

# Cardiff Landlord Forum

Cardiff County Hall  
November 26<sup>th</sup> 2019

@Douglas\_Haig  
@RLAWales



RESIDENTIAL  
LANDLORDS ASSOC.



# Chairman's Update

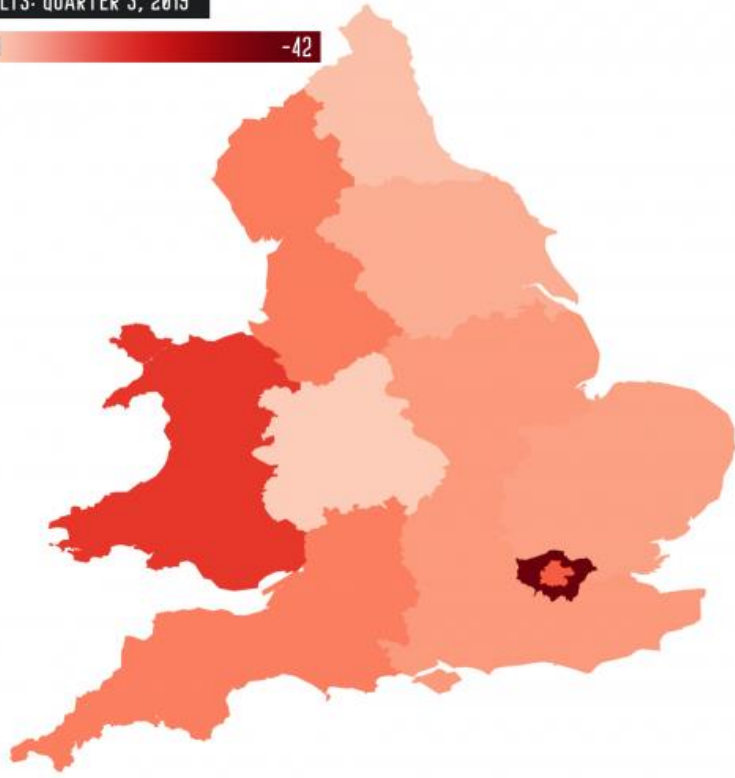
- RLA: Merger and Conference
- 2019 Election
- Social leasing
- Rent Smart Wales
- Legislative update
- Cardiff developments
- Tax Simplification
- Justice Issues

## CONFIDENCE:

SCORED +100 TO -100 AND GROUPED INTO REGIONS

RESULTS: QUARTER 3, 2019

-28.4 -42



ARE YOU MORE OR LESS CONFIDENT ABOUT ACHIEVING YOUR GOALS NOW COMPARED TO HOW YOU FELT IN THE LAST QUARTER?

0.8% MUCH MORE CONFIDENT

3.8% MORE CONFIDENT

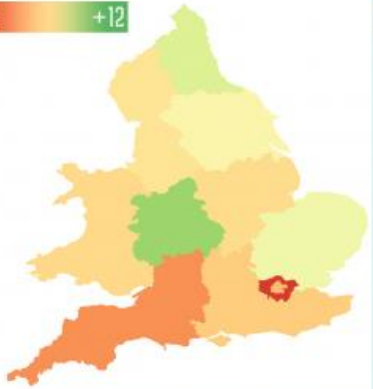
40.4% NO CHANGE

39.2% LESS CONFIDENT

15.9% MUCH LESS CONFIDENT

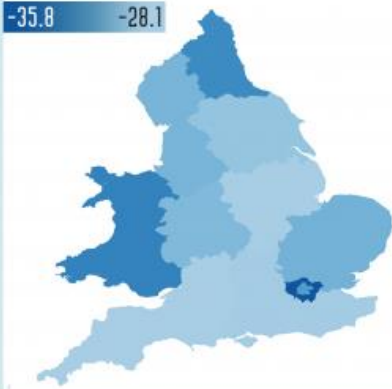
CHANGE IN SCORE: QTR.2 - QTR.3

-10 +12



WEIGHTED AVERAGE: QTR.1 - QTR.3

-35.8 -28.1



WEST MIDLANDS  
NORTH EAST  
YORKS AND THE HUMBER

MOST CONFIDENT  
REGIONS

LEAST CONFIDENT  
REGIONS

LONDON (INNER)  
WALES  
LONDON (OUTER)

# Landlord Confidence

- Part of RLA Pearl's research programme.
- Our Landlords' Confidence Index (LCI) aims to show a snapshot of landlord confidence.
- The LCI attempts to capture the motivations underpinning landlords' key business decisions.
- It is being produced at a time when landlords face pressure from government: tax changes, new regulations, and the threat of adverse legal reforms are now threatening the PRS supply.
- Wales second lowest confidence rating.



- Get involved
- Take RLA Surveys and become an RLA Insight Partner

**DATA.  
EVIDENCE.  
PROGRESS.**



# Landlords stronger together

- NRLA will start from 1 January 2020
- Stronger representation - over 80,000 members
- Greater political representation
- Work faster and smarter to recognise changing needs
- Same service and price
- Exploring Wales launch in Spring



# RLA Conference

---

- Future Renting Wales will be on November 28th, Jury's Inn, Cardiff.
- Hosted by the BBC's Lucy Owen
- Panel discussions, exhibitions, and talks
- [rla.org.uk/conference/future-renting/wales/](http://rla.org.uk/conference/future-renting/wales/)
- Pricing
  - Standard: £45 and £55
  - Lunch and refreshments included



# Future Renting Wales: Agenda

[rla.org.uk/conference/future-renting/wales/](http://rla.org.uk/conference/future-renting/wales/)

09:00	<b>Arrival and networking</b>
09:30	<b>Welcome and opening remarks</b> - Lucy Owen
09:35	<b>Keynote Address, PRS Plans</b> - Julie James AM, Minister for Housing and Local Government
10:00	<b>What Rent Smart Wales data tells us about the PRS in Wales and plans for the future</b> - Bethan Jones, Rent Smart Wales
10:30	<b>A united voice for landlords</b> - Ben Beadle, Chief Executive, NRLA
10:45	<b>Break and Networking</b>
11:15	<b>Welsh private rental market</b> - Laurence Bowles, Savills
11:45	<b>Property taxes - what's new for 2020</b> - Sean Hughes, Comprehensive Tax Planning
12:15	<b>Lunch</b>
13:15	<b>Disruptors in the private rental market</b> - Kate Faulkner, Designs on Property
13:40	<b>All things deposits</b> - Debbie Davies, TDS
14:00	<b>General Election 2019 – Parties, polls and the PRS</b> - Douglas Haig, RLA Director for Wales
14:20	<b>Panel discussion</b> - Kate Faulkner, Douglas Haig, Debbie Davies, Ben Beadle
14:45	<b>Break and Networking</b>
15:15	<b>Renting Homes Act, possession reform and fees ban</b> - David Smith, Policy Director
16:00	<b>Closing remarks and thanks</b> - Douglas Haig and Lucy Owen
16:15	<b>Close</b>

# Housing: Who does what?

## Devolved - Welsh Government

- Housing and housing-related activities of local authorities and housing associations.
- Supply and quality of market, social and affordable housing.
- Homelessness and housing advice
- Matters relating to housing provided by the PRS & regulation of RSLs
- Aids and adaptations, including grants
- The provision of housing-related support (but not the payment of Housing Benefit)
- The regulation of commercial tenancies let by local authorities
- Regeneration
- Land Transaction Tax (Stamp Duty in England)

## Non-devolved - UK Government

- Justice and the Courts
- Energy
- Immigration and Right-to-Rent
- Welfare
- Other taxation



Constituency	Number of People Declaring Income from Property in 2017/18	2017 Majority	2017 1st Party	2017 2nd Party	Number of Landlords Higher than Majority?
Aberavon	1,130	16,761	Labour	Conservative	
Aberconwy	2,660	635	Conservative	Labour	Y
Alyn & Deeside	2,290	5,235	Labour	Conservative	
Arfon	1,860	92	Plaid Cymru	Labour	Y
Blaenau Gwent	840	11,907	Labour	Plaid Cymru	
Brecon & Bridgend	4,010	8,038	Conservative	Liberal Democrat	
Bridgend	2,450	4,700	Labour	Conservative	
Caerphilly	1,960	12,078	Labour	Conservative	
Cardiff Central	2,980	17,196	Labour	Conservative	
Cardiff North	4,080	4,174	Labour	Conservative	
Cardiff South & Penarth	3,170	14,864	Labour	Conservative	
Cardiff West	3,560	12,551	Labour	Conservative	
Carmarthen East & Dinefwr	3,320	3,908	Plaid Cymru	Labour	
South Pembrokeshire	3,560	3,110	Conservative	Labour	Y
Ceredigion	3,940	104	Plaid Cymru	Liberal Democrat	Y
Clwyd South	2,370	4,356	Labour	Conservative	
Clwyd West	3,340	3,437	Conservative	Labour	
Cynon Valley	1,280	13,238	Labour	Conservative	
Delyn	2,450	4,240	Labour	Conservative	
Dwyfor	2,950	4,850	Plaid Cymru	Conservative	
Gower	3,410	3,269	Labour	Conservative	Y
Islwyn	1,510	11,412	Labour	Conservative	
Llanelli	2,050	12,024	Labour	Conservative	
Merthyr Tydfil & Rhymney	1,220	16,334	Labour	Conservative	
Monmouth	4,860	8,206	Conservative	Labour	
Montgomeryshire	3,530	9,285	Conservative	Liberal Democrat	
Neath	1,640	12,631	Labour	Conservative	
Newport East	1,710	8,003	Labour	Conservative	
Newport West	2,610	5,658	Labour	Conservative	
Ogmore	1,650	13,871	Labour	Conservative	
Pontypridd	2,170	11,448	Labour	Conservative	
Preseli Pembrokeshire	3,490	314	Conservative	Labour	Y
Rhondda	1,000	13,746	Labour	Plaid Cymru	
Swansea East	1,240	13,168	Labour	Conservative	
Swansea West	2,330	10,598	Labour	Conservative	
Torfaen	1,430	10,240	Labour	Conservative	
Vale of Clwyd	2,490	2,379	Labour	Conservative	Y
Vale of Glamorgan	4,090	2,190	Conservative	Labour	Y
Wrexham	1,940	1,832	Labour	Conservative	Y
Ynys Mon	2,600	5,259	Labour	Conservative	

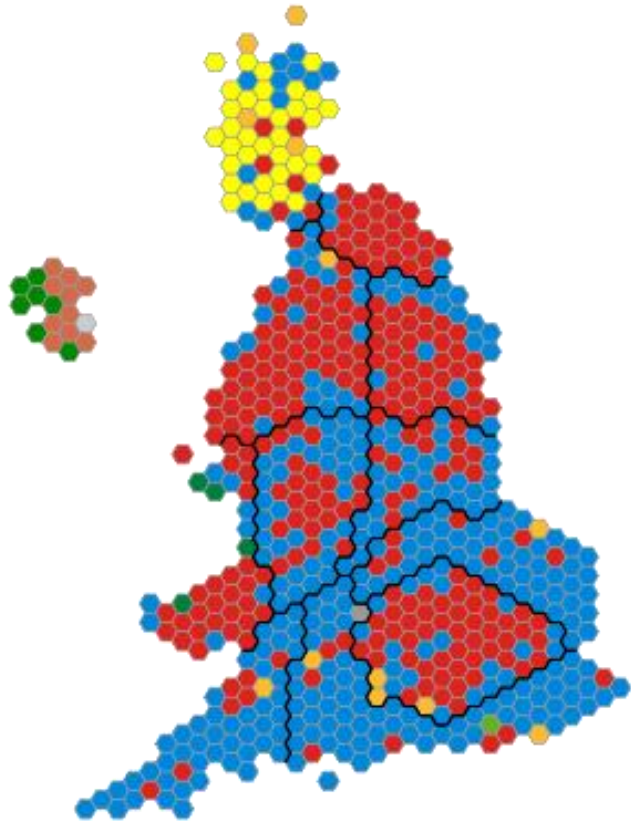
# Electoral Power of Landlords

- Data obtained by *The Times* via FoI to HMRC on the number of people in each constituency in 2017/18 declaring income from property based on SA105 returns and the short tax return (SA200).
- 119 out of 650 UK constituencies have a landlord population higher than the majority in the 2017 election
- 9 out of Wales' 40 – all but one have majorities under 4,000. Four held by the Conservatives, three by Labour, and two by Plaid Cymru.
- Landlords can be highly influential in this election.

# RLA 2019 Manifesto

Although a great deal of housing policy is devolved to the Welsh Government, the RLA is calling on all general election candidates to:

- Boost housing supply to meet demand
- Support vulnerable tenants (end to LHA freeze, direct UC payments to landlords)
- End the Right-to-Rent
- Improve justice for tenants and landlords
- Root out rogue landlords
- Reject all forms of rent controls
- Adopt a more positive approach to the PRS



2017 General Election results

# Political Parties & the PRS

	Rent Controls	Possession	Right-to-Rent	Energy Standards	Welfare	Other
Conservatives	Against	“Lifetime rental deposits”; end “no fault” evictions; strengthen possession rights of “good” landlords.	*For	Aims to improve energy efficiency in environmentally friendly homes.	Continue to roll-out UC, but end the LHA freeze.	New deposit scheme would enable tenants to produce a certificate stating their deposit is still tied up, with money transferring to new landlord once previous one has returned it. Likely the whole scheme would be guaranteed by Government; reforms to leaseholds; maintain Right-to-Buy.
Labour	For – cannot exceed inflation	New open-ended tenancies to stop unfair, ‘no fault’ evictions	Against	“Make sure every property is up to scratch with new min. standards” – not energy specific	Scrap UC & end 5 week wait for first payment; Increase LHA and pay housing element straight to landlords. Compensate WASPI Women.	A Private Renter’s Charter’ where landlords would face an annual "property MOT", with fines of up to £100,000 or forced repayment of rent if their properties are found to be sub-standard; fund new renters’ union; Give LAs power to buy back homes from PRS landlords & regulate short-term lets (e.g. Airbnb); est. new national levy on 2 <sup>nd</sup> homes used as holiday homes; enforced nationwide licensing.

- These have been announced during the campaign or in the manifestos
- Blank indicates no comment so far
- \* Indicates it has been their policy but not mentioned during the 2019 campaign
- Read more on the RLA Website [www.rla.org.uk](http://www.rla.org.uk)

# Political Parties & the PRS

- These have been announced during the campaign or in the manifestos
- Blank indicates no comment so far
- \* Indicates it has been their policy but not mentioned during the 2019 campaign
- Read more on the RLA Website [www.rla.org.uk](http://www.rla.org.uk)

	Rent Controls	Possession	Right-to-Rent	Energy Standards	Welfare	Other
Lib Dems	For – cannot exceed inflation	Promote three year tenancies	Against	Increase MEES	Increase LHA in line with average rents; reduce waiting time for UC from 5 weeks to 5 days	Mandatory licensing for landlords; Allow LAs to up Council Tax up to 500% on 2 <sup>nd</sup> homes; new Help-to-Rent;
Plaid Cymru	*For	*End “no fault” evictions.	*Against		New tax credit up to £25 p.w. to households paying 30+% of income on private rent & utilities	Focus is on planning, affordable housing building, and homelessness.
Greens	For	End “no fault” evictions.	Against	Raising MEES from E to A by 2030.	Replace with Universal Basic Income	Buying HMOs to run as a Housing Co-op
Brexit Party					Accelerate payment processes, review & reform system within 3 years, review WASPI women policy	Simplify planning consent for brownfield sites; make it easier for LAs to borrow to build council houses; accelerate infrastructure grants funding; more flexibility on size & type of units & affordable homes in developments.



# The Big Debate

- RLA Hustings debate for Westminster candidates based in Cardiff
- Thursday 5<sup>th</sup> December, doors open 5.45 pm. Expected finish 7:15pm.
- Cornerstone, Charles Street, Cardiff City Centre, CF10 2SF.
- Send any questions for the candidates to [Calum.davies@rla.org.uk](mailto:Calum.davies@rla.org.uk)
- Polling this month found 21% of voters chose housing as an issue that will affect how they will vote, making it the 14<sup>th</sup> most important issue for the population.
- The poll goes on to say that Labour voters from 2017 and those aged 18-34 are most likely to identify housing as a priority issue.

# Social leasing

- Also known as Private Sector Leasing Scheme
- Guaranteed rental payments for up to five years at the relevant LHA rate
- Agents would manage property through a short-term lease
- A grant of up to £2,000 to make properties FFHH.
- If there was any serious structural damage that would require repairs in excess of £2,000, a loan of £8,000 could be obtained at a 0% interest rate.
- Any damage made by tenants, will be repaired and costs covered by agents.
- Support for vulnerable tenants.



# Social leasing

---

- Are local authorities qualified to act as agents?
- Do local authorities have the resources?
- How will they ensure that tenants are aware and take up the scheme?
- How will vulnerable tenants be supported?
- What happens at the end of 5 years?
- Is the funding guaranteed for 5 years?



# Rent Smart Wales

- RSW consulting with stakeholder group
- Re-registering and re-licensing processes
- Proposals confidential at this stage
- RLA in agreement with a number of new and amended conditions of both licensing and registration documents, while fighting some others.
- RLA survey on RSW performance and satisfaction out now - please give your views.
- Available at [rta.onlinesurveys.ac.uk/rent-smart-wales-rla-survey](https://rta.onlinesurveys.ac.uk/rent-smart-wales-rla-survey) - or google RLA RSW Survey

Rhentu  
Doeth  
Cymru  
Rent  
Smart  
Wales





# Renting Homes (Wales) Act 2016

- Welsh Government intention is to extend the minimum period before giving notice of eviction from 2 to 6 months and extending the period before that notice can be served from 4 to 6 months through an amending Bill
- High number of consultation responses
- Welsh Government want this all passed before 2021 Assembly election through full legislative process
- The Act will not be implemented immediately, but soon after - replacing previous “6-month” notice
- Confident delay issues will be resolved within desired timeframe



Housing Minister  
Julie James AM

# Renting Homes (Fees, etc.) Act 2019

- Consultation on default fees and information to be given before taking a holding deposit response round-up published.
- Landlords, agents, and their representative bodies provided the vast majority of replies.

Broad agreement between landlords and tenants (and their representative bodies) on:

- Including all of the suggested information in the consultation being provided to the tenant prior to taking a holding deposit
- Payments in default are the main chargeable when tenant is at fault (but tenants were concerned it could be abused)



# Renting Homes (Fees, etc.) Act 2019

- Little agreement between landlords and tenants (and their representative bodies) on:
  - What should be in the default fees list. Landlords wanted all suggested in the consultation. All but one tenant body said only late rent and lost keys (out of the listed suggestion) should be included as default fees. *Diverse Cymru* added bounced cheques and damages.
  - Including admin fees or landlord's time in default fees list
  - Interpretation of “missed appointment” differed and tenants did not think this should be a default fee
  - Delay stage when late rent fees “kick in” (tenants wanted to add in interventions)
- Welsh Government next steps:
  - Further describe the default payments through regulations early in the New Year.
  - Publish a list of the information a landlord or agent must provide to a tenant before a holding deposit can be taken before the end of 2019. Did this last week...

# Renting Homes (Fees, etc.) Act 2019

- Welsh Government laid regulations last week. Information a landlord or agent must provide to a tenant before taking a holding deposit:
  - a) amount of holding deposit;
  - b) identify the dwelling in respect of which the deposit is paid;
  - c) name, address, telephone number and any email address of the landlord (and if instructed, the letting agent);
  - d) nature and duration of the contract;
  - e) proposed occupation date;
  - f) amount of rent or other consideration;
  - g) rental period;
  - h) any proposed additional contract terms or proposed modifications or exclusions to fundamental or supplementary terms;
  - i) amount of any security deposit;
  - j) whether a guarantor is required and, if so, any relevant conditions;
  - k) reference checks the landlord (or letting agent) will undertake;
  - l) information the landlord or letting agent requires from the prospective contract-holder.

# Renting Homes (Fees, etc.) Act 2019

- b) identify the dwelling in respect of which the deposit is paid;
- c) name, address, telephone number and any email address of the landlord (and if instructed, the letting agent);
- d) nature and duration of the contract;

- RLA in talks with the Welsh Government and Assembly Members about point (c) citing safety concerns, such a transfer of such data before money has exchanged hands, and possible data protection issues.
- Must be provided in writing - by post or electronically up to tenant.
- These regulations come into place on 13 December 2019.

# Change of Sharer

- English legislation clearly outlines prohibited fees including where a fee is made for novation, early termination or assignment.
- Welsh law does not explicitly list prohibited fees and as such **should any fees be requested informally outside of contracts for change of sharer, RLA believe the Welsh legislation does not cover this.**
- The Welsh Government have updated their guidance, although RLA still dispute the lack of clarity on this, believing it has changed nothing.

# Cardiff Developments

- New Assistant Cabinet Member for the PRS
- Plasnewydd additional licensing scheme expired on 2 November
- Consultation on renewal to begin before Christmas - awaiting clarification on purdah
- Celestia complex and building safety:
  - failed fire tests, cladding & plumbing issues
  - Celestia Management Company Ltd, which runs the complex, is currently arranging for repairs to be done - Fire Service has been installing new fire alarms
  - Celestia Action Group
  - increased media coverage
  - politicians of all levels visiting, contacting residents, and in conversations with Redrow and others
  - Housing Minister Assembly Statement on Building Safety



Cllr Peter Wong, Labour Councillor for Plasnewydd ward



Celestia complex, Cardiff Bay

# Tax Simplification

The Government's Office for Tax Simplification (OTS) has published a new report exploring ways to simplify tax for self-employed people and residential landlords. It reports:

- one third of residential landlords who report their income through the self-assessment property income do not use an agent.
- only 5% of landlords report no expenses while 24% of landlords incur expenses equivalent to between 50 to 80% of turnover.
- OTS says that it “would envisage including landlords alongside self-employed people in further exploration of the benefits of a fully integrated online account.”
- While 91% of respondents to the landlord survey rejected additional reporting requirements, 32% thought it would be helpful to use third party data to prepopulate their tax return.

**The OTS concludes that it does do not consider that landlords would benefit from additional reporting requirements.**





# Justice Issues

- Data shows it now takes private landlords an average of 22.6 weeks from making a claim to the courts for a property to be repossessed to it happening.
- RLA: delays are down to the programme of court closures and budget cuts in the court service.
- RLA are calling for a dedicated, specialised, properly funded housing court.
- Our research has shown that 98% of landlords would support the introduction of a new court.
- £4m in new funding, as part of a crackdown on “criminal landlords”, announced by UK Government.
- Evans & Evans vs. Jarvis crowdfunding



# Evans & Evans v Jarvis

- Case decided that only the named Rent Smart Wales licence holder is allowed to serve any possession notices in Wales.
- The property was owned in the name of the landlord.
- The tenant had built up substantial rent arrears when Mr Jarvis decided to take action to remove the tenant.
- Mr Jarvis actually had a licence. Crucially though, it was in his company name not in his own.
- The legislation only explicitly bans landlords from serving section 21 notices without a licence. Confusing decision for landlords.
- The case stops landlords from acting quickly to deal with anti-social tenants and rent arrears.
  
- The RLA has launched a CrowdJustice page to raise funds to launch an appeal on this important issue. Please donate, this case has far-reaching implications for the PRS in Wales. Married couples will have to pay for a licence twice if they want to both serve notice for example.
- Pledge at [crowdjustice.com/case/welsh-section-8-repossession/](https://www.crowdjustice.com/case/welsh-section-8-repossession/)
- Goal is to reach £10,000 by 20<sup>th</sup> December 2019.
- If you'd like to keep up to date on this then leave your contact details with us or subscribe at <https://www.rla.org.uk/html/newsletter.shtml?>



Any Questions?



# Contact Details:

Email:

calum.davies@rla.org.uk

Twitter: @RLAWales

T +44 (0) 2920 027593

W [www.rla.org.uk](http://www.rla.org.uk)