

## **APPENDIX 3. RENT SMART WALES**

### **1. Introduction**

Private rented sector housing forms an important housing option for a significant sector of our population. The 2011 Census statistics indicate that approximately 13% (164800) properties across Wales are in the Private Rented Sector (PRS) and in Monmouthshire this proportion is 10.8% of the total households in the County amounting to an estimated 4130 properties.

### **2. Housing (Wales) Act 2014 Part 1**

Part 1 of the Housing (Wales) Act 2014 introduced a new requirement for landlords of properties in Wales to be registered and agents and landlords who carry out letting / management activities to be licensed. This came into force on the 23rd November 2016 following a 12 month period of grace to allow landlords and agents to register/licence and undertake training.

Cardiff City Council has been designated as the Single Licensing Authority (SLA) for the administration and coordination of the new requirements, and the branding Rent Smart Wales (RSW) is being used as a newly created service within Cardiff CC. The reason Welsh Government chose one Council to act as administrator for the whole of Wales is to make the service easier for landlords, agents and tenants to access. The central register means that landlords only have to complete one registration and if they self- manage only apply for one licence to cover them for the whole country. The same applies to agents, who need only apply for one licence. The Licensing is based on training (no property inspection).

### **3. Relationship between Rent Smart Wales and local authorities**

Funding has been provided by Welsh Government to local authorities to assist RSW in promoting the new requirements. Monmouthshire claimed grant monies of £12334.75 in 15/16 and a grant of £11028 has been made available for 16/17. This funding has enabled additional resources to be used to promote and prepare for the new requirements of the legislation including:

- Three landlord forums and three RSW information events
- Developing a database of landlords with rental properties in Monmouthshire
- Three mailshots to approximately 800 known landlords
- Publicity in local press

The local authorities will also support RSW in taking enforcement action against those landlords and agents not complying with their legal obligations. The legislation has

introduced a suite of enforcement options for dealing with cases where registration or licensing has not occurred including:

- Prosecutions
- Fixed Penalty Notices
- Rent Stopping Orders
- Rent Repayment Orders

A Memorandum of Understanding (MoU) has been developed and agreed which captures the partnership working between RSW and each local authority, although it is not a legal document and has no legal status. A condition of the MoU is that a delegation is given to each local authority to exercise the powers in the Act. Accordingly a General Consent has been issued by RSW to Monmouthshire County Council to take criminal proceedings for specified offences under the Act and to make applications for Rent Repayment/ Stopping Orders to the Residential Property Tribunal. It is anticipated that individual officers in the Environmental Health team will shortly be authorised by RSW to issue fixed penalty notices for specified offences. The MoU details the activities that each local authority and RSW will undertake (developed in conjunction with the Wales Heads of Environmental Health Group Housing Expert Panel). Actions for officers of Environmental Health in Monmouthshire, in addition to enforcement related activities, include:

- Annual request to council tax / housing benefits for records that can identify landlords / agents. Details passed to RSW.
- Annual report to RSW of all records held by Environmental Health that can identify landlords / agents
- Annually 2 officers must undertake 2 weeks equivalent proactive work to identify unregistered / unlicensed landlords.
- Visit every licensed agent in the council area at some point during their 5 year licence and undertake an audit of the properties they act as agent for.

Progress on registering and licensing has recently been provided by RSW. In Monmouthshire, by the 12<sup>th</sup> February 2017 there were 2098 registered landlords with 3555 properties registered against them.

In conclusion therefore, it is anticipated that the implementation of the legislation should result in:

- Improved management standards in the private rented sector;
- More useful strategic information for local authorities on landlords and agents and the location of private rentals;
- Easier means to connect with sector; and
- Raised awareness by landlords, agents and tenants of their respective rights and responsibilities.