

RH 15

Y Pwyllgor Cymunedau, Cydraddoldeb a Llywodraeth Leol/  
Communities, Equality and Local Government Committee  
Bil Rhentu Cartrefi (Cymru)/Renting Homes (Wales) Bill  
Ymateb gan: Cyngor Benthycwyr Morgeisi  
Response from: Council of Mortgage Lenders

**Renting Homes (Wales) Bill, Stage 1 scrutiny: general principles**

We are grateful for the opportunity to provide a submission to the Committee's inquiry into the general principles of the Renting Homes (Wales) Bill.

In our responses to the earlier consultation and White paper proposals, we highlighted the possibility that these proposals might impact buy-to-let lending in Wales, if new burdens on private landlords businesses were so significant as to undermine their viability, or if they affected a BTL lender's ability to realise the mortgage security if this became necessary. We share similar concerns to those expressed by the Residential Landlords Association in respect of burdens on landlords.

We also highlighted, in relation to commercial lending to housing associations, that it is possible the removal of mandatory possession ground 8 could lead to a perception of increased risk in this sector if the ability of registered providers to protect their rental income streams were to be weakened. We share the view expressed by Community Housing Cymru that ground 8, although seldom used, is a valued last-resort option for landlords.

We expect that the Bill's associated Impact Assessment and the Committee's scrutiny of the proposals will be sufficient to allay those concerns.

In the end, it will be for the market to respond and adjust to the changes which Renting Homes will bring. We do not feel it is possible at this stage to predict or judge in an evidenced way what the market's response will be.

For these reasons, we have nothing further to contribute to the Committee's stage 1 consideration of this Bill.

**CML Cymru**