

**Renting Homes (Wales) Act 2016 – Regulations relating to Model Written Statements of
Occupation Contracts and Explanatory Information**
Response from Propertymark
June 2021

Background

1. Propertymark is the leading professional body for estate and letting agents, inventory providers, commercial agents, auctioneers and valuers, comprising nearly 17,500 members. We are member-led with a Board which is made up of practicing agents and we work closely with our members to set professional standards through regulation, accredited and recognised qualifications, an industry-leading training programme and mandatory Continuing Professional Development.

Questions

The draft Renting Homes (Explanatory Information) (Wales) Regulations

Question 1. Are the matters about which explanatory information must be given clear and unambiguous?

2. The Renting Homes (Explanatory Information for Written Statements of Occupation Contracts) (Wales) Regulations 2021 sets out clearly and concisely the matters about which explanatory information must be given; given the somewhat unlikelihood of a prospective contract holder being aware of these Regulations it is appropriate that they are set out clearly in Part 1 of the model written statement.

Question 2. Are all the matters about which explanatory information must be given appropriate?

3. The matters identified as requiring explanatory information appear reasonable. The distinction between matters requiring explanatory information pertaining to all contracts and those pertaining to specific types of occupation contract is considered to be helpful.

Question 3. Are there any other matters about which you think explanatory information should be given?

4. The matters identified as requiring explanatory information appear sufficient.

The draft Renting Homes (Model Written Statements) (Wales) Regulations

Question 4. Do you think that there should be six types of model written statement – namely, periodic standard, fixed term standard, secure, introductory standard, prohibited conduct standard and supported standard?

5. On the basis that six types of occupation contract will be in circulation, a model written statement should be available for all six types of occupation contract to ensure compliance with the Renting Homes (Wales) Act 2016 and achieve the Government's stated objective of consistency within written statements across the sector.

Question 5. Is the layout and format of each model written statement easy to understand?

6. The format of each model written statement is, in Propertymark's view, somewhat complex. The approach used to identify the status of each term is considered under Qu. 7, but there are other simple formatting tools which could be applied to improve legibility: for example, an interactive table of contents; consistent page numbering; and a glossary of terms.

Question 6. Are the terms in each model written statement grouped and ordered in an appropriate way?

7. The order of terms in each model written statement is logical, following the progression of a tenancy from creation to termination. The inclusion of Schedule 8 of the Renting Homes (Wales) Act 2016 in both model written statements (pp 43-45; 93-95) is, however, somewhat confusing. Although referred to in clauses 52(2) and 46(2) of each model written statement, it is not immediately clear that this is an annex; a simple heading would improve clarity. However, rather than simply replicate the Act, it is suggested that the grounds are summarised to aid legibility.

Question 7. Is the way in which the status of each term is identified clear?

8. The method in which the status of each term is outlined adequate. However, given the somewhat complex nature of the formatting, a footer on every page, as opposed to every other, would be beneficial. It is also considered that a 'compliance checklist' such as that proposed in Annex 1 and similar to that provided in Schedule 1 of the Renting Homes (Wales) Act 2016 might add clarity and act as a useful prompt to agents prior to submission of a written statement to landlord or contract holder. Though the rationale behind the formatting used in each written statement is understood, a concise summary of terms' statuses could have expediency in practice.

Question 8. Are the guidance notes included in Part 3 of each model written statement clear and sufficient?

9. The content and extent of the guidance notes provided is clear and sufficient. However, if it is the Government's intention that guidance notes be retained without modification within written statements as provided to landlords and contract holders, the formatting used to delineate the three terms (italicised-underlined; italicised; and underlined, or such formatting as is used in the final model written statement) should be extended to include the guidance notes, for consistency.

General

Question 9. What impact do you think the proposed regulations and draft model written statements would have on the Welsh language?

10. Propertymark does not possess sufficient expertise to respond in a meaningful way to this question.

Question 10. Please can you provide any comments on how the {typo?} could be formulated or changed so as to have: positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language; and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

11. Propertymark does not possess sufficient expertise to respond in a meaningful way to this question.

Question 11. Are there any other comments you would like to make regarding this consultation of draft regulations?

12. Propertymark welcomes the opportunity to comment on the draft regulations, which, notwithstanding the points of issue outlined in this response, are beneficial to practitioners. Nevertheless, Propertymark continues to have concerns about the balance of certain elements of the Renting Homes (Wales) Act 2016 relating to model written statements: namely, the ability of a contract holder to claim compensation for an incorrect written statement; and the fact that a contract holder’s obligations under the occupation contract are “unenforceable” until a written statement has been provided. These provisions would seem to tip the already fragile balance excessively in favour of the contract holder and increase uncertainty and risk for the landlord, providing yet more impetus for them to abandon the sector.

Annex 1. Proposed Secure Contract compliance checklist

F1 – Fundamental term (unmodifiable)

F2 – Fundamental term (modifiable / omissible to benefit Contract Holder)

S – Supplementary term

Heading	Clause	Status
Rent & Other Charges	1	F1
	2	F2
	3	F2
	4	F2
Deposit	5	F2
	6	F1
Occupation of the Dwelling	7	S

Prohibited Conduct	8	F1
	9	S
Control of the Dwelling	10	S
	11	S
	12	F2
	13	F2
	14	S
Care of the Dwelling (Contract Holder)	15	S
	16	S
	17	S
Care of the Dwelling (Landlord)	18	F2
	19	F2
	20	F2
	21	F2
	22	F2
	23	F2
	24	F2
Making changes to the Dwelling	25	S
	26	S
Security & Safety	27	S
Sub-tenancies, sub-licences etc.	28	F2
	29	F2
	30	F2
	31	S
	32	F2
Joint Contract-Holders	33	F2
	34	F2
	35	S
	36	F1
Termination of Contract	37	F1
	38	F2
	39	F2
	40	F2
	41	F1
	42	S
	43	S
Termination by Contract Holder	44	F2
	45	F2
	46	F2
	47	F2

Termination by Landlord	48	F1
	49	F2
Grounds for Possession	50	F2
	51	F2
	52	F2
	53	F2
	54	F2
	55	F2
Court's Order of Possession	56	F2
Variation	57	F1
	58	F2
	59	F2
	60	F1
Written Statements	61	F2
	62	F2
	63	F2
	64	F2
Other Matters	65	F1
	66	F2