Penalty Notice fees across the board from £500 to £1,000
- Ban landlords from keeping the holding deposit if the tenant is trying to rent a home illegally under the Immigration Act.
- The RLA is also worried about proposed changes, introduced by section 17 of the Bill, to the wording of the Renting Homes Act 2016 - which states landlords would be unable to evict if a banned payment is received by them or 'any other person'.





# Current new provisions

New Permitted payments (such as council tax, utilities and communication services – Internet)

Can now be prevented from issuing a Section 21 & 8 if found in breach of the Bill

Can lose your RSW licence, need to report prosecutions to RSW

Increased fines to £500





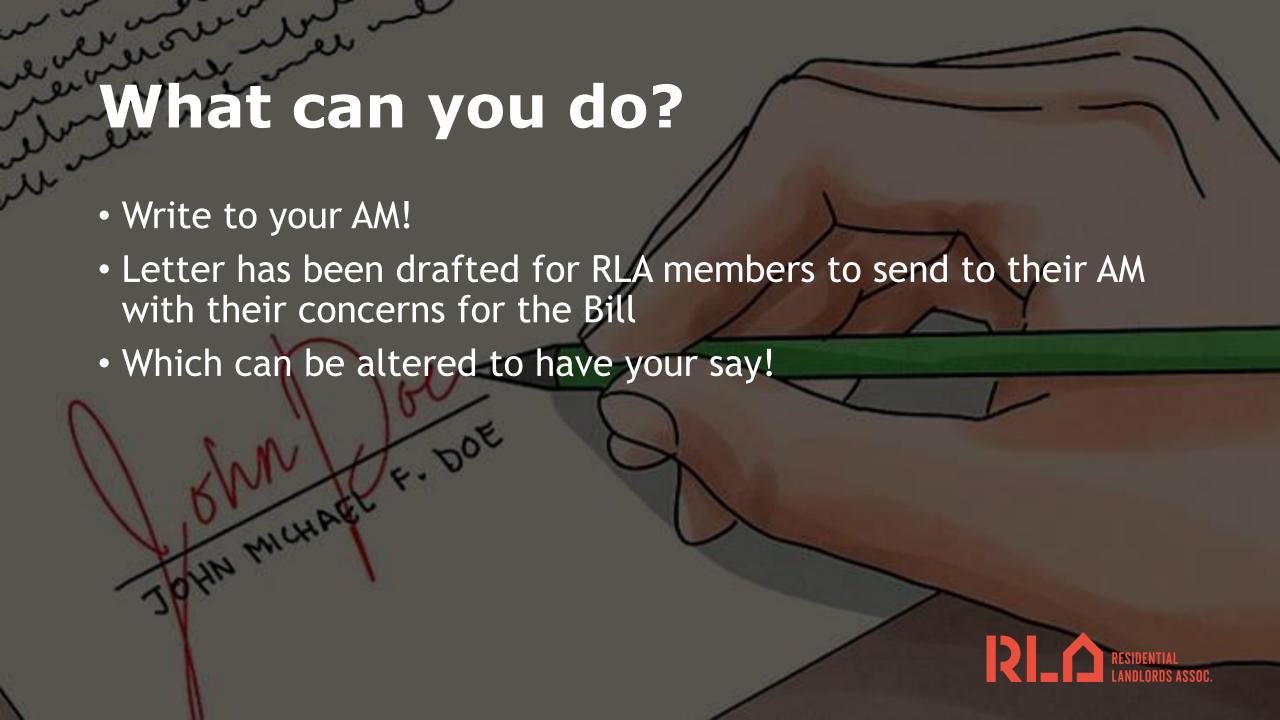
# However what could happen...

Default payments may become regulated

> Tenant able to breach their contract without any repercussions, only have to grant notice

Security Deposits Capped (currently they have to make further regulations after the Bill is enacted)







- Rent caps
- Long Term Tenancy
- Removal of Section 21 (Shelter and Labour Grassroots pushing for the change)
- Removal of Council Tax exceptions for voids
- Capping of Security Deposits
- Renting Homes (Wales) 2016
- Implementation of the Fees ban (April 2019 likely date)





#### Clarification on Gas Certificate Changes in England

- Under the Deregulations Act 2015 failure to issue a gas certificate before a tenancy begins invalidates any subsequent s21 notice. The mistake cannot be corrected.
- In the case of *Caridon Property Ltd v Monty Shooltz*, It was ruled that a gas certificate granted 11 months after the tenancy began meant that his s21 notice was invalid based on regulation 2 of the *Assured Shorthold tenancy notices and prescribed requirements (England) Regulations 2015*
- The ruling was made by a very influential judge in the English Courts, meaning it has some sway.





# Don't worry, this only applies if you have properties in ENGLAND

- Regulation 2 of the Regulations provides that, for the purpose of section 21A of the HA 1988, the landlord cannot serve a section 21 notice when it has not done either of the following:
  - Provided the tenant with an energy performance certificate free of charge, in accordance with section 6(5) of the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118)
  - Provided the tenant with a gas safety certificate, in accordance with regulation 36 of the Gas Safety (Installation and Use) Regulations 1998 (SI 1998/2451).



# For properties in Wales ....

- The requirement to provide a gas safety certificate is to provide a copy.
- Although regulation 36(6) of the Gas Safety (Installation and Use) Regulations 1998 provides that the landlord shall provide a copy of the record within 28 days of the gas safety check, the Regulations disregard the requirement to comply within 28 days.
- In Wales measures of enforcement are Health and Safety Executive and if an HMO, local council no effect on s21 (yet).



# Deposits – Prescribed Information

- Prescribed information must be served to the 'relevant person' within 30 days from the date that the landlord (or their agent) receives the deposit regardless of whether the funds have been cleared.
- The 'Relevant Person' is the person who has **paid** the deposit, so this could be Local Authority, Employer, parent or Guarantor
- You must establish who is paying the deposit tenant or otherwise as you will have to serve to them.



#### Meeting with the Secretary of State for Housing

James Brokenshire MP



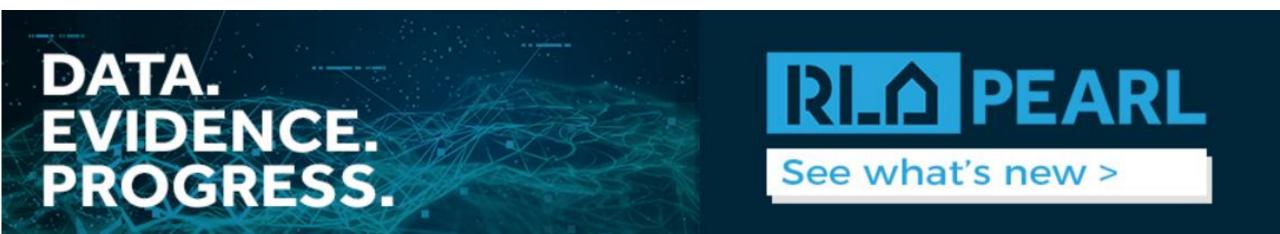






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