

RENTING HOMES (AMENDMENT) (WALES) BILL – STAGE 3 GOVERNMENT AMENDMENTS

This table provides information about the amendments tabled in the name of Julie James MS, Minister for Housing & Local Government on 01 February 2021

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<i>English text of amendment</i>	<i>Welsh text of amendment</i>	
1	<p>Section 4, page 2, line 30, leave out subsection (2) and insert –</p> <p>‘() The heading of section 175 becomes “Restriction on section 173: notice may not be given until after the first six months of occupation”.’.</p>	<p>Adran 4, tudalen 2, llinell 30, hepgorer is-adran (2) a mewnosoder –</p> <p>‘() Daw pennawd adran 175 yn “Cyfyngiad ar adran 173: ni chaniateir rhoi hysbysiad tan ar ôl chwe mis cyntaf meddiannaeth”.’.</p>	<p>The purpose of this amendment is to retitle section 175 to make it clear that a landlord cannot give a notice under section 173 before the end of the period of six months, starting with the occupation date of the contract.</p> <p>The effect of this amendment is to remove any ambiguity regarding a situation where the occupation contract doesn’t permit the contract-holder to start</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			occupying the contract immediately (in other words, it permits the contract-holder to start occupying from a date in the future). In those circumstances, the landlord cannot serve a section 173 notice during the period starting with the day on which the contract is entered into, and ending with a day that is 6 months after the occupation date.
2	Section 5, page 2, line 36, leave out subsection (2) and insert – ‘() The heading of section 196 becomes “Restriction on use of landlord’s break clause until after the first 18 months of occupation”.’.	Adran 5, tudalen 2, llinell 37, hepgorer is-adran (2) a mewnosoder – ‘() Daw pennawd adran 196 yn “Cyfyngiad ar ddefnyddio cymal terfynu’r landlord tan ar ôl 18 mis cyntaf meddiannaeth”.’.	The purpose and effect of this amendment is to retitle section 196 to make it clear that a notice under a landlord’s break

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			<p>clause in a fixed term standard contract cannot be given before the end of the period of 18 months, starting with the occupation date of the contract (regardless of when the contract was entered into).</p>
3	<p>Section 6, page 3, line 23, leave out subsection (5).</p>	<p>Adran 6, tudalen 3, llinell 24, hepgorer is-adran (5).</p>	<p>The purpose of this amendment is to remove the amendments to section 44 of the Housing (Wales) Act 2014, which were consequential on paragraphs 6 and 7 of Schedule 9A to the 2016 Act (inserted by Schedule 2 to the Bill). Paragraphs 6 and 7 are being</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			removed by amendment 15 and this amendment is consequential on that change.
4	Section 6, page 4, line 13, leave out ‘, and section 44 of the Housing (Wales) Act 2014 (anaw 7),’.	Adran 6, tudalen 4, llinell 15, hepgorer ‘, ac yn adran 44 o Ddeddf Tai (Cymru) 2014 (dccc 7),’.	This amendment is consequential on amendment 3 and amendment 15.
5	<p>Page 9, after line 10, insert a new section –</p> <p>‘[] Fee for further copy of written statement to be a permitted payment</p> <p>(1) The Renting Homes (Fees etc.) (Wales) Act 2019 (anaw 2) is amended as follows.</p> <p>(2) In Schedule 1 (permitted payments), after paragraph 10A, insert –</p> <p style="text-align: center;"><i>“Payment for further copy of written statement</i></p> <p style="text-align: center;">10B A payment of a reasonable fee for a further written statement of a standard occupation contract is a permitted payment.”</p> <p>(3) In section 4, after subsection (2)(i) insert –</p>	<p>Tudalen 9, ar ôl llinell 12, mewnosoder adran newydd –</p> <p>‘[] Ffi am gopi pellach o ddatganiad ysgrifenedig i fod yn daliad a ganiateir</p> <p>(1) Mae Deddf Rhentu Cartrefi (Ffioedd etc.) (Cymru) 2019 (dccc 2) wedi ei diwygio fel a ganlyn.</p> <p>(2) Yn Atodlen 1 (taliadau a ganiateir), ar ôl paragraff 10A, mewnosoder –</p> <p style="text-align: center;"><i>“Taliad am gopi pellach o ddatganiad ysgrifenedig</i></p>	The purpose and effect of this amendment is to add the payment of a reasonable fee charged for a further copy of a written statement of an occupation contract to the list of permitted payments in Schedule 1 of the 2019 Act. At present, section 31(5) of the 2016 Act permits a

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<p>“(j) payments in respect of further copies of a written statement.”.</p>	<p>10B Mae taliad ffi resymol am ddatganiad ysgrifenedig pellach o gontract meddiannaeth safonol yn daliad a ganiateir.”</p> <p>(3) Yn adran 4, ar ôl is-adran (2)(i) mewnosoder –</p> <p>“(j) taliadau mewn cysylltiad â chopiau pellach o ddatganiad ysgrifenedig”.</p>	<p>reasonable fee to be charged for a further copy of a written statement (for example, where the original written statement provided has been lost), and this amendment amends the 2019 Act to reflect that provision.</p>
6	<p>Page 9, after line 10, insert a new section –</p> <p>[] Service charges permitted by the Renting Homes (Fees etc.) (Wales) Act 2019 etc.</p> <p>(1) In Schedule 1 to the 2019 Act (permitted payments), after paragraph 10 insert –</p> <p><i>“Service charges payable to community landlords etc.</i></p> <p>10A (1) A payment of a service charge is a permitted payment if –</p> <p>(a) it is required under a standard occupation contract, and</p>	<p>Tudalen 9, ar ôl llinell 12, mewnosoder adran newydd –</p> <p>[] Taliadau gwasanaeth a ganiateir gan Ddeddf Rhentu Cartrefi (Ffioedd etc.) (Cymru) 2019 etc.</p> <p>(1) Yn Atodlen 1 i Ddeddf 2019 (taliadau a ganiateir), ar ôl paragraff 10 mewnosoder –</p> <p><i>“Taliadau gwasanaeth sy’n daladwy i landlordiaid cymunedol etc.</i></p> <p>10A (1) Mae tâl gwasanaeth yn daliad a ganiateir os –</p> <p>(a) yw’n ofynnol o dan gontract meddiannaeth safonol, a</p>	<p>There are four elements to the purpose of this amendment.</p> <p>Firstly, it adds service charges as a permitted payment under Schedule 1 of the Renting Homes (Fees etc.) (Wales) Act 2019 (‘the 2019 Act’).</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<p>(b) the landlord is a community landlord.</p> <p>(2) But sub-paragraph (1) does not apply in relation to –</p> <p>(a) a standard occupation contract within paragraph 15 of Schedule 3 to the 2016 Act (accommodation which is not social accommodation), or</p> <p>(b) a standard occupation contract mentioned in sub-paragraph (3).</p> <p>(3) A payment of a service charge is a permitted payment if it is required under a standard occupation contract within section 143 of the 2016 Act (contracts relating to supported accommodation).</p> <p>(4) For the purposes of this paragraph –</p> <p>“2016 Act” (“<i>Deddf 2016</i>”) means the Renting Homes (Wales) Act 2016 (anaw 1);</p> <p>“community landlord” (“<i>landlord cymunedol</i>”) has the meaning given by section 9 of the 2016 Act;</p>	<p>(b) yw’r landlord yn landlord cymunedol.</p> <p>(2) Ond nid yw is-baragraff (1) yn gymwys mewn perthynas ag –</p> <p>(a) contract meddiannaeth safonol o fewn paragraff 15 o Atodlen 3 i Ddeddf 2016 (llety nad yw’n llety cymdeithasol), neu</p> <p>(b) contract meddiannaeth safonol a grybwyllir yn is-baragraff (3).</p> <p>(3) Mae tâl gwasanaeth yn daliad a ganiateir os yw’n ofynnol o dan contract meddiannaeth safonol o fewn adran 143 o Ddeddf 2016 (contractau sy’n ymwneud â llety â chymorth).</p> <p>(4) At ddibenion y paragraff hwn –</p> <p>ystyr “<i>Deddf 2016</i>” (“<i>2016 Act</i>”) yw <i>Deddf Rhentu Cartrefi (Cymru) 2016</i> (dccc 1);</p>	<p>The effect of this will be to make service charges permitted payments if they are required under a standard occupation contract by a community landlord (except for where they are undertaking private, rather than social housing activity) or a supported accommodation provider.</p> <p>The second element is to amend the Renting Homes (Fees etc.) (Wales) Act 2019 (Transitional Provisions for Assured Shorthold</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<p>“service charge” (“<i>tâl gwasanaeth</i>”) does not include a charge for a service where the payment for the charge would be permitted by virtue of another paragraph of this Schedule, and in relation to sub-paragraph (3) only, includes charges for the provision of support services;</p> <p>“support services” (“<i>gwasnaethau cymorth</i>”) has the meaning given by section 143 of the 2016 Act (see, in particular, subsection (4) of that section).”</p> <p>(2) In section 4 of the 2019 Act, after subsection (2)(h) insert –</p> <p style="padding-left: 40px;">“(i) service charges;”</p> <p>(3) In regulation 3 of the transitional provision Regulations –</p> <p style="padding-left: 20px;">(a) in the words before sub-paragraph (a), after “section 20,” insert “and subparagraphs (2) to (3B) of paragraph 10A of Schedule 1,”;</p> <p style="padding-left: 20px;">(b) omit the “and” at the end of sub-paragraph (d);</p> <p style="padding-left: 20px;">(c) after that sub-paragraph insert –</p> <p style="padding-left: 40px;">“(da) paragraph 10A of Schedule 1 to the Act is to be read as if –</p> <p style="padding-left: 60px;">(i) for sub-paragraph (2) there were substituted –</p>	<p>mae i “gwasanaethau cymorth” (“<i>support services</i>”) yr ystyr a roddir gan adran 143 o Ddeddf 2016 (gweler, yn benodol, isadran (4) o’r adran honno);</p> <p>mae i “landlord cymunedol” (“<i>community landlord</i>”) yr ystyr a roddir gan adran 9 o Ddeddf 2016;</p> <p>nid yw “<i>tâl gwasanaeth</i>” (“<i>service charge</i>”) yn cynnwys <i>tâl</i> am wasanaeth pan fyddai talu’r <i>tâl</i> yn cael ei ganiatáu yn rhinwedd paragraff arall o’r Atodlen hon, ac mewn perthynas ag is-baragraff (3) yn unig, mae’n cynnwys taliadau am ddarparu gwasanaethau cymorth.”</p> <p>(2) Yn adran 4 o Ddeddf 2019, ar ôl is-adran (2)(h) mewnosoder –</p>	<p>Tenancies) Regulations 2019 (“the 2019 Regulations”) to permit service charges in respect of certain tenancies.</p> <p>The 2019 Regulations make transitional provision (until the full commencement of the 2016 Act) to apply certain Parts of the Renting Homes (Fees etc.) (Wales) Act 2019 to assured shorthold tenancies.</p> <p>The effect of this element of the amendment is that these transitional arrangements are applied to</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<p>“(2) But sub-paragraph (1) does not apply in relation to –</p> <p>(a) a standard occupation contract where the allocation rules (within the meaning of paragraph 15 of Schedule 3 to the 2016 Act) did not apply to the making of the contract, or</p> <p>(b) a standard occupation contract mentioned in sub-paragraph (3).”;</p> <p>(ii) for-sub paragraph (3) there were substituted –</p>	<p>“(i) taliadau gwasanaeth.”</p> <p>(3) Yn rheoliad 3 o’r Rheoliadau darpariaeth drosiannol –</p> <p>(a) yn y geiriau o flaen is-baragraff (a), ar ôl “adran 20,” mewnosoder “ac isbaragraffau (2) i (3B) o baragraff 10A o Atodlen 1,”;</p> <p>(b) hepgorer yr “ac” ar ddiwedd is-baragraff (d);</p> <p>(c) ar ôl yr is-baragraff hwnnw mewnosoder –</p> <p>“(da) mae paragraff 10A o Atodlen 1 i’r Ddeddf i’w ddarllen fel pe bai –</p> <p>(i) y canlynol wedi ei roi yn lle is-baragraff (2) –</p> <p>“(2) Ond nid yw is-baragraff (1) yn gymwys mewn perthynas ag –</p>	<p>service charges if they are required under an assured shorthold tenancy by a community landlord (except for where they are undertaking private, rather than social housing activity) or a supported accommodation provider.</p> <p>The third element prohibits a landlord from issuing a section 21 notice for a period of 6 months if they have charged a service charge in connection with an assured shorthold tenancy during the period from 1 September</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<p>“(3) A payment of a service charge is a permitted payment if it is required under a standard occupation contract which relates to supported accommodation.”;</p> <p>(iii) after sub-paragraph (3) there were inserted –</p> <p>“(3A) For the purposes of sub-paragraph (3) accommodation is “supported accommodation” if –</p> <p>(a) it is provided by a community landlord or registered charity (within the meaning of the 2016 Act),</p>	<p>(a) contract meddiannaeth safonol pan nad oedd y rheolau dyrannu (o fewn ystyr paragraff 15 o Atodlen 3 i Ddeddf 2016) yn gymwys i wneud y contract, neu</p> <p>(b) contract meddiannaeth safonol a grybwyllir yn is-baragraff (3).”;</p> <p>(ii) y canlynol wedi ei roi yn lle is-baragraff (3) –</p> <p>“(3) Mae tâl gwasanaeth yn daliad a ganiateir os yw’n ofynnol o dan gontract meddiannaeth safonol sy’n ymwneud â llety â chymorth.”;</p>	<p>2019 to the coming into force of this section. The purpose of the provision is to provide some security to tenants who may have accrued service charge arrears during the period before they were able to be lawfully charged.</p> <p>The final element to the purpose of this amendment is to apply the inclusion of service charges as a permitted payment under Schedule 1 of the 2019 Act retrospectively from the date that Act came into force. The</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<p>(b) the landlord or charity (or a person acting on behalf of the landlord or charity) provides support services to a person entitled to occupy the accommodation, and</p> <p>(c) there is a connection between provision of the accommodation and provision of the support services.</p>	<p>(iii) y canlynol wedi ei roi ar ôl is-baragraff (3) –</p> <p>“(3A) At ddibenion is-baragraff (3) mae llety yn “llety â chymorth” os –</p> <p>(a) yw’n cael ei ddarparu gan landlord cymunedol neu elusen gofrestredig (o fewn ystyr Deddf 2016),</p> <p>(b) yw’r landlord neu’r elusen (neu berson sy’n gweithredu ar ran y landlord neu’r elusen) yn darparu gwasanaethau cymorth i berson sydd â hawl i feddiannu’r llety, ac</p>	<p>effect of this will be that service charges charged by applicable landlords will be lawful.</p> <p>The amendment also provides certain savings. The effect of these are that any section 21 notice served before the amendment comes into force remains invalid and any repayment order made under section 22(1) of the 2019 Act is saved.</p> <p>(see additional information at Annex A)</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<p>(3B) But accommodation in a care institution (within the meaning of paragraph 4 of Schedule 2 to the 2016 Act) is not supported accommodation.”, and”.</p> <p>(4) The amendments made by subsections (1), (2) and (3) of this section are to be treated for all purposes as if they came into force on 1 September 2019, except that –</p> <p>(a) any notice given in contravention of section 20(1) of the 2019 Act (as modified by the transitional provision Regulations) before the coming into force of this section is to continue to be treated as having been given in contravention of that section of the 2019 Act, and</p> <p>(b) any order made before the coming into force of this section under section 22(1) of the 2019 Act (orders for recovery of prohibited payments) continues to have effect.</p> <p>(5) Subsection (6) applies where –</p>	<p>(c) oes cysylltiad rhwng darparu’r llety a darparu’r gwasanaethau cymorth.</p> <p>(3B) Ond nid yw llety mewn sefydliad gofal (o fewn ystyr paragraff 4 o Atodlen 2 i Ddeddf 2016) yn llety â chymorth.”,ac”.</p> <p>(4) Mae’r diwygiadau a wneir gan is-adrannau (1), (2) a (3) o’r adran hon i’w trin at bob diben fel pe baent wedi dod i rym ar 1 Medi 2019, ac eithrio –</p> <p>(a) bod unrhyw hysbysiad a roddwyd yn groes i adran 20(1) o Ddeddf 2019 (fel y’I haddaswyd gan y Rheoliadau darpariaeth drosiannol) cyn i’r adran hon ddod i rym i barhau i gael ei drin fel pe bai wedi ei roi yn groes i’r adran honno o Ddeddf 2019, a</p> <p>(b) bod unrhyw orchymyn a wnaed cyn i’r adran hon ddod i rym o dan adran 22(1) o Ddeddf 2019 (gorchmynion i adennill taliadau gwaharddedig) yn parhau i gael effaith.</p>	

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<p>(a) before the coming into force of this section a landlord under an assured shorthold tenancy has required payment of a service charge in connection with the tenancy, and</p> <p>(b) by virtue of subsection (4) of this section the payment required by the landlord is a permitted payment for the purposes of the 2019 Act (see section 4 of that Act).</p> <p>(6) The landlord may not give a section 21 notice in respect of the dwelling-house let on the tenancy during the period of 6 months beginning with the day on which this section comes into force.</p> <p>(7) In this section –</p> <p>“2019 Act” (“<i>Deddf 2019</i>”) means the Renting Homes (Fees etc.) (Wales) Act 2019 (anaw 2);</p> <p>“assured shorthold tenancy” (“<i>tenantiaeth fyrddaliadol sicr</i>”) has the same meaning as in the Housing Act 1988 (“the 1988 Act”);</p> <p>“section 21 notice” (“<i>hysbysiad adran 21</i>”) means a notice under subsection (1)(b) or (4)(a) of section 21 of the 1988 Act;</p> <p>“the transitional provision Regulations” (“<i>y Rheoliadau darpariaeth drosiannol</i>”) means the Renting Homes (Fees etc.) (Wales) Act 2019 (Transitional Provision for Assured Shorthold Tenancies) Regulations 2019 (S.I. 2019/1151).’.</p>	<p>(5) Mae is-adran (6) yn gymwys pan fo –</p> <p>(a) cyn i’r adran hon ddod i rym, landlord o dan denantiaeth byrddaliadol sicr wedi ei gwneud yn ofynnol i dâl gwasanaeth gael ei dalu mewn cysylltiad â’r denantiaeth, a</p> <p>(b) yn rhinwedd is-adran (4) o’r adran hon, y taliad sy’n ofynnol gan y landlord yn daliad a ganiateir at ddibenion Deddf 2019 (gweler adran 4 o’r Ddeddf honno).</p> <p>(6) Ni chaiff y landlord roi hysbysiad adran 21 mewn cysylltiad â’r tŷ annedd a osodwyd ar y denantiaeth yn ystod y cyfnod o 6 mis sy’n dechrau â’r diwrnod y daw’r adran hon I rym.</p> <p>(7) Yn yr adran hon –</p> <p>ystyr “Deddf 2019” (“<i>2019 Act</i>”) yw Deddf Rhentu Cartrefi (Ffioedd etc.) (Cymru) 2019 (dccc 2);</p> <p>ystyr “hysbysiad adran 21” (“<i>section 21 notice</i>”) yw hysbysiad o dan is-adran (1) (b) neu (4)(a) o adran 21 o Ddeddf Tai 1988 (“<i>Deddf 1988</i>”);</p>	

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
		<p>ystyr “y Rheoliadau darpariaeth drosiannol” (“the transitional provision Regulations”) yw Rheoliadau Deddf Rhentu Cartrefi (Ffioedd etc.) (Cymru) 2019 (Darpariaeth Drosiannol ar gyfer Tenantiaethau Byrddaliadol Sigr) 2019 (O.S. 2019/1151);</p> <p>mae i “tenantiaeth fyrddaliadol sigr” yr ystyr a roddir i “assured shorthold tenancy” yn Neddf 1988.’.</p>	
7	Section 17, page 9, line 23, after ‘section’, insert ‘, section [section to be inserted by Amendment 6]’.	Adran 17, tudalen 9, llinell 25, ar ôl ‘hon’ yn y lle cyntaf y mae'n ymddangos, mewnosoder ‘, adran [yr adran sy'n cael ei mewnosod gan Welliant 6]’.	This amendment is consequential on amendment 6
8	Section 17, page 9, line 25, leave out ‘Section 6(5) and paragraph 26 of Schedule 6 come’ and insert ‘Paragraph 26 of Schedule 6 comes’.	Adran 17, tudalen 9, llinell 27, hepgorer ‘adran 6(5) a pharagraff’ a mewnosoder ‘paragraff’.	This amendment is consequential on amendments 3 & 15.
9	Schedule 1, page 10, line 22, leave out ‘contract-holder is pursuing, or intends to pursue, a course of study at that institution, or at another higher education institution’ and insert ‘right to occupy is conferred for the purpose of enabling the contract-holder to attend a course of study at that institution, or at another higher education institution (whether or not the right to occupy is also conferred for another purpose)’.	Atodlen 1, tudalen 10, llinell 21, hepgorer ‘fo deiliad y contract yn dilyn cwrs astudio yn y sefydliad hwnnw neu mewn sefydliad addysg uwch arall, neu’n bwriadu dilyn cwrs o’r fath’ a mewnosoder ‘fo’r hawl i feddiannu yn cael ei rhoi at ddiben galluogi deiliad y contract i fynychu cwrs astudio yn y sefydliad hwnnw, neu mewn sefydliad addysg uwch arall (pa un a roddir yr hawl i feddiannu at ddiben arall hefyd ai peidio)’.	The purpose and effect of this amendment is to clarify the circumstances under which a Higher Education Institution (HEI) providing a

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			<p>landlord function may include a two month notice period within an occupation contract.</p> <p>This amendment would enable a HEI to issue a two month notice to any student provided with accommodation to undertake a course of study at the relevant institution, irrespective of whether the accommodation was also provided for another purpose (for example if the student was also a warden).</p>
10	Schedule 1, page 11, leave out lines 1 to 3	Atodlen 1, tudalen 11, hepgorer llinellau 1 hyd at 3.	<i>(see also Amendments 16, 17 & 19)</i>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			<p>The purpose of this amendment is to remove the reference to the Displaced Persons (Temporary Protection) Regulations 2005 which have been revoked.</p> <p>The effect of this amendment, and amendments 16, 17 & 19 is to remove references to the revoked regulations from the Bill and from the 2016 Act, as appropriate.</p>
11	<p>Schedule 2, page 13, line 14, leave out 'the landlord has not given the contract-holder a written statement in accordance with section 31(1) or (2) (duty to provide written statement)' and insert –</p> <p style="text-align: center;">‘ –</p> <p style="text-align: center;">(a) the contract-holder has not been given a written statement of the</p>	<p>Atodlen 2, tudalen 13, llinell 14, hepgorer 'na fo'r landlord wedi rhoi datganiad ysgrifenedig i ddeiliad y contract yn unol ag adran 31(1) neu (2) (dyletswydd i ddarparu datganiad ysgrifenedig)' a mewnosoder –</p> <p style="text-align: center;">‘ –</p> <p style="text-align: center;">(a) na roddwyd datganiad</p>	<p>The purpose of this amendment is to remove any potential ambiguity about whether a landlord is able to give a notice</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<p>contract under section 31(1) (requirement to provide written statement at the start of a contract), or</p> <p>(b) the landlord is aware that the identity of the contract-holder has changed, and the new contract-holder has not been given a written statement of the contract under section 31(2) (requirement to give written statement to a new contract-holder)'. </p>	<p>ysgrifenedig o'r contract i ddeiliad y contract o dan adran 31(1) (gofyniad i ddarparu datganiad ysgrifenedig ar ddechrau contract), neu</p> <p>(b) bo'r landlord yn ymwybodol fod deiliad y contract wedi newid, ac na roddwyd datganiad ysgrifenedig o'r contract i ddeiliad newydd y contract o dan adran 31(2) (gofyniad i roi datganiad ysgrifenedig i ddeiliad newydd y contract)'. </p>	<p>under section 173, under section 186, and under a landlord's break clause during the 14-day period for giving a written statement of an occupation contract specified in section 31. The effect of this amendment is to prohibit the landlord from giving a notice at any time where the written statement has not been provided to the contract-holder as required by section 31(1) and section 31(2), (regardless of whether the landlord has</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			breached section 31 by failing to give the statement within the specified time) .
12	Schedule 2, page 13, line 17, after <i>'statement'</i> , insert <i>' within the period specified in section 31'</i> .	Atodlen 2, tudalen 13, llinell 17, ar ôl <i>'ysgrifenedig'</i> , mewnosoder <i>' o fewn y cyfnod a bennir yn adran 31'</i> .	This amendment is consequential upon amendments 11 and 13. The purpose and effect of this amendment is to remove any overlap between paragraphs 1 and 2 of Schedule 9A. A landlord who has failed to comply with the requirement to give a written statement within 14 days of the occupation date (undersection 31(1) or (2)) is prohibited from giving a notice

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			under section 173 or section 186, or under a landlord's break clause for a period of six months starting with the day on which the landlord provided the written statement to the contract-holder.
13	Schedule 2, page 13, line 19, leave out 'before the end of' and insert 'during'.	Atodlen 2, tudalen 13, llinell 19, hepgorer 'cyn diwedd' a mewnosoder 'yn ystod'.	This amendment is consequential upon amendments 11, 12 & 22. The purpose and effect of this amendment is to remove any overlap between paragraphs 1 and 2 of Schedule 9A. A landlord who has failed to comply with the requirement to

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			provide a written statement of an occupation contract within 14 days of the occupation date (as required by section 31(1) or (2)), is prohibited from giving a notice under section 173 or section 186, or under a landlord's break clause for a period of six months starting with the day on which the landlord provided the written statement to the contract-holder.
14	Schedule 2, page 13, line 28, after 'landlord', insert 'in connection with the contract'.	Atodlen 2, tudalen 13, llinell 28, ar ôl 'amdano', mewnosoder 'mewn cysylltiad â'r contract'.	The purpose and effect of this amendment is to provide clarification that the restriction on giving a notice

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			when in breach of security requirements relates to security required in connection with the occupation contract.
15	<p>Schedule 2, page 14, line 34 leave out –</p> <p><i>'Failure to register under Part 1 of the Housing (Wales) Act 2014 (anaw 7)</i></p> <p>6 (1) A landlord who is required to be registered under Part 1 of the Housing (Wales) Act 2014 may not give a notice at a time when the landlord is not registered in respect of the dwelling to which the notice would apply.</p> <p>(2) But if there has been a transfer of the landlord's interest, sub-paragraph (1) does not apply for the period of 28 days beginning with the day on which the interest is transferred to the landlord.</p> <p><i>Failure to acquire licence under Part 1 of the Housing (Wales) Act 2014 (anaw 7)</i></p>	<p>Atodlen 2, tudalen 14, llinellau 35 hepgorer –</p> <p><i>Methu â chofrestru o dan Ran 1 o Ddeddf Tai (Cymru) 2014 (dccc 7)</i></p> <p>6 (1) Ni chaiff landlord y mae'n ofynnol iddo fod yn gofrestredig o dan Ran 1 o Ddeddf Tai (Cymru) 2014 roi hysbysiad ar adeg pan nad yw'n gofrestredig mewn perthynas â'r annedd y byddai'r hysbysiad yn gymwys iddi.</p> <p>(2) Ond os yw buddiant y landlord wedi ei drosglwyddo, nid yw is-baragraff (1) yn gymwys am y cyfnod o 28 diwrnod sy'n dechrau â'r diwrnod pan fo'r buddiant wedi ei drosglwyddo i'r landlord.</p>	<p>The purpose of this amendment is to remove from Schedule 2 to the Bill, which inserts Schedule 9A into the 2016 Act, the restrictions on a landlord serving notice where the landlord is not properly registered and licensed in accordance with the Housing (Wales) Act 2014.</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<p>7 (1) A landlord who is required to be licensed under Part 1 of the Housing (Wales) Act 2014 may not give a notice at a time when –</p> <p>(a) the landlord is not licensed under that Part in respect of the area in which the dwelling is located (within the meaning of Part 1 of that Act), and</p> <p>(b) the landlord has not appointed a person who is licensed under that Part to carry out all property management work (within the meaning of section 12 of that Act) in respect of the dwelling on the landlord’s behalf.</p> <p>(2) But if there has been a transfer of the landlord’s interest, subparagraph (1) does not apply for the period of 28 days beginning with the day on which the interest is transferred to the landlord.’.</p>	<p><i>Methu â chaffael trwydded o dan Ran 1 o Ddeddf Tai (Cymru) 2014 (dccc 7)</i></p> <p>7 (1) Ni chaiff landlord y mae’n ofynnol iddo fod yn drwyddedig o dan Ran 1 o Ddeddf Tai (Cymru) 2014 roi hysbysiad ar adeg pan –</p> <p>(a) nad yw’r landlord yn drwyddedig o dan y Rhan honno ar gyfer yr ardal y mae’r annedd wedi ei lleoli ynddi (o fewn ystyr Rhan 1 o’r Ddeddf honno), a</p> <p>(b) nad yw’r landlord wedi penodi person sydd yn drwyddedig o dan y Rhan honno i ymgymryd â’r holl waith rheoli eiddo (o fewn ystyr adran 12 o’r Ddeddf honno) mewn perthynas â’r annedd ar ran y landlord.</p>	

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
		(2) Ond os yw buddiant y landlord wedi ei drosglwyddo, nid yw isbaragraff (1) yn gymwys am y cyfnod o 28 diwrnod sy'n dechrau â'r diwrnod pan fo'r buddiant wedi ei drosglwyddo i'r landlord.'.	
16	Schedule 3, page 17, leave out lines 22 to 24.	Atodlen 3, tudalen 17, hepgorer llinellau 20 hyd at 22.	<p>(see also Amendments 10, 17 & 19)</p> <p>The purpose of this amendment is to remove the reference to the Displaced Persons (Temporary Protection) Regulations 2005, which have been revoked.</p> <p>The effect of this amendment, and amendments 10, 17 & 19 is to</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			remove references to the revoked regulations from the Bill and from the 2016 Act.
17	Schedule 4, page 20, leave out lines 23 to 25.	Atodlen 4, tudalen 20, hepgorer llinellau 21 hyd at 23.	<p><i>(see also Amendments 10, 16 & 19)</i></p> <p>The purpose of this amendment is to remove the reference to the Displaced Persons (Temporary Protection) Regulations 2005, which have been revoked.</p> <p>The effect of this amendment, and amendments 10, 16 & 19 is to remove references to the revoked regulations from</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			the Bill and from the 2016 Act.
18	<p>Schedule 5, page 23, after line 15, insert –</p> <p><i>‘Editorial changes to written statement</i></p> <p>[] In section 33 (editorial changes to written statement), in subsection (2) omit the words from “; for example” to the end.’.</p>	<p>Atodlen 5, tudalen 23, ar ôl llinell 15, mewnosoder –</p> <p><i>‘Newidiadau golygyddol i ddatganiad ysgrifenedig</i></p> <p>[] Yn adran 33 (newidiadau golygyddol i ddatganiad ysgrifenedig), yn is-adran (2) hepgorer y geiriau o “; er enghraifft” hyd at y diwedd.’.</p>	<p>The purpose of this amendment is to remove the examples currently included in section 33 of the Act.</p> <p>The effect of this amendment is to remove examples of editorial changes to written statements, currently included within section 33 of the Act,</p>
19	<p>Schedule 5, page 24, after line 22, insert –</p> <p><i>‘Removal of references to accommodation for displaced persons</i></p> <p>[] (1) In Schedule 3 (occupation contracts made with or adopted by community landlords which may be standard contracts), omit paragraph 5.</p>	<p>Atodlen 5, tudalen 24, ar ôl llinell 26, mewnosoder –</p> <p><i>‘Dileu cyfeiriadau at lety ar gyfer personau sydd wedi eu dadleoli</i></p> <p>[] (1) Yn Atodlen 3 (contractau meddiannaeth a wneir gyda neu a fabwysiedir gan landlordiaid cymunedol y caniateir iddynt fod yn gontractau safonol), hepgorer paragraff 5.</p>	<p><i>(see also Amendments 10, 16 & 17)</i></p> <p>The purpose of this amendment is to remove references to the Displaced Persons</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	(2) In Schedule 9 (standard contracts to which limits in sections 175, 186(2) and 196 do not apply), omit paragraph 5.’.	(2) Yn Atodlen 9 (contractau safonol nad yw’r cyfyngiadau yn adrannau 175, 186(2) a 196 yn gymwys iddynt), hepgorer paragraff 5.’.	(Temporary Protection) Regulations 2005, which have been revoked. The effect of this amendment, and amendments 10, 16 & 17 is to remove references to the revoked regulations from the Bill and from the 2016 Act.
20	<p>Schedule 5, page 24, after line 22, insert –</p> <p><i>‘Amendment to Schedule 3: student accommodation</i></p> <p>[] In Schedule 3 (occupation contracts made with or adopted by community landlords which may be standard contracts), in paragraph 10(1), for “for the purpose of enabling” substitute “for the sole purpose of enabling”.’.</p>	<p>Atodlen 5, tudalen 24, ar ôl llinell 26, mewnosoder –</p> <p><i>‘Diwygiad i Atodlen 3: llety myfyrwyr</i></p> <p>[] Yn Atodlen 3 (contractau meddiannaeth a wneir gyda neu a fabwysiedir gan landlordiaid cymunedol y caniateir iddynt fod yn gontractau safonol), ym mharagraff 10(1), ar ôl “addysgol” mewnosoder “yn unig”.’.</p>	<p>The purpose and effect of this amendment is to amend the wording of the Schedule 3 exemption relating to student accommodation</p> <p>The effect of the amendment is to ensure that the exemption (which permits a</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			<p>community landlord to give a standard contract as opposed to a secure contract where the accommodation relates to student accommodation) only applies in circumstances where a community landlord has provided accommodation to a contract-holder on the sole basis of the contract-holder attending a designated course at an educational establishment. Should the accommodation be provided for any other purpose or for joint purposes</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			the community landlord will be required to provide a secure contract, if the contract-holder would otherwise be entitled to a contract of that kind.
21	Schedule 6, page 25, after line 11, insert – '[] In section 22 (powers in relation to fundamental provisions), omit subsection (3).'	Atodlen 6, tudalen 25, ar ôl llinell 10, mewnosoder – '[] Yn adran 22 (pwerau o ran darpariaethau sylfaenol), hepgorer is-adran (3).'	Consequential on amendment 25.
22	Schedule 6, page 25, line 18, leave out 'complied with' and insert 'provided a written statement of the contract under'.	Atodlen 6, tudalen 25, llinell 18, hepgorer 'cydymffurfio ag' a mewnosoder 'darparu datganiad ysgrifenedig o'r contract o dan'.	This amendment is consequential on amendments 11, 12 and 13.
23	Schedule 6, page 27, line 16, leave out "four", substitute "six" and insert "during first four months" substitute "until after the first six months".	Atodlen 6, tudalen 27, llinell 17, hepgorer "pedwar" rhodder "chwe" a mewnosoder "yn ystod pedwar mis cyntaf" rhodder "tan ar ôl chwe mis cyntaf".	Consequential on amendment 1.
24	Schedule 6, page 27, line 18, leave out "four", substitute "18" and insert "during first four months" substitute "until after the first 18 months".	Atodlen 6, tudalen 27, llinell 19, hepgorer "pedwar", rhodder "18" a mewnosoder "yn ystod pedwar mis cyntaf" rhodder "tan ar ôl 18 mis cyntaf".	Consequential on amendment 2.
25	Schedule 6, page 27, line 27, after '(regulations)', insert –	Atodlen 6, tudalen 27, llinell 28, ar ôl '(rheoliadau)', mewnosoder –	Section 256(2) of the 2016 Act permits

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<p>'(a) in subsection (2) for “, an enactment other than a provision of this Act” substitute “any enactment (including a provision of this Act)”;</p>	<p>'(a) yn is-adran (2) yn lle “i ddeddfiad, ac eithrio darpariaeth yn y Ddeddf hon, a gwneud addasiadau, diddymadau a dirymadau i unrhyw ddeddfiad heblaw am ddarpariaeth yn y Ddeddf hon” rhodder “, addasiadau, diddymadau a dirymadau i unrhyw ddeddfiad (gan gynnwys darpariaeth yn y Ddeddf hon)”;</p>	<p>regulations made under the 2016 Act to make consequential amendments to enactments, and modifications, repeals and revocations of enactments. The purpose of this amendment is to expand that power so that it applies to the 2016 Act as well as to other enactments.</p>
26	<p>Schedule 6, page 28, after line 34, insert – '[] In Schedule 4 (introductory standard contracts), in paragraph 3, in sub-paragraph (7) omit the words from “; the power under section 256(2)” to the end.’.</p>	<p>Atodlen 6, tudalen 28, ar ôl llinell 37, mewnosoder – '[] Yn Atodlen 4 (contractau safonol rhagarweiniol), ym mharagraff 3, yn is-baragraff (7) hepgorer y geiriau o “; mae’r pŵer o dan adran 256(2)” hyd at y diwedd.’.</p>	<p>Consequential on amendment 25.</p>
27	<p>Schedule 6, page 28, line 35, leave out paragraph 23 and insert – '[] (1) Schedule 7 (prohibited conduct standard contracts) is amended as follows.</p>	<p>Atodlen 6, tudalen 28, llinell 38, hepgorer paragraff 23 a mewnosoder – '[] (1) Mae Atodlen 7 (contractau safonol ymddygiad gwaharddedig) wedi ei diwygio fel a ganlyn.</p>	<p>This amendment makes a minor amendment to Schedule 7 to</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<p>(2) In paragraph 2, in sub-paragraph (8) for “during first four months” substitute “until after the first six months”.</p> <p>(3) In paragraph 4, in sub-paragraph (7) omit the words from “; the power under section 256(2)” to the end.’.</p>	<p>(2) Ym mharagraff 2, yn is-baragraff (8) yn lle “yn ystod pedwar mis cyntaf” rhodder “tan ar ôl chwe mis cyntaf”.</p> <p>(3) Ym mharagraff 4, yn is-baragraff (7) hepgorer y geiriau o “; mae’r pŵer o dan adran 256(2)” hyd at y diwedd.’.</p>	<p>the 2016 Act which is consequential upon amendment 25</p>
28	<p>Schedule 6, page 29, after line 10, insert –</p> <p>() In paragraph 11 (written statement of converted contract), after sub-paragraph (1) insert –</p> <p style="padding-left: 40px;">“(1A) Section 31(2) (provision of written statement to new contract-holder) does not apply in relation to a converted contract during the information provision period.”</p> <p>() After paragraph 12 (provision of information) insert –</p> <p style="padding-left: 40px;">“12A(1) Schedule 9A (restrictions on giving notice under section 173, under section 186, and under a landlord’s break clause) applies in relation to a converted contract as if –</p> <p style="padding-left: 80px;">(a) paragraph 1 were omitted, and</p> <p style="padding-left: 80px;">(b) for paragraph 2 there were substituted –</p>	<p>Atodlen 6, tudalen 29, ar ôl llinell 12, mewnosoder –</p> <p>() Ym mharagraff 11 (datganiad ysgrifenedig o gontract wedi ei drosi), ar ôl is-baragraff (1) mewnosoder –</p> <p style="padding-left: 40px;">“(1A) Nid yw adran 31(2) (rhoi datganiad ysgrifenedig i ddeiliad contract newydd) yn gymwys mewn perthynas â chontract wedi ei drosi yn ystod y cyfnod darparu gwybodaeth.”</p> <p>() Ar ôl paragraff 12 (darparu gwybodaeth) mewnosoder –</p>	<p>The purpose of this amendment is:</p> <p>1. To disapply the requirement set out in section 31(2) of the Act (written statement of contract to be provided where the identity of the contract-holder has changed) in relation to a converted contract for the duration of the six month information period;</p> <p>2. To disapply</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<p><i>“Failure to provide written statement within the specified period</i></p> <p>2 If—</p> <p>(a) a landlord is required to provide a written statement of the contract under paragraph 11(1) of Schedule 12, or under section 31(2) (where it is not disapplied by paragraph 11(1A) of that Schedule), and</p> <p>(b) the landlord has failed to comply with paragraph 11(1) or section 31(2),</p> <p>the landlord may not give notice before the end of the period of six months starting with the day on which the landlord gave the written statement to the contract-holder.””””.</p>	<p>“12A(1) Mae Atodlen 9A (cyfyngiadau ar roi hysbysiad o dan adran 173, o dan adran 186, ac o dan gymal terfynu’r landlord) yn gymwys mewn perthynas â chontract wedi ei drosi fel pe bai —</p> <p>(a) paragraff 1 wedi ei hepgor, a</p> <p>(b) y canlynol wedi ei roi yn lle paragraff 2—</p> <p><i>“Methu â darparu datganiad ysgrifenedig o fewn y cyfnod penodedig</i></p> <p>2 Os—</p>	<p>the restriction set out in Schedule 9A, paragraph 1, in relation to converted contracts; and,</p> <p>3. To modify the restriction set in in Schedule 9A, paragraph 2, in relation to converted contracts.</p> <p>The effect of this amendment is:</p> <p>1. The requirements set out in section 31(2) and Schedule 9A, paragraph 1, are disapplied in relation to a converted contract; and,</p> <p>3. The restriction set out in Schedule 9A, paragraph 2, is modified in relation to a</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
		<p>(a) yw'n ofynnol i landlord ddarparu datganiad ysgrifenedig o'r contract o dan baragraff 11(1) o Atodlen 12, neu o dan adran 31(2) (pan na fo wedi ei ddatgymhwyso gan baragraff 11(1A) o'r Atodlen honno), a</p> <p>(b) yw'r landlord wedi methu â chydymffurfio â pharagraff 11(1) neu adran 31(2),</p>	<p>converted contract so that a landlord under a converted contract who has failed to comply with paragraph 11(1) or section 31(2) may not give notice under section 173, section 186, or under a landlord's break clause for six months following the date on which the landlord gave the written statement.</p>

No.	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
		ni chaiff y landlord roi hysbysiad cyn diwedd y cyfnod o chwe mis sy'n dechrau â'r diwrnod y rhoddodd y landlord y datganiad ysgrifenedig i ddeiliad y contract."".	
29	Schedule 6, page 29, line 16, leave out 'in' at the second place where it appears and insert 'until after'.	Atodlen 6, tudalen 29, llinell 20, hepgorer 'yn ystod' a mewnosoder 'tan ar ôl'.	Consequential on amendment 1.
30	Schedule 6, page 29, line 29, leave out 'in' at the second place where it appears and insert 'until after'.	Atodlen 6, tudalen 29, llinell 33, hepgorer 'yn ystod' a mewnosoder 'tan ar ôl'.	Consequential on amendment 1.
31	Schedule 6, page 31, line 29, leave out 'in' at the second place where it appears and insert 'until after'.	Atodlen 6, tudalen 31, llinell 35, hepgorer 'yn ystod' a mewnosoder 'tan ar ôl'.	Consequential on amendment 2.

Additional information on Government Amendment 6 in relation to the Renting Homes (Fees etc.) Act 2019

Description

1. This amendment to the Renting Homes (Amendment) (Wales) Bill (“the Bill”) amends the Renting Homes (Fees etc.) (Wales) Act 2019 (“the 2019 Act”) to provide that “service charges” are a new form of permitted payment under Schedule 1 to the 2019 Act where they are required under a standard occupation contract (currently applied through transitional provisions to assured shorthold tenancies) and the landlord is either a community landlord or a supported accommodation provider. The amendments to the 2019 Act will apply retrospectively from the point when that Act came into force – i.e., 1 September 2019.

Purpose and intended effect

Background

2. On 9 December 2020, the Minister for Housing and Local Government issued a Written Ministerial Statement regarding service charges levied by some registered social landlords (RSLs) and third sector organisations on assured shorthold tenancies (ASTs). The statement noted that whilst the 2019 Act has had a very positive impact on protecting tenants from unfair fees, it has also had an unintended consequence in relation to service charges levied on ASTs by RSLs and supported accommodation providers. The Statement indicated that the Minister intended to bring forward a Statutory Instrument to address the issue.
3. In a letter to the Equality, Communities and Local Government Committee issued on 19 January, the Minister noted that since issuing the Statement, it had become apparent that primary legislation would be required to make the amendment retrospective and resolve the matter fully. Consequently, the Minister said that she had asked officials to explore the possibility of bringing forward an amendment to the 2019 Act via an additional amendment to the Bill.

Context

4. The purpose of the 2019 Act is to limit the type of payments charged by and made to the landlord, letting agent or any other person in consideration of the grant, renewal or continuance of a standard occupation contract, or pursuant to a term of a standard occupation contract which purports to require the payment to be made. In so doing, the 2019 Act ensures contract holders/tenants are not subject to additional and/or unreasonable fees charged by letting agencies and private landlords

5. Since it came into force, tenants have known that, when they enter into or renew a rental agreement they cannot be asked for any other payments in addition to the rent, beyond those permitted under the 2019 Act. This means tenants cannot be charged for an accompanied viewing, receiving an inventory, signing a contract, or renewing a tenancy. It is estimated the 2019 Act is saving tenants, on average, almost £200 per tenancy.
6. Standard occupation contracts will be created once the Renting Homes Act 2016 (“the 2016 Act”) is implemented but until that happens, in accordance with the Renting Homes (Fees etc.) (Wales) Act 2019 (Transitional Provision for Assured Shorthold Tenancies) Regulations 2019 (‘The 2019 Regulations’), the provisions of the 2019 Act apply to ASTs. ASTs are the predominant form of tenancy in the private rented sector (PRS) under current housing law. They will be replaced by standard occupation contracts.
7. Although ASTs are mainly used in the PRS, they are also used by social landlords – that is, RSLs and supported accommodation providers. Under the 2019 Act, ASTs issued by social landlords are treated in the same way as those issued in the PRS. The decision to include RSLs within the scope of the 2019 Act was made in order to capture the commercial aspects of their business in particular their letting agency activity, which is similar to private letting agents. However, this has had unintended consequences for the use of ASTs by RSLs, such as in relation to ‘starter tenancies’ and ‘demoted tenancies’, and in relation to tenancies for supported accommodation. Specifically, the 2019 Act prohibits the levying of service and support charges in relation to such tenancies. Local Authority tenancies and assured tenancies issued by RSLs (which are the vast majority of RSL tenancies) are not covered by the 2019 Act and service charges can legitimately be charged. These unintended consequences will also apply in relation to standard occupation contracts when these replace ASTs.
8. Service charges are generally made for things such as grounds maintenance, the maintenance of the common areas of blocks of flats, and external window cleaning. In supported accommodation, charges are also made for housing management purposes. In most situations, the support is provided either by or on behalf of the landlord, including by bodies acting as agents on behalf of RSLs or where third sector organisations provide services on behalf of RSLs and are named on tenancy agreements.
9. In the social housing sector, the separate identification of service charges is considered desirable in terms of the transparency and accountability for tenants. Additionally, social landlords are responsible for setting out eligible service charges (including charges for the support provided to tenants in supported accommodation) for the purposes of Universal Credit/Housing Benefit claims relating to social housing. No such setting out is required in the private rented sector as benefit payments are capped by the Local Housing Allowance.
10. The 2019 Act has created an unintended difference between the ways in which different tenancies in the social sector are permitted to operate: service charges are permitted for local authority tenancies, none of which are ASTs; service

charges are permitted for RSL tenancies which are assured tenancies; but for the minority of RSL ASTs and supported accommodation ASTs, service charges are not permitted.

Issues that arise

11. Prohibiting service charges in relation to standard occupation contracts/ASTs has the following negative effects in relation to social housing:
 - i. Under the rules relating to welfare benefits, service charges cannot be covered by benefit claims if RSL and supported accommodation providers do not separately set out eligible service charges and rent.
 - ii. The vast majority of RSL tenants currently hold assured tenancies and these will convert to secure occupation contracts once the 2016 Act is implemented. The 2019 Act does not apply to these tenancies nor does it apply to current local authority tenancies, although a small minority of these will convert to standard occupation contracts to which the 2019 Act will apply. Presently, the 2019 Act has created an inequitable difference between the way in which the majority of tenancies in the social sector are permitted to operate and the minority that are ASTs or will become standard occupation contracts. Tenants who may live in the same properties and receive the same services could be charged differently.
 - iii. Any change in the circumstances of an individual's benefit claim, such as service charges no longer being levied or a repayment being made in respect of service charges already paid, is likely (following conversations with the Department for Work and Pensions) to lead to, at best, a suspension of benefit payments whilst the claim is reassessed. At worst, in the case of a repayment being made, or if the charges remain unlawful, it could lead to a demand for benefit payments already received to be repaid and for individuals to be transferred from Housing Benefit to potentially less favourable arrangements under Universal Credit.
 - iv. The financial viability of certain providers may be undermined should they be required to refund service charge payments received since the 2019 Act came into force. In particular, this could be an issue for small, voluntary sector organisations responsible for providing supported accommodation and related support services. The failure of any such bodies would present a significant risk to the housing and support needs of vulnerable people being met.
 - v. Longer term, if those providing supported accommodation, where service charges tend to be much higher because of the nature of the provision, are unable to levy service charges, the provision of supported accommodation may

become unviable. Again, the loss of such provision presents a significant risk to the housing and support needs of vulnerable people being met.

Intended Effect of the Amendment

12. In order to rectify the negative effects set out above, the amendment introduces a new paragraph 10A of Schedule 1 that would permit certain types of landlord to charge service charges in relation to certain types of standard occupation contract.
13. Firstly, service charges would be permitted in cases where they are required under a standard occupation contract and the standard occupation contract is granted or adopted by a community landlord (which includes RSLs), except where the contract was not a contract for 'social accommodation', or where the contract relates to supported accommodation (as separate provisions is made for these – see below). The exception in respect of contracts which do not relate to 'social accommodation' means that where RSLs are acting to all intents and purposes as a private landlord, they would be subject to the same restrictions as private landlords under the 2019 Act, that is, service charges would not be a permitted payment.
14. Secondly, service charges would be permitted in cases where the occupation contract is a supported standard contract, as defined in section 143 of the 2016 Act. Such contracts relate to supported accommodation. In this case, service charges may include charges for the provision of support services.
15. To ensure the effect of permitting service charges in relation to certain types of standard occupation contract to be introduced under the 2016 Act applies to the current system operating in the rented sector, the amendment also amends the 2019 Regulations to provide that where service charges are required under an AST and the landlord is a community landlord (save for the same exceptions as above) or the accommodation is supported accommodation, then service charges are permitted payments. The amendments will apply retrospectively from 1 September 2019.
16. There are also a number of provisions that seek to address issues caused by the retrospective effect of the amendment. Firstly, any notice given in contravention of section 20(1) of the 2019 Act (as modified by the transitional provision Regulations) before the amendment comes into force will continue to be treated as having been given in contravention of that section. The section provides that a section 21 notice may not be given where a prohibited payment has made as a result of a requirement to do so, and not refunded. Secondly, provision is made saving the effect of any repayment order made under section 22(1) of the 2019 Act. This is to prevent a situation where a court ordered repayment is invalidated in circumstances where the tenant at the time the application to court was made was pursuing a legitimate grievance. Thirdly, provision is made for a prohibition on issuing a section 21 notice for a period of 6 months, where a permitted payment under paragraph 10A of Schedule 1 has been required by a landlord during the period from 1 September 2019 to the coming into force of the

amendment. This provision is intended to afford a degree of security to tenants who may have accrued service charge arrears during the period before they were able to be lawfully levied.

Consultation

17. Whilst the urgent need to address this issue to the benefit of landlords and tenants alike has meant that this amendment has not been subject to a formal consultation, it has been discussed in detail with stakeholder bodies representing those affected, including both tenants and landlords. A very careful analysis has been involving frequent include discussions with stakeholders, to identify and address any potential problems. In addition, a letter setting out the principal policy intentions of the proposed amendment and asking for comments was sent to key representative bodies of social landlords and tenants. The comments received have been taken into account in the development of the amendment.

Summary of Costs and benefits

18. Making an amendment to the 2019 Act such that service charge payments are permitted payments in relation to social housing tenancies, and applying that change retrospectively, will mean that the negative effects set out in paragraph 12 will be avoided.
19. An estimated 4,500 ASTs are currently thought to have been subject to prohibited service charges, of which around 890 are in the supported housing sector with the remainder being in general needs social housing. 33 RSLs are thought to have received prohibited payments, their individual financial liabilities ranging from £2,000 to over £600,000 with an estimated total financial exposure of £3.5 million, a significant proportion of which relates to supported accommodation. 18 third sector providers of supported accommodation are also impacted, their liabilities ranging between £600 and £137,000 with a total exposure of about £686,000.
20. If providers were required to repay those monies because payments are not retrospectively permitted that would place considerable financial strain on some of them, particularly those third sector providers with relatively significant financial exposure. This in turn could undermine the ability of these providers to continue provision in the future.
21. Even where providers are able to absorb the potential cost of repayment, looking forward, if service charge payments are not permitted, it may no longer be economical for them to continue providing supported accommodation. The high costs associated with the services necessary to meets the needs of tenants in that sector may be prohibitive.
22. There would be a notional saving to AST tenants if service charges are not permitted. However, in many instances the cost of service charges is covered by benefit payments – this is especially true in supported accommodation. Tenants

in receipt of Housing Benefit or Universal Credit receiving a refund may subsequently become liable for a repayment to the Department for Work and Pensions. A failure to make such a repayment would have further impacts on future benefit payments.

23. In addition, and importantly, payments made would be in respect of services that have been provided. Repayment of such charges would give rise to issues of fairness; for example, two residents in identical flats who have paid the same sums and received the same services but only one might receive a refund as they were on a starter or demoted tenancy whilst the other did not.

Impact Assessments

Equalities

24. The legal position as it currently stands has the potential to adversely impact certain tenants in receipt of benefits. Were social landlords and supported accommodation providers to stop charging for services in accordance with the current legal position, this could have a significant impact on tenants in receipt of benefits as it may trigger a reassessment of their claims for Housing Benefit or Universal Credit. Tenants affected in this way may be without payments during the period in which their claim is being reassessed. In the case of those currently receiving Housing Benefit, it may result in them subsequently moving onto Universal Credit, which may consequently place them in a disadvantageous position. Tenants in receipt of benefits will already be socio-economically disadvantaged (and those with certain protected characteristics are more likely to be in lower socio-economic groups). Many will also be vulnerable in other ways, especially those in supported housing. Taking action that avoids the cessation of charges, where that is likely to impact in a negative way on the tenant, would be an important step in safeguarding the interests of these groups.
25. If service charges were not made a permitted payment, both prospectively and retrospectively, some supported accommodation provision may be at risk. Some third sector providers of supported accommodation may struggle for financial survival in the event that they are required to pay back service charges levied since September 2019. Furthermore, were it not possible to levy service charges in this sector, it is possible that provision of supported accommodation, or at least aspects of it, may become uneconomical to provide, including that currently made by RSLs. Given the vulnerability of tenants in the supported accommodation sector, and the importance of providing them with accommodation suitable to their specific needs, making lawful service charge payments in this sector may be of vital significance to them.