



# **Cynulliad Cenedlaethol Cymru** **The National Assembly for Wales**

## **Y Pwyllgor Cymunedau, Cydraddoldeb a** **Llywodraeth Leol** **The Communities, Equality and Local Government** **Committee**

**Dydd Iau, 30 Ebrill 2015**  
**Thursday, 30 April 2015**

**Cynnwys**  
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Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynnddi yn y pwyllgor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd.

The proceedings are reported in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included.

**Aelodau'r pwyllgor yn bresennol**  
**Committee members in attendance**

Peter Black	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Christine Chapman	Llafur (Cadeirydd y Pwyllgor) Labour (Committee Chair)
Alun Davies	Llafur Labour
Jocelyn Davies	Plaid Cymru The Party of Wales
Janet Finch-Saunders	Ceidwadwyr Cymreig Welsh Conservatives
Mike Hedges	Llafur Labour
John Griffiths	Llafur (yn dirprwyo ar ran Gwenda Thomas) Labour (substituting for Gwenda Thomas)
Gwyn R. Price	Llafur Labour
Rhodri Glyn Thomas	Plaid Cymru The Party of Wales

**Eraill yn bresennol**  
**Others in attendance**

Beth Button	Llywydd, Undeb Cenedlaethol Myfyrwyr Cymru President, National Union of Students Wales
Steve Clark	Tenantiaid Cymru Welsh Tenants
Jane Plant	Cadeirydd y Pwyllgor Cyfraith Tai, Cymeithas y Cyfreithwyr Chair of Housing Law Committee, Law Society
Rhiannon Price	Aelod o Bwyllgor Cyfraith Tai, Cymeithas y Cyfreithwyr Member of Housing Law Committee, Law Society
Liz Silversmith	Let Down in Wales

**Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol**  
**National Assembly for Wales officials in attendance**

Jonathan Baxter	Y Gwasanaeth Ymchwil Research Service
Claire Morris	Clerc Clerk
Helen Roberts	Cynghorydd Cyfreithiol Legal Adviser
Sarah Sargeant	Dirprwy Glerc Deputy Clerk
David Smith	Cynghorydd Arbenigol Special Adviser

*Dechreuodd y cyfarfod am 09:15.  
The meeting began at 09:15.*

**Cyflwyniad, Ymddiheuriadau a Dirprwyon  
Introductions, Apologies and Substitutions**

[1] **Christine Chapman:** Good morning, everyone. Could I welcome you to the National Assembly for Wales's Communities, Equality and Local Government Committee? We've had apologies today from Gwenda Thomas, and John Griffiths AM is substituting. So, welcome, John, again. We've also had apologies from Mark Isherwood.

09:16

**Y Bil Rhentu Cartrefi (Cymru): Sesiwn Dystiolaeth 2—Cymdeithas y  
Cyfreithwyr  
Renting Homes (Wales) Bill: Evidence Session 2—Law Society**

[2] **Christine Chapman:** The first item today is the second evidence session on the Renting Homes (Wales) Bill. During the first part of this meeting, we will be hearing from the Law Society. Can I give a warm welcome to our panel? First of all, Jane Plant, chair of the housing law committee at the Law Society, and also, Rhiannon Price, a member of the housing law committee at the Law Society. So, can I welcome you both? You sent a paper for us. We have read the evidence, so are you happy for us just to go straight into questions?

[3] **Ms Plant:** Absolutely. Yes, that's fine.

[4] **Christine Chapman:** Obviously, it's a very complicated and complex Bill and Members will want to ask you about specific views you have on the different aspects. I just want to start off. Could you tell me why you feel the Bill is necessary, and whether the Bill as drafted will meet the Law Commission's original intentions?

[5] **Ms Plant:** Okay; that's fine. The Law Society, our committee, has always supported the proposal since 2006. We put in a response to that in 2006 in support. The reason for that is that we believe that the current law is very difficult because of the huge amount of variants in different types of licences and tenancy agreements: we have assured, secure and all sorts of different types, and even verbal tenancy agreements, that cause an awful lot of confusion, litigation and costs. So, we have long supported the idea of simplifying the procedure and having just two types of tenancy, where the terms are more or less, as far as possible, certain, which gives greater certainty to tenants who are renting and puts them in a better position to understand what their obligations and rights are as tenants, and also makes it much easier for a landlord to rent their properties.

[6] Looking at the private sector, we need the private sector to rent homes. At the moment, we have a huge shortage of homes for rent in Wales, and therefore making it easier and more transparent will mean that landlords are able to let their properties much easier, so we're hoping it might help the housing crisis—obviously, it's a big ask. So, we do support it. We have, as you will see from our submissions, raised some slight concerns about some aspects of the Bill. We're lawyers, so you would kind of expect us to pick up some bits—

[7] **Christine Chapman:** Yes, we picked those up. [*Laughter.*]

[8] **Ms Plant:** But, broadly, we think it's a really good idea.

[9] **Christine Chapman:** Okay. Could I ask about the—. Obviously, there would be

training requirements for lawyers. I just wondered have you thought about how many training days a lawyer would need to become familiar with the Bill.

[10] **Ms Price:** Yes. We've considered the view that has been expressed that perhaps one day wouldn't be sufficient to deliver any purposeful training in respect of the new legislation. We have to bear in mind that the Bill obviously encompasses a number of different Acts that exist today—the Housing Act 1988 for example, the Housing Act 1985, and also the Landlord and Tenant Act 1985. With that in mind, it is our view that for any purposeful training to be delivered, we would be looking for possibly more than one day. And, by comparison, the Housing (Wales) Act 2014 has been introduced on Monday this week and I'm aware, because I was involved, that two days' training was delivered on that throughout Wales. I appreciate that that was just statutory authorities, but it was also to advisers within the housing field. Our view is that one day is unlikely to be sufficient in order for lawyers to be brought up to speed with the new—

[11] **Christine Chapman:** Do you have any idea of the maximum number of days required?

[12] **Ms Price:** I would imagine that two days would be sufficient. Obviously, lawyers should have some idea—a lot of the terms incorporated within the Bill are what currently exist in separate Acts. So, I would imagine that two days would be sufficient.

[13] **Christine Chapman:** Right, okay. Jocelyn.

[14] **Jocelyn Davies:** You've been supporting this as a concept, as you say, since 2006, so it's been a long time for you to see this become a reality. Do you think that this idea of the model contract will be the most effective way of simplifying the law, following on from the complications that you say exist currently?

[15] **Ms Plant:** Absolutely, yes. I think that, as I said, having standard contracts for the limited types that will be available under the Bill would be beneficial. I think that, as far as is possible, most of the terms can be written and set as fundamental terms that don't need to be altered. The only things that need to be altered are where it is dependent on the type of tenancy or type of property, be that supported accommodation or properties that have communal areas that will need extra provisions about lifts or service charges, and about the individual as well. So, it may be that supported people perhaps will have support contracts linked to the tenancy agreement. So, on terms, I would say, perhaps—to try to put a figure on it—something like 80 per cent of the terms should, I think, be fundamental terms and fixed as far as possible to give that certainty; otherwise, if there are too many variations in the terms that can apply, we end up in the same situation in that they may be called a standard contract, but if the terms are so different from one person to another, then it's still going to create the same problems.

[16] **Jocelyn Davies:** So, you could lose the concept of the model contract by being able to vary it too much. Have you got any concerns about the contract holders—the current tenants—being able to negotiate those alternative terms?

[17] **Ms Plant:** Only in so much as potentially some contract holders may have vulnerabilities and are they going to be adequately protected to be able to negotiate? Or, with big landlords, will the tenant have that bargaining power? That's a difficult one really to actually legislate for. There has to be the ability to negotiate terms and we would hope that perhaps some organisations like Shelter Cymru, et cetera, might be able to get involved with tenants in negotiating those contracts. Hopefully, landlords will be open to discussion as well and that should be encouraged.

[18] **Jocelyn Davies:** Okay. In your paper, I noticed that you mentioned asylum seekers and you were concerned that they're not excluded. Would you like to expand on that for us so that we've got that on the record?

[19] **Ms Plant:** Rhiannon is the expert on that.

[20] **Ms Price:** I don't know if I'm an expert. In our response, we considered what the current legislation provides today. Asylum seekers, who are seeking asylum, and whose claim is being processed and adjudicated upon, are offered asylum support within accommodation. The law, as it stands today, does not offer any security of tenure to those asylum seekers. Essentially, if their asylum claim is unsuccessful and removal directions are put in place and the accommodation will end, the providers of that accommodation are not required to obtain a court order in order for them to vacate the accommodation.

[21] On social policy grounds, we believe that perhaps the situation should remain the same and that asylum seekers should appear at Schedule 2, Part 3 of the proposed Bill, which would allow the support providers to ask the failed asylum seeker to vacate the accommodation without the requirement to obtain a court order, which could prove to be costly. It has to be borne in mind that financial penalties do exist if accommodation is not vacated quickly enough to allow any future asylum seekers to be offered that support.

[22] **Jocelyn Davies:** So, you're suggesting that, as things stand with the Bill as it is, somebody could lose their rights to stay, if they've lost their case, and yet there would have to be another court case for the support provider to get them out of the property and that could be quite lengthy.

[23] **Ms Price:** Yes, and costly.

[24] **Jocelyn Davies:** And those are your reasons for—

[25] **Ms Price:** It's on social policy grounds, but the interplay, really, between the immigration laws and the housing. It appears that they've gone through the tribunal potentially to appeal their decision not to grant them asylum and once that decision is then made by that court it just doesn't seem appropriate then that—. The support provider would have to go to a different court to ask them to vacate the accommodation provided.

[26] **Jocelyn Davies:** Can you give us a rough idea of how long it takes for the process of somebody applying and then getting their final decision? How long is somebody in that supported accommodation?

[27] **Ms Price:** In relation to an asylum seeker, it depends how far they take their appeal, in all honesty. I think our current guidelines are that once an asylum application is made by the asylum seeker, they should receive their initial decision from the Home Office within about two to three months. If they then decide to take that to appeal, to the tribunal, I believe that could be another two to three months.

[28] **Jocelyn Davies:** Two to three months. If then there was the requirement to seek a court order to get them out of the property—out of the supported accommodation—how long would you imagine that to be?

[29] **Ms Price:** You'd be looking for another further two months.

[30] **Jocelyn Davies:** Another further two months. At the same time that provider could be having financial penalties because they've got another person that they need to take in.

[31] **Ms Price:** Absolutely. Yes.

[32] **Jocelyn Davies:** In relation to the supported standard contracts, do you think that the Bill strikes the right balance between the concerns of support providers and protecting the rights of contract holders?

[33] **Ms Plant:** I think this was sort of looking at the 48-hour exclusion tool. It is one of the areas on which the Law Society would have probably the most concern. That is because, by the very nature of the fact that somebody's in supported accommodation, they are likely to have some vulnerabilities. They may have mental or physical health issues. The tool could work that somebody who is not trained specifically in those areas could exclude somebody for a violent incident up to 48 hours. That person then probably wouldn't access legal advice within that two-day period and may be sort of street-homeless for those couple of days. A big concern from a public law point of view is: does this infringe their article 8 rights to a home? Also, the point is, obviously, that if they are vulnerable and they are excluded for these two days and don't get legal advice or, even if they did get legal advice, what could really happen within that short period. It's difficult and we are a little bit concerned about how it would work in practice. There wouldn't be any judicial consideration of it. It would be somebody's judgment call on the day. Looking at the sort of criteria that would justify an exclusion, a lot of that is going to be a criminal offence. The police could bail that person away from the property to a bail hostel; so, they would actually have accommodation during that period of time while investigations were ongoing. So, I can see the advantage of diffusing a potentially difficult situation by having the power there, but I wonder whether it should be sort of caveated that, if it is a vulnerable person, somebody with the appropriate skills supports the decision. Alternatively, the option instead is to get an emergency injunction to exclude them for a period of time whereby there is an independent judicial consideration of that need to exclude.

[34] **Jocelyn Davies:** So, your main concerns are, because it doesn't say in the Bill who would make that decision, that somebody without adequate training could be making it, abiding by the law. Do you think this could lead to legal cases in the future if we don't put this right?

[35] **Ms Plant:** Absolutely. I think it could be challenged, as I've said, on public law grounds as to its fairness and whether it is right, and whether it's an infringement of their convention rights, first of all, to a home and then to a fair trial because it's a decision being made about them, without any judicial consideration, by potentially anybody, under this legislation at the moment. I just think it needs perhaps—

[36] **Jocelyn Davies:** Have you seen this replicated anywhere else where somebody can be excluded from their own home? Because this is their own home.

[37] **Ms Plant:** Their own home.

[38] **Jocelyn Davies:** Excluded from their own home by a decision made in these circumstances. It's only in this—

09:30

[39] **Ms Plant:** No. At the moment, in England and within Wales, under the Anti-social Behaviour, Crime and Policing Act 2014, a person can be excluded from their own homes, pursuant to an injunction under section 1, but that injunction has to obviously go before the court first, and there's a body of case law built up under previous legislation about how that should only be in very exceptional circumstances. This isn't proposed across the board for all contracts; it's specifically for supported contracts, which are going to be housing elderly

people, perhaps people under 18, and other vulnerable people. So, we have to be mindful of safeguarding them at the same time as protecting other residents from their behaviour.

[40] **Jocelyn Davies:** So, getting an emergency injunction has been available for this sort of housing, the same as any other sort of housing. Do you know whether there have been specific cases in supported housing? I mean, is this somewhere where people are always having to get injunctions?

[41] **Ms Plant:** I represent landlords in my day job, and we have got a fair proportion of injunctions against people in supported accommodation, but I have never had an exclusion order against somebody in supported accommodation, and, certainly, limited amounts of injunctions against people to exclude them from their own homes on a sort of without-notice, emergency basis that this is replicating here.

[42] **Jocelyn Davies:** Okay, thank you.

[43] **Christine Chapman:** Alun.

[44] **Alun Davies:** Thank you. Before I ask any questions, I'll make a declaration that I'm also a private landlord.

[45] In terms of taking forward your concerns, as you've made clear, about the risks of 16 and 17-year-olds as contract holders, could you expand on why you believe, from a Law Society point of view, that there are issues there—from a legal point of view, I mean?

[46] **Ms Price:** In relation to risks that could be posed for a 16 or a 17-year-old, we've given this consideration, and we are concerned that perhaps there could be an element of discrimination against a 16 and 17-year-old, who would be able to be a contract holder. Obviously, under current legislation, as a minor, they are unable to hold a legal interest in land, and their legal interest is held in trust. They, therefore, have a safeguard in place. What our concern is, though, is that, under current legislation—. Sorry. In respect of contract holders who are not minors, for example, if there is a breach of tenancy—and if we give a minor example of perhaps somebody who's not allowing the gas man in to check the gas supply—then for a 16 or 17-year-old, compared with an adult, we are of the view that no injunction will be able to be obtained. If an adult contract holder was refusing access for a gas inspection to be undertaken, then a landlord is more than likely going to seek injunctive relief in order to allow that action to take place. We are of the view that an injunction could not be obtained in these circumstances. Anti-social behaviour is different, because it's enacted for separately. But, in that situation, for example, no injunction could be obtained against a 16 or 17-year-old as a minor in order for that gas check to be undertaken. The only remedy available to the landlord, we fear, would be for a possession action to be instituted.

[47] So, that's just one example that we have—

[48] **Alun Davies:** Sorry, can I ask why? You've made that statement that it's your view that no injunctive relief would be possible. Fine. But why do you say that?

[49] **Ms Price:** Right. In respect of gas safety checks?

[50] **Alun Davies:** Yes.

[51] **Ms Price:** For example, anti-social behaviour is enacted for under different legislation, as has just been referred to, for injunctions to be obtained. We are not aware of what enactment would be used to obtain an injunction for a gas safety check—for a contract holder to be forced to comply and give access for a gas safety check to be undertaken. We

think there's a—

[52] **Alun Davies:** So, you can only seek an injunction where there is an active piece of legislation that enables that to happen? I'm not sure that's the case.

[53] **Ms Plant:** The case that applies is the case of *Wookey v. Wookey*—I can't remember the year that that was decided in—which said that an injunction cannot be granted against anybody under the age of 18 or anybody who lacks capacity. To get around that decision, the gang injunctions that were passed a few years ago specifically legislate for under-18s to be subject to an injunction, and the new Anti-social Behaviour, Crime and Policing Act 2014 has the same drafting, but you would have to amend the legislation here to allow injunctions for breach of tenancy, which are contractual injunctions, to be taken out against somebody under the age of 18, because the common law position is that you can't have an injunction against somebody under the age of 18 without legislative provision.

[54] **Alun Davies:** But we are seeing things change in terms of the position of 16 and 17-year-olds. You know, they will undoubtedly, I think, be able to vote within the next few years. I certainly hope it's going to be the case in this place very soon. So, you are seeing a number of different rights and responsibilities being given to 16 and 17-year-olds. Isn't it the case that that piece of case law will seem to be something that is a bit of a relic before too long?

[55] **Ms Plant:** Probably. A lot of case law is seen as relics, but they still apply. Just to make that workable, you would need to put within this Act that an injunction can be taken out for breach of tenancy—any breach of tenancy—that is non-anti-social behaviour. That would be the way to get around it.

[56] **Alun Davies:** Okay. You also made the case that property law is not devolved to the Assembly, which I would've thought would bring a good deal of this piece of legislation into question.

[57] **Ms Plant:** Yes. We've raised the concern—and we are not constitutional lawyers; we're housing lawyers—that we understand that's the position, and that's why we have raised that within our submission, but I don't think we can take it much further than that in advising you on that point. I think it would probably have to be a constitutional expert.

[58] **Alun Davies:** Make your case. Why do you say that?

[59] **Ms Plant:** Well, our research suggests that property issues have not been devolved, and therefore the Law of Property Act 1925 would still apply to Wales.

[60] **Alun Davies:** But housing's devolved.

[61] **Ms Plant:** But land law is a different issue.

[62] **Alun Davies:** Because it's a different issue, it doesn't mean it doesn't apply to one of the fields in the Government of Wales Act 2006.

[63] **Ms Plant:** As I say, we are not constitutional lawyers. We've flagged the issue and just suggest that it may be something you might want to ask a constitutional lawyer just to check, because the implications are that, if we are correct and that is right, then, obviously, as you say, it calls into question whether you can give contracts to under-18s—

[64] **Alun Davies:** I'm surprised to see you making the case, because I was involved in the Agricultural Sector (Wales) Act 2014, which went in front of the Supreme Court, and the



Supreme Court was very, very clear: if a potential Act—a Bill—applies to one field in the Government of Wales Act, the fact that it may also apply to another field doesn't bring competence into question. It was very clear on that.

[65] **Christine Chapman:** Well, obviously, we'll be looking into this, so I think we'll leave that one for the moment. Peter, you had a—

[66] **Peter Black:** That was my question.

[67] **Christine Chapman:** Right, okay, fine. Okay, Alun, finished? Mike, I think.

[68] **Mike Hedges:** Yes, I was going to ask, because I think you keep on putting, in good legal terms, some of the arguments I've been making previously.

[69] Retaliatory evictions I'd like to talk to you about. Can you expand on your concern about the provisions relating to retaliatory evictions?

[70] **Ms Plant:** Yes, the retaliatory evictions are something that we do see as a concern. It does happen, unfortunately, and it damages the reputation of the rented sector. In England, we currently have the Deregulation Act 2015, which makes it unlawful, but we think that, actually, your Bill is better, in a way, than what happens under the Deregulation Act. That is because, under the Deregulation Act, you have to have the local authority actually serve a notice before any action can be taken. We think that's too restrictive, and that's because local authorities often are too stretched to actually respond to all of the complaints that they receive. So, we do think that the retaliatory eviction point is a valid one to have within the Bill and an important point. Rhiannon, I think you had some other points about legal aid, from your point of view.

[71] **Ms Price:** Yes, our concern would be that, in order for tenants to be able to take any action to defend any possession proceedings that arose as a result of retaliatory circumstances, then legal aid would need to be available in order to defend those proceedings. We are well aware that legal aid has been incredibly cut back over the last few years, and that's just a point we wanted to raise. Actually, if we legislate for retaliatory evictions, we obviously want to be able to ensure that contract holders would be able to enforce those rights as well.

[72] **Mike Hedges:** You've taken us on to a subject that is well outside our competence now, with the cuts in legal aid.

[73] **Ms Price:** Yes, I appreciate that.

[74] **Mike Hedges:** Can I say I agree entirely with what you've just said? The other question I've got is this. Quite often, in my experience, it's not the retaliatory eviction but the threat of retaliatory eviction. Somebody complains to a landlord, who says, 'Well, if you don't like it, get out', maybe in slightly more forceful terms. They come and complain to me, and I say, 'Do you want me to take it further?' and they say, 'No, because, if you do, the landlord will evict me.' It's the threat rather than the actuality that is the problem. Is that something you have any experience of? Do people come to solicitors and say, 'But please don't do anything because we'll get evicted if you do'?

[75] **Ms Plant:** You tend to represent tenants, so you should probably answer that question.

[76] **Ms Price:** Absolutely. Unfortunately, we are left in a position where all we can do is advise the tenant what their rights are and what the landlord would have to do in order to evict them, but we cannot take any further action because, obviously, we're acting on their

instructions. We are at a loss, then, as to how we can protect them further, other than ensuring that they are aware of their legal rights.

[77] **Christine Chapman:** Jocelyn.

[78] **Jocelyn Davies:** Yes, it's always amazing when people come to see us but then say they don't want us to do anything. But I do know of cases where I have tried to help people and they do get evicted—well, they're given a notice to quit; it's not an eviction because they've done nothing wrong. I've even known cases where landlords then refuse to give a reference to people who perhaps complained about damp or whatever. There's no obligation, is there, for a landlord to give somebody a reference after they've left, even if they've been a good tenant and they've always paid their rent?

[79] **Ms Price:** No, there's not. I think, from a landlord's perspective, they'd be concerned about any liability that could be attached to them should that tenant move on to different accommodation and cause havoc, for example. They could be held liable because they've attested to their good character, perhaps.

[80] **Jocelyn Davies:** Yes, but if somebody who's been in private rented accommodation leaves and they've been a good tenant and they've paid their rent, but they can't get a reference, other private sector landlords are reluctant to take them on. So, it's a bit of a spiteful thing, following the retaliatory eviction. Do you think that this Bill ought to have a requirement that, if requested, a landlord provides a reference—that tells the truth? You have to tell the truth. You couldn't have somebody leave your employment and refuse to give a reference. You would have to tell the truth.

[81] **Ms Plant:** In terms of when people leave employment, what tends to happen now, I think, is that a neutral reference is given. They just say how long they've been employed and, you know, essentially, how many days off sick they've had and say nothing more. So, it could be drafted into the guidance that accompanies this particular section, which we've flagged could potentially help tie up any issues and uncertainties with the retaliatory eviction point. You could put in there that best practice would be that a reference be given that at least says the duration of tenancy and whether rent was paid on time. That may be a way of dealing with it, but we would be very happy to help if guidance were to be produced on the retaliatory eviction point. We'd be quite happy to help put that together and work with you on that.

[82] **Jocelyn Davies:** Thank you.

[83] **Christine Chapman:** Before I move on, I just want to return to the issue of 16 and 17-year-olds. We've had this discussion. Could you tell me whether 16 and 17-year-olds would be able to enter into binding contracts for utilities? We've had some views on that.

[84] **Ms Plant:** Unfortunately, I don't think we can give you an answer. I have tried to find the answer out to that question. It may be deemed a contract for necessities, but, for example, I know that, certainly for mobile phones and other types of contracts like that, under-18s can't at the moment take out contracts in that way. So, it may be an issue, and it may be that it leads to, perhaps, more pay as you go-type utility on meters, which are more expensive, so that may have a negative effect for young people renting. That's probably about as far as our experience can help you with that, I'm afraid, Christine.

[85] **Christine Chapman:** Lovely. Janet.

09:45

[86] **Janet Finch-Saunders:** What impact—

- [87] **Christine Chapman:** Janet, did you say that you wanted to declare an interest?
- [88] **Janet Finch-Saunders:** Yes, well, my husband's a landlord.
- [89] **Christine Chapman:** Oh, no, that's okay.
- [90] **Janet Finch-Saunders:** What impact do you think the proposals in the Bill in relation to disrepair and fitness for human habitation are likely to have on the condition of dwellings, particularly in the private rented sector? I know there's been some talk that, in Scotland, even white goods and fixtures and fittings are included within that. I find that quite amazing, really, but what are your views?
- [91] **Ms Price:** We certainly welcome the inclusion of the category 1 and category 2 hazards being incorporated within the Bill—
- [92] **Janet Finch Saunders:** Of course, yes. I agree with that.
- [93] **Ms Price:** That's obviously going to, hopefully, be raising standards and making landlords more aware of their obligations. Again though, our concern is perhaps in relation to enforcement, first of all. It is a contract term, and if there is a breach of the contract term, the contract holder would have a remedy to be able to force the landlord to specifically perform on that contract term, but it's their ability to take that forward through to the civil courts and, again, unfortunately, the availability of legal aid. It is welcome because, obviously, category 1 hazards would place an obligation upon the landlord to consider the condition of the dwelling. A lot of times, there's a dispute as to whether or not damp that exists within a dwelling is because of condensation or is actually because of rising damp. What this Bill does is actually remove that distinction so that, regardless of whether or not it's condensation or rising damp, the contract holder may have an actionable claim for breach of tenancy. However, whether or not it will have the impact that perhaps the Welsh Government are hoping for—. There is a provision, then, in section 95, I believe, whereby, if it would cost the landlord too much to bring the property up to standard, then they may have a defence for that breach, in any event. I wonder how reasonableness is going to be considered there. Our recommendation there is that there would have to be very detailed guidance as to when a landlord could, perhaps, state that it wouldn't be reasonable for him.
- [94] **Janet Finch-Saunders:** Do you think we should bring them in line with Scotland?
- [95] **Ms Price:** Unfortunately, I'm not fully aware of Scottish legislation, so, I can't make any comment on that.
- [96] **Janet Finch Saunders:** Okay.
- [97] **Christine Chapman:** I've just had a note here. There isn't a specific mention of category 1 hazards in the Bill.
- [98] **Ms Price:** Sorry, it's fitness for human habitation. Then it was a reference to—. It's a power that is available to Welsh Ministers. Section 94, subsection 2:
- [99] 'In exercising the power in subsection (1), the Welsh Ministers may prescribe matters and circumstances by reference to any regulations made by the Welsh Ministers under section 2 of the Housing Act 2004 (c. 34) (meaning of "category 1 hazard" and "category 2 hazard").'
- [100] **Christine Chapman:** It will be left to regulations.

[101] **Ms Price:** It would be left to regulations, sorry. Thank you.

[102] **Christine Chapman:** Okay, fine. Janet.

[103] **Janet Finch-Saunders:** My final point on this one: when we held a stakeholders' meeting, concerns were raised about the length of time a landlord takes to repair. There is the to-ing and fro-ing of going to enforcement, even—negotiations between tenant and landlord. Some suggestions came forward that there should almost be a time limit that you'd put on landlords to carry out the necessary repairs to bring it in line and fit for human habitation. Do you believe that there should be any timescales applied?

[104] **Ms Price:** In an ideal world, yes. However, if we just look across to the enforcement powers that are currently available to environmental health officers to bring properties up to standard, that's where the delays lie, and that is purely down to a matter of resources within the environmental health departments of local authorities. Whilst time limits could be stipulated, it again comes down to how the contract holder then enforces that, and if the landlord doesn't comply—.

[105] **Janet Finch-Saunders:** Yes. No, no, my only point then was that, at the moment, you have to use enforcement measures to make private landlords—. Some private landlords; we mustn't—

[106] **Ms Price:** Tar them all with the same brush.

[107] **Janet Finch-Saunders:** Yes, exactly. Is there nothing that could be incorporated within this Bill that places, without any doubt, a responsibility on a landlord that, if there is an existing problem that is causing it not to be fit for human habitation, because, if it's a damp problem, it can cause illness, and I've had doctors' notes to say where properties have fallen into that category—. And the length of time it takes, using the enforcement—. How can we make this Bill place some burden of responsibility onto the landlord that they have to carry those repairs out within a reasonable amount of time and that people shouldn't have to, then, go to see their AM or their MP, or, indeed, have to go through local authority enforcement? How can we make this—? With registration, for instance, if you had a landlord who was a serial landlord, who was quite constantly and consistently taking a long time to bring properties up—. We do have landlords who, sometimes, own lots of properties, so it's an ongoing—. You can have one landlord keeping the local authority very busy just in enforcement. How can we make this Bill protect the tenant more and actually make the landlord fulfil their obligations, especially if they have to be registered? How can you feed—?

[108] **Ms Price:** I agree, but there could be an interplay, surely, could there not, between this Bill and Part 1 of the Housing (Wales) Act 2014 that, if there's evidence to suggest that they have breached one of the terms of the contract with their contract holder, that could then, perhaps, suspend them in respect of the registration or licensing process.

[109] **Janet Finch-Saunders:** I'd like to see that in this.

[110] **Ms Price:** Yes. I think that that's possibly feasible, that they could then be suspended and action taken through that. So, I think—. I agree. I think that is probably feasible.

[111] **Ms Plant:** Can I just make one point? Quite often, the tenant may not give access, or there might be other reasons why the landlord can't carry it out within timescale. So, if we were to put timescales in place, or say that they potentially wouldn't be registered if they didn't comply, there would need to be some safeguards for good landlords who find themselves—they're trying to get in, but can't gain access. That does happen a lot, especially with tenants who perhaps—. We see it a lot with tenants who have mental health issues that

lead them to hoard items. They don't want their landlords to go in and find that they are a hoarder, so they don't allow access for the gas safety check, or for any other inspections or for works to be carried out. So, I wouldn't want a landlord to be penalised in those circumstances, when they're doing their best.

[112] **Janet Finch-Saunders:** But, then, you could argue that then places a responsibility on the tenant—within the contract, maybe. In most contracts, you do have a right to enter the property, even now, if you need to—

[113] **Ms Plant:** Not forced access, though. They have a right—. They have to be given—. That would be a breach of their right to quiet enjoyment of the property. They have to be given notice and, ultimately, if they don't give access, then we're at the stage where we have to apply for injunctions and, ultimately, possession if they repeatedly refuse. So, landlords can find themselves in a difficult position. Just to give a balance to—

[114] **Janet Finch-Saunders:** Oh, yes; it has to be balanced, and there's the point I made: the majority of private landlords in Wales are very responsible and they're good landlords, but there is—

[115] **Ms Price:** A minority.

[116] **Janet Finch-Saunders:** Yes, and they usually own quite a lot of properties, because, in terms of capacity of scale, they're able to exploit the market and then grow their portfolio accordingly.

[117] **Christine Chapman:** We've got about 20 minutes left. I know Alun wants to come in on a supplementary and then I want to bring Gwyn in. I know other Members want to come in on some of the other aspects of the Bill. So, again, can I ask that we have questions? So, Alun first and then Gwyn.

[118] **Alun Davies:** When I was reading this part of the Bill—I'm thinking of Part 4, Chapter 1 and subsequent chapters—my overwhelming feeling was that there appears to be a crashing lack of ambition. Surely, one of the ambitions and one of the objectives of this sort of legislation has to be to ensure that we have better-quality accommodation available for people, and that we don't set the bar at 'fit for human habitation', but we set the bar a little higher than that, and that we actually look at what is a reasonable home for people to live in. Now, we do this in other sectors in terms of the Welsh quality standard. Is there any reason why we couldn't impose a far higher quality threshold through this legislation?

[119] **Ms Price:** I wonder if this goes back to what we've mentioned already about the Welsh Ministers having the power to make regulations to incorporate the category 1 and category 2 hazards within the condition of dwelling within this Bill. I think we would certainly support that and be asking Welsh Ministers to exercise that power. I think, without a doubt, that would assist in raising the standards. I agree that, perhaps, the decent quality homes standard that's applicable—. But I'm not quite sure what stage that's at now in Wales—. There perhaps could be some interplay with that as well. But I think our view would be that we support the possibility of introducing the category 1 and category 2 hazards to raise the standards.

[120] **Alun Davies:** You don't see any impediment to that in legal terms. The Minister told us—I think she said it last week—that that couldn't be done through this Bill; it would need another Bill.

[121] **Ms Price:** Sorry, I don't know why that—

- [122] **Jocelyn Davies:** I don't think there's any reason—*[Inaudible.]*
- [123] **Alun Davies:** I don't understand that, either. I thought you might be able to shed some light on that.
- [124] **Ms Plant:** Not without giving it some more thought.
- [125] **Jocelyn Davies:** Could the Minister, using this legislation, set whatever standard she thinks is desirable within the sector, I suppose?
- [126] **Alun Davies:** Thank you, Jocelyn.
- [127] **Jocelyn Davies:** I suppose that's it. Is there any reason why that—
- [128] **Ms Price:** I don't see that there's any restriction.
- [129] **Christine Chapman:** So, there's a possibility, then, that—
- [130] **Ms Price:** A possibility, yes, but perhaps we do need to give that some more thought.
- [131] **Alun Davies:** Well, Chapter 2, it says here quite clearly in 89(1),
- [132] 'applies to all secure contracts'.
- [133] It doesn't differentiate on a sectoral basis and it does define 'condition of dwelling' and the rest of it. To me, the quality of accommodation available in the private rented sector, I would have said, falls pretty well squarely into the areas that are being delineated within this legislation.
- [134] **Ms Plant:** I can't see why it couldn't be at all.
- [135] **Alun Davies:** If you find a reason in future, then perhaps you'd could drop us a line—write to the Chair.
- [136] **Ms Plant:** Yes, well, we'll give it some thought.
- [137] **Christine Chapman:** So, you do think there is a possibility. But, as has been said, if there are any other reasons why not, perhaps you could let us know.
- [138] **Alun Davies:** Perhaps it might be unfair putting you on the spot this morning in this way, but perhaps you could consider that question and, if you do find a legal impediment, it might be useful for you to write to the committee outlining what that might be.
- [139] **Ms Plant:** Absolutely. We'll take that away and give it some more thought.
- [140] **Alun Davies:** Thank you.
- [141] **Christine Chapman:** Okay. Gwyn.
- [142] **Gwyn R. Price:** Good morning.
- [143] **Ms Plant:** Good morning.
- [144] **Gwyn R. Price:** On serious rent arrears, what impact will removing ground 8 have on housing associations, in your opinion? Is there a risk that rent arrears will be allowed to

accumulate if the absolute ground for possession on the basis of serious rent arrears is not incorporated into the secure contract?

[145] **Ms Plant:** My understanding in Wales is that the ground 8 that currently applies is very, very rarely used in any event. That seems to be the statistics. We would hope that the judiciary will be provided with adequate guidance to suggest that serious arrears should result in either an outright order for possession or a suspended order that is realistic that someone is ever going to be able to pay off the arrears within a reasonable period of time. So, we support that it isn't available for the secure contract. That mirrors what happens with local authorities now. The housing associations currently can use it if their board approves that. As I say, I understand it isn't widely used by housing associations in Wales.

[146] There will always be a problem about rent arrears, especially with the introduction of universal credit and the welfare reforms. I think arrears are always going to be a problem, particularly for the community landlords under this Bill, so, the local authorities and the housing associations, where they're very much dependent on the housing benefit element of credits. But we do support it being retained for the standard contract because, as I said right at the start, we need to promote people actually renting their homes to try to help the housing crisis. If somebody is renting perhaps their second home and has a mortgage on that property, and their tenant is in serious rent arrears over the two-month period, that may impact on them being able to afford to keep up their mortgage payments. So, I think that's where the distinction lies.

10:00

[147] Rent arrears are always going to be a problem for landlords, as I say, especially with all the welfare reforms at the moment. I don't think there's an awful lot we can do to get around that. Even if we put ground 8 into the secure contract, it would seem from how it's being used now that it wouldn't be used very much anyway. It's down to the courts being sensible about giving people a roof over their head, but being sensible in saying, 'Well, these arrears have got to such a point that they're just never going to be able to pay it back reasonably', and making that difficult decision then potentially to order possession.

[148] **Gwyn R. Price:** Okay. Thank you, Chair.

[149] **Christine Chapman:** Rhodri.

[150] **Rhodri Glyn Thomas:** Rydych wedi cyfeirio'n barod at ymddygiad gwrthgymdeithasol, ond a gaf i eich cyfeirio'n benodol at adran 55? Rydych yn eich tystiolaeth yn croesawu adran 55 ac yn sôn am hyblygrwydd ac ehangder yr adran, a bod hynny'n ateb y gofid. Ond mae rhai o'n tystion sy'n cynrychioli hawliau tenantiaid wedi cwestiynu'r adran yma ynglŷn â'r modd y mae'n delio gydag ymddygiad gwrthgymdeithasol. Maen nhw'n sôn am yr angen i gael collfarn droseddol cyn bod rhywun yn cael ei droi allan o'r tŷ am ymddygiad gwrthgymdeithasol. Yn amlwg, nid ydych yn credu bod hynny'n angenrheidiol.

**Rhodri Glyn Thomas:** You have referred already to anti-social behaviour, but could I direct you specifically to section 55? In your evidence you welcome section 55 and you talk about the flexibility and breadth of the section, and say that that addresses the concern. But some of our witnesses who represent the rights of tenants have questioned this section regarding the way it deals with anti-social behaviour. They talk about the need to have evidence of a criminal conviction before someone is evicted on the basis of anti-social behaviour. You obviously don't believe that that is necessary.

[151] **Ms Plant:** No. Is this in relation to domestic violence particularly, or to—?

[152] **Rhodri Glyn Thomas:** No, anti-social behaviour.

[153] **Ms Plant:** To anti-social behaviour, generally, right. I think that would be quite restrictive for landlords to be able to tackle anti-social behaviour. Not all anti-social behaviour, by its very nature, is criminal. Anti-social behaviour can come as noise nuisance. That's not a criminal offence, unless there's a breach of a noise abatement notice, and landlords need to be able to make communities sustainable and to be able to tackle anti-social behaviour, so I absolutely don't agree that there must be a criminal conviction. It's always helpful. A criminal conviction makes it an awful lot easier for a landlord to tackle anti-social behaviour, because they can, under the Civil Evidence Act 1995, rely on that conviction in possession proceedings. But I would be very cautious about saying we have to have a criminal conviction for anti-social behaviour.

[154] **Rhodri Glyn Thomas:** Mae hynny'n ddiddorol, oherwydd yn y sefyllfa hynny rydych yn disgwyl i'r landlord wneud penderfyniad ar beth sy'n ymddygiad gwrthgymdeithasol. Mae lot o bobl yn dod i'm gweld i yn cwyno am ymddygiad gwrthgymdeithasol, ac, yn amlach na pheidio, yr hyn rydym ni'n ei ganfod yw bod rhyw gwympo mas wedi bod rhwng pobl ac felly maen nhw'n ceisio canfod bai ar ei gilydd ac maen nhw'n cyhuddo'i gilydd o ymddygiad gwrthgymdeithasol. Mae'n derm eang iawn. Rydych yn hapus i'r landlord wneud penderfyniad yn yr achos hynny, ond, pan fo'n dod i gam-drin domestig, rŷch chi yn eich tystiolaeth yn benodol yn dweud na ddylai'r landlord ymyrryd. Pam felly ydych chi'n cymryd safbwynt sy'n ymddangos yn wrthygyferbyniol yn y ddau achos?

**Rhodri Glyn Thomas:** That's interesting, because in that situation you are expecting the landlord to make a decision as to what is anti-social behaviour. Many people come to see me complaining about anti-social behaviour and, more often than not, what we find out is that there has been some sort of dispute between the people involved and they are trying to cast blame on each other and they accuse each other of anti-social behaviour. It's a very broad term. You're happy for the landlord to make a decision in that case, but, when it comes to domestic abuse, you specifically state that the landlord shouldn't intervene. Why therefore do you take that position, which seems to be contradictory in those two cases?

[155] **Ms Plant:** With anti-social behaviour, landlords do get diary sheets of behaviour and they have to then interview the witnesses and carry out an independent—. They have to follow their own policies and procedures, carry out an independent review of what's happened, interview both parties, and come to a decision and take appropriate action. Hopefully, it will never get as far as having to take proceedings about anti-social behaviour, because they'll be able to do some sort of mediation, an acceptable behaviour contract, something way below the legal threshold. Social landlords now seem to have the role that they should get involved in dealing with disputes in that way. It seems to now be accepted that that's their role. But, of course, the judge has to make the decision, ultimately, as to whether there has been anti-social behaviour and where the blame lies. Not all anti-social behaviour cases are successful, because it may well be that, actually, some of the evidence is fabricated, and that comes out at trial.

[156] Domestic violence is different because what could be suggested is that one person is evicted because of allegations of domestic abuse, where, in domestic abuse cases, there are alternative remedies, for example, non-molestation orders, et cetera. Quite often, domestic violence cases are particularly sensitive, and where landlords have, in my experience, got involved in the past, what's come to light has been that, after a certain amount of time, perhaps the victim doesn't want to then take matters forward and give evidence—quite often, these things go unreported—or, when you do get to trial and you think that you have the right evidence and are supporting the right party, then they have a reconciliation and then the



landlord's wasted an awful lot of time and money in going to possession proceedings when there are alternative remedies available to domestic violence.

[157] The distinction with the conviction point is, if there was a definite conviction for domestic violence and the blame was clearly, therefore, proven by a court, then the landlord could take action to take that person from the tenancy, knowing that there had been judicial consideration of that point. I don't think a landlord is in the same position with domestic violence to be able to carry out that investigation that could, say, happen for noise nuisance. They can put in noise-monitoring equipment for noise nuisance and try to gather that evidence to prove who's at fault, whereas, with domestic violence, they're not there, they don't know what goes on behind closed doors. I think it's just a very different investigation that would be expected of a landlord to carry out and a role, perhaps, above what a landlord should be doing.

[158] **Rhodri Glyn Thomas:** Diolch yn **Rhodri Glyn Thomas:** Thank you very fawr. much.

[159] **Christine Chapman:** We've got about 10 minutes left. John.

[160] **John Griffiths:** In terms of abandonment and the Bill's provisions to end the need for a possession order if a landlord believes that abandonment has taken place, and the substitution of a procedure under the Bill, I know you have some concerns regarding that, particularly in relation to vulnerable people. Is there anything you could suggest in terms of how greater protection might be achieved in terms of vulnerable people?

[161] **Ms Price:** Our concern is surrounding safeguarding contract-holders, particularly vulnerable contract-holders. We can see that the Bill provides that enquiries would have to be undertaken during the service of a notice—four weeks, it's suggested, but that could be extended. We would welcome very clear guidance. We understand that Ministers will be issuing guidance as to what enquiries should be undertaken and the extent of those enquiries to ascertain if the property has been abandoned, and the Law Society would be very keen to assist in the preparation of any guidance. Obviously, our concerns arise from the fact that, as the law stands to date, yes, a possession order is strictly required before the landlord can regain possession. However, provided that the guidance is very clear as to what the landlord should do, and they couldn't, obviously, abuse this ability, then we think that it is workable and, perhaps, sensible, as, if a property is abandoned, it clearly is better for a landlord to be able to prove recover possession as quickly as possible, provided that the necessary enquiries are undertaken.

[162] **John Griffiths:** Thank you, Chair.

[163] **Christine Chapman:** Thank you. Peter.

[164] **Peter Black:** Yes, thank you, Chair. A number of respondents have raised concerns about the reliance the Bill places on the courts. I'm just interested in how you expect the Bill to impact on the courts.

[165] **Ms Plant:** I don't know if it will impact more than it already does. The county court is already horrendously too busy, and there have been a lot of cuts, and it makes getting court times very difficult. There's quite a frustration in trying to get the court process moving. I don't see that there are going to be huge amounts more possession proceedings because of the Bill. I think that people who are in rent arrears will continue to be in rent arrears, no matter what we'd call their contract. Anti-social behaviour will continue; the injunctions are already in force. So, I don't think it's going to make it any worse than it already is, but it's currently not ideal.

[166] **Peter Black:** Okay. Do you think there's a case for removing the power of a court to settle certain disputes other than possession claims?

[167] **Ms Plant:** Sorry, could you repeat that?

[168] **Peter Black:** Isn't there a case to remove the power of the court to settle some disputes other than possession claims?

[169] **Ms Plant:** Remove—you mean to a tribunal instead—

[170] **Peter Black:** Yes, possibly a residential property tribunal.

[171] **Ms Plant:** It's been mooted in the past, I think perhaps even going back to the 2006 time, that perhaps there should be a housing court. That would take it out of the county court. It's speculation. I would quite like to see a specific housing court developed, but it's been mooted quite a few times and it's never come to fruition yet. I can't see why that wouldn't benefit and streamline the process. But it would take quite an overhaul of the system to do it.

[172] **Peter Black:** We've already beefed up the residential property tribunal in Wales a bit through the Mobile Homes (Wales) Act 2013. Do you think that there's a case for an opportunity, really, to expand that tribunal in Wales into, effectively, a housing court as well?

[173] **Ms Price:** I think our concerns would be, for example, that, if it was the case that it was mooted that private sector disrepair disputes were moved into the residential property tribunal, our concern would be around the expert evidence, perhaps, that would be adduced in such proceedings, and how that would be interpreted and put forward by the contract holder and defended by the landlord. Unfortunately, I think we will be honest that we have not given this point a lot of consideration and we perhaps need to think about this further.

[174] **Ms Plant:** We can certainly come back to you with more views when we've been able to give it a bit more thought. I think that tribunals are supposed to be more inquisitorial and a bit more of a friendly arena. My experience of housing cases are anything but that; they can tend to be quite heated in anti-social behaviour cases, and one wonders whether a tribunal is the right venue for it. But a separate housing court—for example, there's a technology and construction court that sits separately just to hear specific cases. Maybe rather than a tribunal, it could look at creating a specific housing court.

[175] **Peter Black:** It's possible that setting up a separate housing court may well be outside our competence.

[176] **Ms Plant:** Yes. [*Laughter.*]

[177] **Peter Black:** I'm just interested in what you said about the expert evidence. Could you explain that? In the tribunal.

[178] **Ms Price:** In relation to disrepair claims that are entered into the county courts, very often there is a reliance upon surveyors' reports to explain the extent of the disrepair and the cause of the disrepair. It's essentially as to whether or not that would be interpreted correctly within the tribunal setting, because, in all likelihood, a tribunal is not going to have legal aid available for any person to be represented, so it would be a matter of the person representing themselves and being able to adduce that expert evidence. I think that's our concern, as to whether or not the panel that perhaps sits within the tribunal will be housing lawyers, with a background, would the judge be somebody who is a housing practitioner and has housing knowledge. I think perhaps questions as to whether or not the panel have expertise—

[179] **Peter Black:** It would have to be beefed up, I think, to do that. I think there's a question about whether legal aid will be available in the courts in the future as well, of course, but—.

[180] **Ms Price:** Absolutely. Could I also perhaps recognise here the interplay sometimes between disrepair and possession, if possession was to remain within a separate jurisdiction? Sometimes defences can be raised because of the existence of disrepair.

[181] **Peter Black:** They're seeking possession to avoid action for disrepair.

[182] **Ms Price:** Yes.

[183] **Peter Black:** Okay, thank you.

[184] **Christine Chapman:** Thank you. John.

[185] **John Griffiths:** Just some issues about what really ought to be on the face of the bill, which is something that we always come across in terms of legislation, I think. There are concerns that repeals and amendments to existing legislation aren't on the face of the Bill, and should be. And there's the ever-present issue regarding legislation, I think, in terms of powers and what should be on the face of the Bill and what can be dealt with in secondary legislation. Would you have views on those matters?

[186] **Ms Plant:** I think our answer is 'yes', the repeals, et cetera, should be clearly stated so that anyone applying the law is clear as to where it stands within existing legislation. So, yes, I think it should be as clear as possible on the face of the Bill.

[187] **Ms Price:** Could I add to that? As a housing practitioner in Wales, I find it incredibly difficult sometimes to search out the commencement Orders, et cetera, and the regulations, and for it to be on the face of the primary legislation I think would be of huge assistance to all practitioners.

[188] **John Griffiths:** Yes. So that's particularly with regard to repeals and amendments of existing legislation.

[189] **Ms Price:** Yes.

[190] **John Griffiths:** And on the issue of powers and what should be on the face of the Bill rather than dealt with in secondary legislation?

10:15

[191] **Ms Price:** I think the reference to the powers being available—. That's difficult, isn't it? Provided that it's clearly stipulated within the primary legislation where the powers exist to be able to create secondary legislation, I think that would be sufficient.

[192] **Ms Plant:** It would signpost somebody reading the Bill to think, 'Ah, there's probably regulations here that are going to supplement that'. How it's drafted at the moment doesn't, I think, achieve that.

[193] **John Griffiths:** I see. Okay.

[194] **Christine Chapman:** Okay. Well, there are no more questions, so could I thank both of you for coming in today and answering the Members' questions? We will send you a

transcript of the meeting so that you can check for any inaccuracies. But, thank you for attending today.

[195] **Ms Plant:** Thank you, and thank you for having us.

[196] **Christine Chapman:** That's okay. We'll now break until 10.30.

*Gohiriwyd y cyfarfod rhwng 10:15 a 10:33.  
The meeting adjourned between 10:15 and 10:33.*

**Y Bil Rhentu Cartrefi (Cymru): Sesiwn Dystiolaeth 3—Let Down in Wales,  
Undeb Cenedlaethol Myfyrwyr Cymru, Tenantiaid Cymru  
Renting Homes (Wales) Bill: Evidence Session 3—Let Down in Wales, National  
Union of Students Wales, Welsh Tenants**

[197] **Christine Chapman:** Okay. Good morning. This item is the third evidence session on the Renting Homes (Wales) Bill. Now, for this session, we've got a panel with us, so welcome to you all. In this session, we will be hearing from Let Down in Wales, Welsh Tenants and the National Union of Students Wales. So, we have Liz Silversmith, Let Down in Wales, Steve Clark, Welsh Tenants, and Beth Button, President NUS Wales. So, welcome to you all. You would have sent, obviously, papers on this, so if you're happy, we'll go straight into questions. Could I start off? First of all, are you clear about the Welsh Government's intentions for this legislation? Is it fairly straightforward, do you think?

[198] **Ms Silversmith:** Yes. Mostly, it seems to be simplifying standardising contracts, but from my point of view, it's slightly disappointing, in that we thought it would be a bit more ambitious in terms of raising standards in the sector. But it appears to be more of a tidying up of law. And it's very welcome that the contracts are standardised and lots of things are welcome in it, but we feel that it could have gone a bit further. But it seems clear what the Welsh Government's intentions are.

[199] **Christine Chapman:** You've alluded to those, Liz, but are there issues that the Bill fails to address, do you think?

[200] **Ms Silversmith:** Yes, I think there are a lot of things that could have been put in it, and I think it's potentially a missed opportunity in terms of raising standards, in the way that renting is only increasing, and renters are only increasing, and housing shortages aren't magically going to get fixed overnight, no matter how many get built. So I think it has to be a more forward-looking Bill, seeing the sector as something that will be getting larger and needs improving quite rapidly.

[201] **Christine Chapman:** Okay. Would you agree with that, Beth and Steve?

[202] **Ms Button:** Yes. Again, I think I broadly agree with the aims of the Bill and we understand the aims of the Bill. We welcome the simplification of the renting process and the relationship between the tenants and the landlord. One thing that we've flagged that we would have liked to have seen more in the Bill are issues that directly impact on students specifically that haven't been considered, so things around multiple occupancy households and the complexities of contracts, where you're often offered short-term contracts, and the living arrangements, which are often unique to student tenants. We would like to have seen more legislative protection around those. We also have a couple of concerns around the pressure and the onus placed on the tenants to understand their rights and responsibilities. It's probably something I'll talk about a bit more later, but, again, students are often uniquely affected by that.

[203] **Christine Chapman:** Okay. Steve.

[204] **Mr Clark:** From our point of view, this is a longer-term process, which involves several Bills—the Housing (Wales) Act 2014 and the Renting Homes (Wales) Bill and no doubt others as well that will come forward. So, it's a gradual process of improving the rights and obligations of both landlords and tenants in a gradual process towards getting better equality between the sectors. I think that the danger of rushing too fast is that you may put some people off from investing. So, I see this as taking gradual, baby steps, if you like, towards a grander plan of creating better equality for renters and also rights and obligations for landlords.

[205] **Christine Chapman:** Okay. I know that Alun has some supplementaries on this.

[206] **Alun Davies:** Thank you very much. I very much agree with the points that have been made by Ms Silversmith and Ms Button in terms of the quality standards. I think that's absolutely essential. I very much agree that that is the great big elephant in the room in looking at this. I think it's very easy to say that, but how would you actually see that enacted in legislation?

[207] **Ms Silversmith:** For myself, one of the key things, certainly in the political debate in England as well, is letting agent fees. The culture of renting is expensive anyway, but the fees make it even more difficult. That is one of the key things that it is quite disappointing not to see—even a proposal to cap or to make clearer. Scotland has abolished letting agent fees and nothing terrible has happened; in fact, I think renters very much appreciate that. From Let Down's point of view, it's a business cost—inspection fees and reference fees—and these are things that should be absorbed by the business that is making a profit from it, rather than by the renters who can't afford it. If you're moving house every single year, you're paying these fees every single year: you're paying resigning fees; you're paying deposits and you're trying to get a deposit for a new flat whilst you're waiting for the deposit back from your old flat. It's getting ridiculous, and they'll never be able to save for a deposit for a house, let alone any other kind of savings, because of these recurrent costs again and again. That's one of the things that we would have liked to have seen to improve the sector.

[208] **Ms Button:** We'd largely echo that. I think that one of the things that we're disappointed that isn't in the Bill is anything around the relationship between the letting agency and the private rented market, because, for students, the letting agencies are often that central gateway into the rented market. I think there isn't much in the Bill about how you're going to regulate the letting agency market. I think one of the biggest issues that we come up against time and again is the high-cost, unjustified letting agency fee. These fees often push students into quite precarious levels of debt and they're having to take out a loan to try to cover the up-front cost of renting. These letting agency fees have risen unjustifiably in the last couple of years and they are charges that are being double charged to the landlord and the tenant. As was mentioned by Liz, we've removed them in Scotland, and we're calling very strongly for either a regulation or removal of letting agency fees. We see this Bill as a really good opportunity to address that issue and one that we think would help to then regulate the market in what is a very heavily saturated and commission-based market within the letting agency world. Often, the sales are very high pressured, especially when you look at the student rented market. A lot of the way in which the process is done is based on a quick sale: 'You've-got-to-sign-for-the-house-now', up-front costs. This pushes students, often, into signing for low-quality housing. Again, they don't have the time to read the contracts and to go through them and understand their rights and responsibilities.

[209] Just picking up on the housing quality issue, one way in which we could address housing quality—because, again, this is something that gets raised time and time again with

three-quarters of students having to live in low-quality, not-fit-for-habitation housing—. One of the areas with the housing Act, which we welcomed in terms of a greater regulation for quality, was that we found that the regulation hasn't been able to necessarily be enacted to the level that we would like to have seen through the local authorities. We understand, obviously, the pressure on resource in local authorities, but maybe some sort of ombudsman or public body would be able to provide that third-party regulation on the quality of housing. Again, I think, as the Bill recommends putting the responsibility on the landlords to self-regulate, we'd want to see some sort of continued regulation, regardless of the Government resource, in some sort of third party or ombudsman.

[210] **Christine Chapman:** John.

[211] **John Griffiths:** I was just wondering, in terms of letting agent fees, what sort of amounts are typically involved? Are you able to give us some idea?

[212] **Ms Button:** Somebody surveyed students across Wales, and, on average, it's about £100 for the administration fee, with an average of about £500 as an upfront cost, which covers everything from a month's deposit and the bond to the letting agency's fee. So, an upfront cost of around £500 is normally average in terms of what they're expected to pay to sign the contract on a house. Obviously, they get some of that deposit back at the end of the tenancy, but that's the cash that they're expected to pay. For many students, that pushes them either to take out debts from untrustworthy sources, or, for many of them, it pushes them out of that rented market sector and, in many cases, leads then to complications later where they're not able to sign maybe with their group of friends who are signing there and then, and so have to sign with people who maybe they aren't ready to live with, which then leads to problems around getting out of contracts later.

[213] **John Griffiths:** Okay. Just one other thing, Chair. In terms of the way the deposit scheme operates, then, as you say, there's difficulty perhaps in getting a deposit already paid for some accommodation back in order to use it for fresh accommodation. So, it's not possible within the scheme to simply transfer a deposit from—

[214] **Ms Button:** No.

[215] **Ms Silversmith:** Often, you have to give a deposit when you view with property, as well. You have to give the deposit straight away, so there is that fear of having to get that money immediately, and that can push people into debt as well, in that they have to borrow to get that immediately. They may not even know if they're getting the whole deposit back from their previous tenancy.

[216] **Mr Clark:** Certainly, there are more challenges against the deposit as well. So, if you are inexperienced in recording issues at the start of the tenancy, despite what information is about, you can very easily be caught by some of the provisions where claims can be made on the deposit. That delays the process as well, in some cases for several months, which obviously restricts you from finding another deposit to move on. It's a major issue, I think.

[217] **Ms Silversmith:** And we've found from tenants as well that, often, they'll just accept having some money taken from it, even if they don't think it's fair, just to get the money back as quickly as they can, rather than it be drawn out for a long time.

[218] **Ms Button:** Yes, and, again, it's about the power balance between tenants—particularly students or vulnerable tenants—and the landlord in terms of trying to challenge the rulings on deposits and whether your house has been left in the same state as it was when you were brought in. Again, as you say, all this comes back to educating on the rights of tenants and responsibilities as a tenant when they enter a property to fill out the—I can't

remember the word for it now—itinerary.

[219] **Christine Chapman:** Okay, I've got a supplementary from Alun, then Jocelyn.

[220] **Alun Davies:** I was just wondering whether Mr Clark could outline what exactly he means. You indicated that there are a number of items in a contract that will enable a landlord to claim, rather than pay back the deposit.

[221] **Mr Clark:** Obviously, the contract usually states if it's furnished or if there are painted doors, et cetera. It's very small, minute things that are being that are being delayed. One thing we've come across as well, where you have a landlord and a letting agent involved, is that the letting agent will come in, sign off the tenancy—'Yes, everything's fine; no problems here, just, you know, one or two items. Get that done before you move'—but then the landlord steps in and disputes that. So, then, you're not sure who is authorised to do what. So—

[222] **Alun Davies:** Surely, you will have a contract with a named individual.

[223] **Mr Clark:** Well, the letting agent manages it on behalf of the landlord.

[224] **Alun Davies:** But it's a named individual you'll have the contract with.

[225] **Mr Clark:** Yes, yes, but, still, it's the landlord who will determine, with their letting agent, what is acceptable. So, we have had many cases where the letting agent has signed things off, everything is satisfactory, but the landlord steps in then and queries something.

[226] **Ms Button:** It's like when you come to look at the quality of the housing. Often, the letting agency who is renting the property for the landlord will make promises about what will be done to the property before the students move in, and they necessarily haven't been agreed by the landlord. So, a student may move into a property, thinking they're getting a new kitchen or a new bathroom, or that this is going to be fixed or that'll be fixed, and the landlord then can dispute that and say, 'Well, I never agreed to that; that was the letting agency'. Again, it comes down to where this responsibility lies. Also, there's a culture of hard sell, and agreements are often made to sign a contract very quickly. Like you say, it comes down to sort of understanding the responsibilities and rights as a tenant, but that places a lot of responsibility on the student to know that.

[227] **Christine Chapman:** Okay. Jocelyn.

[228] **Jocelyn Davies:** Do you think the Bill ought to have a section on letting agents?

[229] **Ms Button:** Yes.

[230] **Jocelyn Davies:** So, there are specific things about that. In relation to the deposit schemes, although there are a number of authorised deposit schemes set up to protect tenants' deposits—instead of landlords just running off with them and disappearing, so they were set up for good reason—the adjudication is supposed to take about 20 days. Does it not take 20 days?

[231] **Ms Silversmith:** It often takes a lot longer.

[232] **Jocelyn Davies:** A lot longer. I see.

10:45

[233] **Ms Silversmith:** The key thing is the tenant has to be aware that it's supposed to take 20 days, and even when you point that out, well, they'll say, 'Oh, well, you delayed by disputing this'. So, in our tenants' experience it often takes a lot longer. On the letting agent point, yes, that would be very welcome. Also, like you say, with the dispute between landlords and letting agents as well, it should be clear. Sometimes letting agents manage it; sometimes the letting agent will just let it out and the landlord will manage it. That should be made clear at the beginning of the contract with tenants, as to whether it is the agent or the landlord who's responsible for these things, and who should you contact for fixtures and for issues.

[234] **Jocelyn Davies:** I take it from your evidence that you prefer to have a direct relationship with the landlord.

[235] **Ms Silversmith:** Yes. Most tenants who responded to our website found that landlords were easier to deal with and they tend to have more—. Well, it's their property, so they have an investment in it. They want to take care of it more, and perhaps have a better relationship than you would with having the middle man or the agent in between. We accept that they can be professionalised and they can work well, but it has to have the standards raised.

[236] **Ms Button:** We'd echo that we don't have any quantifiable evidence, but certainly feedback from students is that, when you have letting agencies in high-population student areas, they often have a very large number of properties on their books, and when a property is managed through the letting agency there are often significant delays in any repairs being done and the relationship is much further. Once you've signed for the property, you don't have a relationship then with that letting agency. Again, some form of clarity around whether they're expecting the landlord or the letting agency to take responsibility for a property is required. Often, a kind of game goes on where the landlord says, 'That's the letting agency's responsibility', and vice versa. For a tenant, they can often experience significant delays when they don't quite understand who they're supposed to be holding to account, or even whether they can hold that person to account.

[237] **Christine Chapman:** Before you move on, Jocelyn, I know Peter had a supplementary.

[238] **Peter Black:** I'm very sympathetic to what you say about letting agents, and I think we need to look at that as part of the Bill. I'm just interested in terms of the previous housing Act, which actually required for the registration of letting agents. Are you anticipating that any of the issues you've raised will be addressed by that registration process?

[239] **Ms Silversmith:** I think it will help, but the code of conduct still hasn't been drafted, so that will be very reliant on that. Also, the licensing is a good start, but I think it could go further, and perhaps it should be made available. If a licensed landlord or agent has had multiple complaints, perhaps that should be made publicly available so that people are aware of what they're getting into. That's how Let Down began, as a review site to warn people off and promote good practice and say, 'This one's great, a friend had a good experience with them; this one isn't'. So, the licensing is definitely a good start. We don't even know how many landlords exactly are in Wales. So, that will start, but I think it should be developed further and used to drive up standards.

[240] **Mr Clark:** There is provision to bring forward the code of practice. We've recommended a simpler move as well: having a revised charter, which we had with the social rented sector, that clearly sets out in plain language the rights and obligations, and what is permissible and what is not. It would be an easy-read document, such as the existing charter for the social housing tenants, and that would be something that we could look at as well. But



it needs to be backed up, then, by specific enforcement if it's not complied with.

[241] **Peter Black:** So, you could enforce that charter through the registration process.

[242] **Mr Clark:** Yes. That's something that we would like to see happen, yes.

[243] **Christine Chapman:** Okay. Jocelyn.

[244] **Jocelyn Davies:** I wanted to ask you, because I know the three of you were concerned, about the contract holders and whether they'd have sufficient knowledge in order to understand their rights and responsibilities under the contract, and whether you think there'd be an ability to negotiate terms. Steve, what do you think?

[245] **Mr Clark:** That's one of our major concerns, because all the emphasis is on the landlord. It's their market and, currently, it's weighted in their favour. So, my key concern is can you add terms to it and would that be acceptable to the landlord, and what if not? Also, what terms would be permissible? We've talked to Shelter and to Citizens Advice about setting out 10 key issues that we could recommend to have negotiated. These are the things that more than likely will occur, and then we should publish that quite widely, so that if they are thinking about the tenants' side of tenancy, perhaps you'd want to consider having these in place. There needs to be widespread education, information provision, but also access to online updating because of the nature of common law and how things move forward. I think there definitely needs to be a central dedicated website that people can access—or people providing support for those who don't have access—that can provide up-to-date information. I think that's absolutely vital.

[246] **Ms Silversmith:** The White Paper for this Bill did actually say that they wanted to work towards a nationally branded, locally delivered housing advisory service, which we very much welcome. Like you say, a website would be a cost-effective way of doing this. This could signpost not only to things like the residential property tribunal, but also to explain updated legislation, to explain things like Nest and Arbed for home owners, and how housing waiting lists work, and Help to Buy Wales. There's a whole raft of information that is in all these different places, and putting that in one place is a very simple but effective way of encouraging tenant information. Students could also be signposted to this when they start university as well. It could be signposted in places like Welsh Tenants and Shelter and Citizens Advice. We think that would be a very simple way of doing it. It seemed to be the Welsh Government's ambition to begin with, and we're not sure where that went.

[247] **Jocelyn Davies:** Okay, then. Beth, I suppose students are in a difficult position when it comes to negotiating terms, from what you've said.

[248] **Ms Button:** Yes, and again it goes back to a couple of issues. There's the very fast-paced nature of renting when you're a student. The market as it stands tends to push students to rent in the first term of their time at university. So, within two months of meeting people, they're looking to get houses. The letting agency market tends to start promoting houses as early as September and October onwards. Again, that then leads to a kind of rushing in to the signing of contracts, so, often, students don't take away their contracts. Again, this isn't that students are completely absolved of responsibility, but they maybe don't understand the legality and the severity of not taking the time to understand their contracts. When they are presented with contracts, they won't necessarily have the understanding or the capability to go through it, pick it apart and negotiate it.

[249] **Jocelyn Davies:** This is likely to be the first contract that they've ever entered, I guess.

[250] **Ms Button:** Exactly. Most of them are 18 or 19, and this is the first time they've entered into any sort of private contract themselves.

[251] **Jocelyn Davies:** So, how do you feel about this contract, which is likely to be something like 30 pages?

[252] **Ms Button:** I think that's fine. I think that standardisation's definitely welcome, and I actually think the 30-page length is fine. But I think that, on how we can ensure that students or other tenants know their rights, we would like to maybe see some sort of central guidance produced, alongside the standardised contract. And maybe we could have some form of—and again, this links into the lettings agency—requirement on lettings agencies to go through the contracts with tenants before they sign. Again, I'm not sure how you'd evidence that, necessarily, but some form of requirement on those parties involved is needed to ensure that they've had adequate time to go through it. We'd like to see some sort of time period that gives people that grace period to take the contract away before they have to sign. How you'd regulate that, I'm not quite sure, but that's one of the biggest issues. Students are told, 'If you don't sign for this house right now, we've got another viewing in an hour, so you need to sign for it now,' and they enter into a legal contract without any understanding of what it means for them.

[253] **Jocelyn Davies:** And they certainly couldn't have taken advice on the contract, even if they—

[254] **Ms Button:** They won't have time to go and get it checked.

[255] **Jocelyn Davies:** Steve, how do you feel about the 30 pages?

[256] **Mr Clark:** I'd like to see the information that is relevant to rights all in one place, and obviously, the tenancy agreement is the right place for that. I am a little bit concerned about the language, still—prohibited conduct terms and things like that. So, I think there's still work to be done on some of the language and how we present that, but I think, unfortunately, sometimes it's necessary to have it all the same. What the social housing sector did was to produce a supplementary document that highlighted the key rights and obligations, and some advice as well. I think that worked pretty well. Sometimes, you only need access to the document. Once you understand the broad principles, you only need access to the detail when there's a problem. So, providing you understand the key rights and obligations that underpin it, you may not need to refer to it every time. What the social housing sector commonly did, as I said, is have a booklet—the tenants' charter was referred to in it as well. It was a plain language document that was really useful and that the majority of people used.

[257] **Jocelyn Davies:** Yes, because tenants will be contract holders. They won't be called 'tenants' anymore; they'll be called 'contract holders'. Will they know that they are a contract holder?

[258] **Mr Clark:** Yes. But critically, it's got to be backed up, as I said, by that website, whereby, if you wanted to drill down or if you wanted to seek support to drill down, you'd have a central location for it. At the moment, housing law is so complex that there are supplementary terms and amendments, and different laws, now, in different countries—you know, from England to Wales as well—being developed, so you need a central place to get access to that information, advice and support.

[259] **Jocelyn Davies:** So, you see these model contracts as being easier to understand than how the law is at the moment?

[260] **Ms Silversmith:** Yes, I do think the contracts will be easier to understand, being a

standard contract. Long-term rent has been the average person's renting for 18 years now. You'll have seen that contract a few times and you'll know what's in it. But, like Beth said, there's that culture, though. Even if you technically can negotiate the terms, the agent might just say, 'Well, we've got someone else who's quite happy with the contract as it is—doesn't matter.' The tenant awareness thing is absolutely key. I mean, ideally, we would like some kind of ombudsman or tribunal. That's practically very useful, but also just to provide that kind of culture change to show that it's in tenants' favour, and to show that they've got backing and they've got someone they can go to, rather than being completely abandoned and have to go to court and pay lots of legal fees. It's a very scary place for a tenant, to have to be subjected to that.

[261] Landlords have always got more money and the nature of the sector is that the power is always in the landlords' hands and the letting agents' hands. There's more demand than supply; that is how it is. So, something that can back up tenants and somewhere they can go to, not only for advice, but knowing that they can say, 'Oh, well, I can write to this person to give me advice, give me help, to help with legal problems' would be very welcome just for that culture change.

[262] **Jocelyn Davies:** Beth, do you think that there should be a section for students?

[263] **Ms Button:** Within the contracts?

[264] **Jocelyn Davies:** Well, within the Bill, because it seems to me that, from what you're saying, your needs could be entirely different from somebody who wants to stay in their property for—did you say the average length would be 18 years?

[265] **Ms Silversmith:** Yes. Most people are buying a house at 36, so for about 18 years, people would be renting.

[266] **Jocelyn Davies:** Right, okay.

[267] **Ms Silversmith:** Not in the same property.

[268] **Jocelyn Davies:** No, not in the same property.

[269] **Ms Silversmith:** Many, many properties.

[270] **Jocelyn Davies:** But some people want settled accommodation and they want to rent for a long time in the same property, and others, I guess, you just want short tenancies of—

[271] **Ms Button:** I think where we're coming from is that we agree with the standardisation of contracts and we agree with the Bill, but the Bill, as it stands, doesn't necessarily work explicitly for students, because of the fluid nature of the contracts they take up and because of the very fast-paced nature of their renting, and also, because they have a much greater relationship with the letting agency. That is why we'd want to see something around letting agencies within the Bill, because that tends to be who they hold the relationship with as opposed to the landlord.

[272] **Mr Clark:** Could I just make a point around the fluidity? The argument has been made that we need more fluidity in order to track the private rented sector, to deal with tenants who may not be desirable, and they'd have shorter terms, which could be terminated earlier. Hence, the withdrawal of the moratorium. I don't actually subscribe to that view. I subscribe to the view that you need relative security for a certain period of time to settle. As I've outlined in my paper, I think that there's an issue there in relation to our international obligations and the right to adequate housing and the issue of retrogression.

[273] I also understand the students' points of view that, sometimes, they would want it for less than six months, and I'd support your point of view, Alun, about having a break clause in that, which is preferential to the contract holder. So, if they did want to have four months, they sign for six months, but they could break it at four. That seems reasonable: it meets everybody's needs. I don't think that you need to take away the relative security for every single person who rents privately, which is a growing market as well, for the sake of a very small number of micro-jobbers or other people.

[274] There are also letting agents who actually do make a provision for those people who want to let for shorter periods. What they do is give them a six-month tenancy, but the good letting agents or the good landlords will say, 'Well, I accept that you want to break at four months, because your contract in Wales has come to an end, but you've signed for six months. What you do is, we'll look for somebody else immediately, and I think we've got a couple of people on our list; we'll contact them straight away and, if there's no loss to us, we'll just surrender that tenancy'. That seems to work, but it's not in every case that you have a landlord who would want to do that.

[275] **Jocelyn Davies:** But, it could work.

[276] **Mr Clark:** It could work, yes.

[277] **Jocelyn Davies:** Okay, thank you.

[278] **John Griffiths:** On joint contracts, are you content with this Bill in terms of issues around joint contracts?

[279] **Ms Silversmith:** Well, it seems like it would make it easier to replace a tenant and, you know, for couples with multiple occupancy places, that would definitely be welcomed. You may be able to replace someone on the contract, but it's not clear whether that would still incur fees, because a lot of the time, an agent or landlord will say, 'Okay, yes, you can replace someone, but that'll be 50 quid, thank you very much.' So, it would be good to see if that could be part of it, but to not charge extra fees for, essentially, printing out the same contract with a different name on it.

[280] **Ms Button:** Yes, and, again, we'd want to see some sort of break clause introduced into joint contracts to allow students, if they did get into difficulties, either through dropping out of university or changes of friendships, to be able to exit that contract without incurring extra costs, either for themselves or the other tenants in the property. For example, at the moment, often, if somebody drops out, it becomes the responsibility of the four or five tenants in the house to cover the costs until somebody else moves in. Whereas, a break clause of one month, for example, would say, 'Right, it's the tenant's responsibility between now and the next month to find somebody', but then they absolve themselves of responsibility and it's again the landlord's.

[281] I think this Bill does need some nuances in terms of how joint contracts work for students, specifically, because I think we welcome the kind of joint contract that enables everybody to share responsibility, but we do need to have some sort of get-out clause.

[282] **Mr Clark:** From our point of view, Chair, we're very supportive of this measure, because relationships are more dynamic these days and, sometimes, you have to lose a tenancy, and if it's a joint tenancy then the whole tenancy is lost if one member breaks from it. Also, there are issues around restrictions to the right to buy, or whatever, that are related to that tenancy. So, from our point of view, having two separate contract holders or having a provision to remove a contract holder and replace them with somebody else without having to

release the tenancy is a really good idea.

11:00

[283] **Ms Button:** I think, just on joint contracts, the only concern we did have was around whether there was a protection if somebody were to leave the property in a joint contract. What does that mean for their deposit and the rest of the deposits in the property? So, is there any protection for them getting it back, or do they have to wait until the tenancy for the whole property ends, at the end of the 12-month period, for example? So, just some clarification on the relationships in that would be good.

[284] **John Griffiths:** Okay, thank you.

[285] **Mr Clark:** And liabilities.

[286] **Christine Chapman:** Peter and then Gwyn.

[287] **Peter Black:** Beth has just answered that question.

[288] **Christine Chapman:** Sorry. Okay, fine.

[289] **Jocelyn Davies:** Can I just ask—?

[290] **Christine Chapman:** Right, Jocelyn.

[291] **Jocelyn Davies:** Are you suggesting that the landlord should go the loser if you decide you're going to rent with three other students and one of them decides to leave, that the landlord should go the loser of that rent unless they find you somebody else to share with, who you may not like?

[292] **Ms Button:** I think it's that the break clause allows for people to remove themselves from the contract within a one-month period. I think, within that, the other people in the property would be trying to find somebody else to fill that, but it adds some legislative legal protection for the other tenants so that they don't get stung for extra costs if somebody within their party chooses to move out. So, I guess it would be the landlord who would then be required to foot the bill for the property for the rest of the year, but in the same way as, in other contracts, people are able to leave after a certain amount of time, it just means that the rest of the tenants within that joint contract aren't then stung for that one individual's decision to leave, which can too often happen.

[293] **Jocelyn Davies:** But you've entered a joint contract, and Governments normally try very hard to enforce contracts, because if we let people just leave contracts without any obligations then we're into problems. So, say, in a joint tenancy in social housing and one of them left, would you expect the landlord to go without half the rent?

[294] **Mr Clark:** No, the tenant would be liable for the rent.

[295] **Jocelyn Davies:** For the whole rent.

[296] **Mr Clark:** My concern would be to what extent, especially with welfare reform, et cetera, will the landlord have power to say, 'You can't afford this'? That is a real issue, I think, that needs, in some cases—

[297] **Jocelyn Davies:** But at least under those circumstances, they'd be given the opportunity to prove it by paying the rent. But you wouldn't expect the landlord to go without

the rent, or to find you another joint contract holder.

[298] **Mr Clark:** No. In terms of general tenancies for the social housing sector, that's the way I would think it would work.

[299] **John Griffiths:** If I may come back, Chair—[*Inaudible.*]—particular circumstances of students in multiple occupation and whether we can have particular provisions in this legislation to cover those situations.

[300] **Mr Clark:** If I could, Chair, there is one element. Obviously, because of the bedroom tax, the spare room subsidy, the welfare reform issues and the demand for single-room accommodation and one and two-bedroomed accommodation, some landlords are considering converting existing social housing properties to shared accommodation. So, it's becoming more of an issue, I think, but on a different basis, because what they've done is allocated off the common register. So, you'll have two different occupants coming together in a property, and they don't know each other until they take up.

[301] **Jocelyn Davies:** I see. So, they wouldn't be a household then, the same as students are not a household. They would just be individuals sharing a property.

[302] **Mr Clark:** Yes, but the issue for that sector is, firstly, if you have shared accommodation, it's multiple occupancy—it's an HMO by definition—and yet registered social landlords are not obliged to follow the HMO legislation; they're exempted. So, you have two different scenarios. You've got a former right-to-buy property that's being used by a private landlord now as an HMO, and next door, you have an RSL doing exactly the same thing, but two different regulations are covering both landlords, and one is more protective of the tenants under the HMO licensing than the other. So, you have registered social landlords or tenants in a worse position in the private sector.

[303] **Jocelyn Davies:** Yes, of course. Thank you.

[304] **Ms Button:** I was going to say, I think with the break contract, it was more to do with the fact that if, for example, one of the party left, the rest of the party would have a month's notice and they could also leave the property, so that they aren't stung for filling that extra room. So, it's more about making sure that they don't incur extra costs if they want to fill the room and they're not having to pay extra to find a new tenant. Say, for example, it was six months into their contract, somebody dropped out of their party and they wanted to move from a five to a four-bed, they could leave that contract within the 12-month period. I think, currently, many students find that they're tied into a contract until 12 months. They can keep replacing people in there for, often, a high fee, but they can't leave the contract as it stands until the 12-month period is over. So, it's more about providing a break contract, so that if they chose to leave the property, they could do that.

[305] **Jocelyn Davies:** Okay, thank you for that clarification.

[306] **Christine Chapman:** Okay. Gwyn.

[307] **Gwyn R. Price:** Yes. How are you all? All right? How do you believe that the Bill could've addressed the issue of rent increases, because I know that you were worried about the rent increases in particular, as there is no right of appeal? Liz, you've given your experience of other countries, so, could you expand on that for me, please?

[308] **Ms Silversmith:** Yes. Again, this is part of the debate in England as to freezing rents or at least letting them only rise with inflation. We've been working with Generation Rent, and they had a conference a couple of months ago talking about all these sorts of issues. They

have a proposal where you allow landlords to charge a higher rent, but they have to pay 50 per cent of any additional rent above an inflation cap into a Government fund that would improve housing and improve conditions and information services. That's a very interesting policy that we'd support.

[309] I don't think rent control is as big an issue in Wales as it is in somewhere like London, but it is certainly an issue. There's a lot of evidence from Citizens Advice and Shelter's surveys that raising rents and retaliatory evictions are not so explicit in how they're actually enacted, but instead, a landlord will say, 'Oh, well, the rent's this much higher', as a tactic to get someone to move out instead. So, yes, we do think that rent control would be a good idea and is something that we should look to for the future. It is much more common in Europe, as well.

[310] **Ms Button:** I think, definitely, we'd want to see something around rent control, specifically where you've got heavily student-populated areas. Where there's often a shortage of student housing, rent exponentially increases, and then maybe when there is more student housing than there are students and the market kind of steadies, the rent's still higher. So, it's very open to inflation and very heavily open to influence. With a student population, it can, again, grow and dip, and the number of students in a town can affect the levels of rent within that town. So, some form of rent control we'd welcome.

[311] **Gwyn R. Price:** And you believe there should be a right of appeal.

[312] **Ms Button:** Yes.

[313] **Ms Silversmith:** For a rent increase, yes. I saw other people's evidence that appealing to the rent assessment committee and the tribunal was going to be removed. To be honest with you, the tenants whom I've spoken to aren't very aware of the tribunal. I wasn't very aware of it, and it seems a shame that that exists and it's not being utilised. You should be able to appeal that sort of thing, I think, and it should be capped at a certain amount.

[314] **Gwyn R. Price:** Thank you.

[315] **Christine Chapman:** Okay. Rhodri.

[316] **Rhodri Glyn Thomas:** A gaf i eich cyfeirio chi at gytundebau safonol â chymorth, ac yn enwedig yr hawl i— **Rhodri Glyn Thomas:** May I refer you to supported standard contracts, and particularly to the right to—

[317] Is it not working?

[318] **Ms Silversmith:** No, sorry.

[319] **Rhodri Glyn Thomas:** It's okay.

[320] A ydyw'n gweithio nawr? Is it working now?

[321] **Ms Silversmith:** Yes, diolch.

[322] **Rhodri Glyn Thomas:** Mae'n gweithio nawr. **Rhodri Glyn Thomas:** It's working now.

[323] Ie, y cytundebau safonol â chymorth, ac yn arbennig yr hawl i herio gwaharddiad. Rwy'n gwybod bod Tenantiaid Cymru a'r Yes, the supported standard contracts, particularly the right to challenge an eviction. I know that Welsh Tenants and the NUS have

NUS wedi cyfeirio at hyn yn eu tystiolaeth, ond nid wy'n credu yr oedd yna ryw lawer o eglurder ynglŷn ag ef. Mi oedd y Gweinidog a'i swyddogion, wrth roi tystiolaeth yr wythnos diwethaf, yn dweud yn gwbl bendant na fyddai yna unrhyw hawl i apelio ac na fyddai yna beirianwaith ar gyfer apelio nac adolygu gwaharddiad. A ydy hwn yn eich poeni chi? A ydych chi'n meddwl y dylai fod yna ryw beirianwaith yna sy'n rhoi hawl i denantiaid i herio hyn?

referred to this in their evidence, but I don't think that there was much clarity about this. The Minister and her officials, when giving evidence last week, were saying very definitely that there would be no right to appeal and that there would be no mechanism to appeal or review an eviction. Does this concern you? Do you think that there should be some sort of mechanism that gives tenants a right to challenge this?

[324] **Christine Chapman:** Steve, do you want to start?

[325] **Mr Clark:** Yes. I think it's about proportionality and about the extent, if you like, of the offence or risk to the other occupants. I think that should be really clearly laid out so that there is some clarity. This is not something that's a minor fracas, or whatever. To exclude somebody from accommodation is a serious issue. So, I think the level of information and advice available to somebody is really important. My concern is that, obviously, they would become a rough sleeper, and we've said that there should be some provision to accommodate that need during that period. That could be as a result of a serious mental health episode, et cetera. So, we were very nervous about that, but I sit on the group with the renting homes committee, and the supported housing sector called for and were accepting of this, and they have been consulted quite extensively about how to implement it.

[326] As I said, my concern would be that it's not just for a minor fracas; it's for something really serious that, in the interests or the view of the manager or the person in authority, requires that measure—even to the extent of having it done three times, you know. I do have some concerns. My primary concern is that, yes, I can understand the proportionality argument for the safety of other residents, but that person may be vulnerable themselves, by virtue of being in a supported complex. So, just to put them out on the street for 48 hours, I think, is something that's very risky. So, I would like to see some chain of command that would say, 'Right. There's a temporary hostel place available for them outside of that', so you remove them from the situation, rather than just leave them to rough-sleep during that 48-hour period.

[327] **Christine Chapman:** Okay. Are there any other comments? No.

[328] **Ms Button:** You said it probably a lot more eloquently than I could have done. It's not an area of expertise for us; it's simply one that we had concerns with.

[329] **Ms Silversmith:** On a related note, I'd say that there are, for particularly vulnerable tenants, more who are going to end up in the private rented sector, and the housing Act has meant that more local authorities will be moving them into the private rented sector. On that sort of note, it's worrying that the removal of the six-month moratorium is supposed to encourage landlords to be better with higher-risk tenants, but these are the people who are the most vulnerable and they need the most security to stop being quite so vulnerable. We think it's sort of pandering to the prejudice of landlords to say, 'Oh, we can't rent to this person because, while they work, but they don't earn enough so they have housing benefit as well.' It's very, very difficult for a tenant to be able to rent a property if they're on any kind of benefits, because they're automatically struck off, let alone having a bad credit rating or not having a good reference. So, yes, considering there's been more vulnerable people in the sector, we think there should be more support for them and, again, more advice services and advocacy services available to them.



[330] **Rhodri Glyn Thomas:** Yr hyn rydych chi'n ei ddadlau ydy, petai nhw'n cael eu gwahardd o'r eiddo, y peth pwysig ydy bod yna rywle iddyn nhw fynd, yn hytrach na bod ganddyn nhw'r hawl i herio'r gwaharddiad hwnnw. **Rhodri Glyn Thomas:** What you're arguing is that, if they were excluded from the property, the important thing is that there is somewhere for them to go, rather than them having a right to challenge that exclusion.

[331] **Mr Clark:** Yes, certainly. As I said, it's about proportionality, isn't it? You know, all our law is based around that, so is this proportionate action? If other people are at risk, then that's your duty of care. But, it's making sure that they are just not rough sleepers. You have to put them elsewhere.

[332] **Ms Button:** I think the other thing is that it can be enforced a number of times across a six-month period, and it's how each assessment is being judged and whether there's an evidence base for each assessment. I think that's when this idea of a right of appeal comes in to being enshrined in legislation, because it just offers that reassurance and some form of evidence base as to why each case-by-case exclusion is being made.

[333] **Christine Chapman:** Jocelyn.

[334] **Jocelyn Davies:** Okay, you're saying that the sector itself is calling for this, but how would you feel about this if all social landlords said, 'We'd like this power' and if all private sector landlords were given this power in the case of students, or in your case just because it's confined to vulnerable—? How would you feel about that not being the—

[335] **Mr Clark:** In anti-social behaviour terms, there are emergency injunctions people can apply for to exclude somebody from—

[336] **Jocelyn Davies:** Yes, but at least you'd have a chance to defend that in court. With this, we don't even know who would be making the decision and you would be out, for 48 hours, of your home, and this could—. I know you're saying the sector's calling for it, but the sector doesn't represent the tenants.

[337] **Mr Clark:** No. As I said, what I'm saying is that I can understand the proportionality. It's the other tenants who are at risk. So, I'm saying there's an issue here for the wider tenants within that complex and that they could be at risk of a person—

[338] **Jocelyn Davies:** Private sector landlords could say, 'My other students are at risk. We want you out of your home for 48 hours.' It does seem to be a big thing, this, even though it's applying to a small number of people.

[339] **Ms Button:** The fact that a temporary exclusion does lead to homelessness is the concern from our end. It should never lead to homelessness. But, where cases are made, there should be a right to evidence them and appeal them if they are.

[340] **Jocelyn Davies:** Okay. Thank you.

[341] **Christine Chapman:** Alun.

[342] **Alun Davies:** In terms of succession arrangements, I was interested, Mr Clark, in your evidence on this. I wasn't entirely sure, I'm afraid, from your written evidence, whether you felt that the Bill, as it's currently drafted, simplifies the current complex nature of succession arrangements or not.

[343] **Mr Clark:** What currently happens is that if there's somebody living in a property

who is entitled to receive succession, then an assessment is made of whether that property is suitable for them. There have been many cases, especially in relation to affordability, underoccupation et cetera, where they would be entitled to succeed a property, but not necessarily that property.

11:15

[344] I can see, possibly, some arguments being made that, even for priority successors, there could be justification found for not giving that property. That was my concern. So I want to be really clear about the interpretation of what they meant by how you could succeed. I suppose that would be for guidance. We will be looking very closely at that guidance about how that should be interpreted. Is it not a succession then? What it does is that it gives you a right to a contract but not necessarily the contract, because that's a variable. That was my concern. I think we need to really drill down to say, 'Okay, what conditions would that incur?'

[345] **Alun Davies:** So, does the Bill as currently drafted—?

[346] **Mr Clark:** There's some subjectivity there. What I would like is better clarity about what that's meant, either in supplementary guidance or on the face of the Bill.

[347] **Alun Davies:** Okay. Fine. Thank you for that. That does clarify things. In terms of allowing 16 or 17-year-olds to hold contracts, could you expand on your views on that issue?

[348] **Ms Button:** We're very supportive of the move to expand the renting market to 16 and 17-year-olds, particularly when you look at some young people who have to leave their home because of various altercations with family, if they're estranged from their family and they get into difficulties. We do, however, have some concerns about the legal status of those individuals and how that would be affected, both in terms of if they're renting a property and they have to go to court, for some reason, how they are trialled and what their legal status is. Also, we have some concerns around the fact that many—. To get a contract, most tenants have to demonstrate that they are getting home insurance, but to get insurance you often have to be over 18. So, it's a matter of how their age then ties in with their ability to get utility contracts and home insurance contracts. Again, we're very welcoming of the move to kind of expand the market to those individuals, but we do have concerns around their legal status and how that might implicate their ability to sign contracts.

[349] **Alun Davies:** Can I follow up on that? You described students in your evidence this morning as being quite vulnerable on a number of occasions.

[350] **Ms Button:** Yes.

[351] **Alun Davies:** Would it not be the case, therefore, that a 16 or 17-year-old will be as or more vulnerable than somebody who is somewhat older and has more life experience? So, would it not be the case that the Government, whilst trying to do the right thing, is actually creating a bigger problem than the problem that you are seeking to solve?

[352] **Ms Button:** In opening up some vulnerable people to the market?

[353] **Alun Davies:** Yes.

[354] **Ms Button:** I think, whether they're 16, 17 or 18 years old, it's going to be the first time they're renting a property. Obviously, any individual that enters into the private rented market is going to be vulnerable to that market, but I think the need to protect them in terms of offering them somewhere to go and live independently is probably greater than the need to

protect them from the quality of the housing. I think the move to sort of open up the market to 16 or 17-year-olds is very welcome, in the fact that there are individuals who require the ability to go out to rent privately. In many cases, 16 and 17-year-olds are of adult status, taking up occupations or entering certain occupations. I obviously have concerns whether, at 16 or 17 years old, are they going to be making the most informed choices about the properties they're renting? Possibly not, but we feel that they should have that choice in the first place.

[355] **Ms Silversmith:** I'd agree with that, but also you raised utilities in the previous session, and whether they can have contracts with that. That would probably lead to more pay-as-you-go sort of meters. They are more expensive. That's the problem again with the sector in general. If you have a meter in a place or if you have a very poor energy-efficient home, that's going to increase costs for students. Especially, 16 or 17-year-olds maybe wouldn't know that up front: that these will accumulate costs and will become much more expensive. That should be—[*Inaudible.*]

[356] **Mr Clark:** From my point of view, I know some very articulate and responsible 16 and 17-year-olds, quite capable of managing a tenancy and everything else. I think there are some concerns, but one of the things that I'm really in favour of, as an advocate, is tenancy sustainment training, so that people are fully equipped to take on the responsibility prior to taking it on—not as a mandatory provision but as a means of helping tenants to sustain their tenancies. We're working with an organisation to deliver that now. So, I think it's about information and advice, but I understand the concerns about the risks that that poses to a young individual. Listening to the previous session, I would support caution around it. I personally would like to see—. What happens in the Rhondda at the moment is that 16 and 17-year-olds do take on tenancies; they are granted tenancies, but with support. So, they're supported tenancies for a specific duration, until they're deemed competent to be let go. I think that's absolutely vital. I think it can be dangerous to have it as a blanket. So, with those safeguards, I would say, 'yes'.

[357] **Alun Davies:** Of course, as I read it, the Bill doesn't contain those safeguards.

[358] **Mr Clark:** Well, again, it's subject to supplementary guidance and regulation as well, so, that's for the Ministers and the sector to develop so that we are confident that the provisions are there. Given the move to voting for 16-year-olds et cetera and the responsibilities they currently have, I think it's probably something that we need to progress and move towards.

[359] **Ms Button:** I think that, if there were, as you say, protections in place to offer a minimum level of support in the renting of a home—. I don't think we should go down the route of saying which 16 and 17-year-olds deserve to enter into the private rented market, because I think that people have different reasons for going into it, but I do think that if the Bill was able to solve a lot of the issues around the standards of housing and the relationship between tenants and landlords, then that 16 or 17-year-old entering into it, in relation to the rest of the Bill, shouldn't be entering into a bad market, if the Bill succeeds in what it is supposed to be doing.

[360] **Alun Davies:** Well, they would be entering into whatever market, but not with very much life experience.

[361] **Ms Button:** But probably just as much life experience as an 18-year-old would have renting for the first time at university.

[362] **Alun Davies:** Sure, which you've described as being 'vulnerable', of course.

[363] **Ms Button:** Yes.

[364] **Alun Davies:** It just appears to me that the arguments you're putting forward in favour of this actually make me question it in a way I hadn't questioned it before. It does appear to me from what you're saying that you have to put so many safeguards in place and so much support that, really, we're using a bit of a sledgehammer to crack a nut here and that it would be better to provide a 16 or 17-year-old person who requires accommodation away from the family home or wherever with that supported accommodation, rather than just changing the law in the way that the Government is suggesting, which would allow anybody who is 16 to enter into a contract without any of the protections. You're changing the law here. You're not just allowing somebody that you know you've interviewed and spoken to.

[365] **Mr Clark:** What you're also saying is that somebody who is very competent and intelligent would have to go for that support and have that as a record, if you like. They would have to access that support, and I don't think that's something that we want to promote for everyone. As I said, in RCT Homes, I think they have a very successful scheme, where 16 and 17-year-olds are taking on tenancies. There's arm's-length support there, yes, in case of difficulties and what have you, but it's worked perfectly well, and they're very capable tenants.

[366] **Alun Davies:** But that's not what the Bill is suggesting, of course. The Bill is suggesting something very different to that.

[367] **Jocelyn Davies:** Can I just come in on this?

[368] **Christine Chapman:** Yes. Jocelyn Davies.

[369] **Jocelyn Davies:** They're care leavers, so there's a responsibility on the part of the local authority for those individuals, and maybe we ought to be thinking that 16 and 17-year-olds who have nowhere to go, shouldn't be told, 'You can go to the private rented sector, so we're not concerned about you, and we're not giving you that support, and we're not providing you with housing'. How do we know that there is not a downside to this in that the responsibility for those individuals is going to be their own? You're talking about the vulnerability of students who must be, by the fact that they're students, intelligent 18-year-olds. We could be talking about 16-year-olds with nowhere to go and no choices other than the private rented sector. So, there may be a downside to this. I'm getting angry with you now, Alun. Not with you—alongside you. Alongside you.

[370] **Alun Davies:** I'll leave it there.

[371] **Ms Button:** But many of the 16 and 17-year-olds that we speak to who wish to enter the private rented market are simply those who have to travel further to get to their place of education. They're simply moving locality to enter education, to go to further education college, or whatever, so, as you say, they wouldn't necessarily identify themselves as being in need of supported housing. I completely agree that we need to have the protections in place to make sure that young people don't get lost in the system where they're eligible for support through the state, but we do need an element of flexibility for those who just simply wish to enter the private rented market at 16 or 17 to do so.

[372] **Christine Chapman:** We've got just over five minutes, and I will close at 11.30 a.m. because, obviously, we've got other business we need to look at. If there are any outstanding questions, which I think there will be, if you're happy, we'll ask you for a written response. Alun, are you finished?

[373] **Alun Davies:** Yes, I'll leave it there, I think.

[374] **Christine Chapman:** Peter.

[375] **Peter Black:** I'm going to concentrate on the six-month moratorium. I'm interested in what effect the Bill is likely to have on the duration of contracts in the private rented sector. What are your views on that?

[376] **Ms Clark:** I have serious concerns in terms of the Housing (Wales) Act 2014 as well, because there was, as I was understanding it, a guarantee of a six-month tenancy for people who there was a duty for. So, if I was a private landlord, why would I want to do that when I could offer a shorter term tenancy? So, how's that going to encourage private landlords to meet that provision? So, I've got some real concerns about the interaction with the Housing (Wales) Act. As I said, I think one of the issues as well is that the market tends to go with what legislation you write, so if it can, you know, terminate a tenancy for three, four months, then it will, especially if the majority of the sector are private landlords who have their own views about their tenants. This could possibly introduce some measures—section 21 is there, so no-fault eviction—whereby they could determine whether you're right or not for a tenancy, and that's wrong. I think we should be setting down some statutory provisions that would guarantee a specific, protected term for tenancy, and that's what we have at the moment.

[377] Also, on tenancy turnover, it could, potentially, increase the charges to the tenant, because at every tenancy turnover, there's an inspection, there's a renewal of the tenancy, there are any claims against the deposit, et cetera. All these things have to be considered. There's a credit search if there's a change in circumstances, et cetera. So, it actually increases, over your rental period, what you have to provide out of your income towards rent. If letting agents and landlords see that potential to earn that money, they will do that. That is what the market has done. So, you know, I am very concerned about the impact of the moratorium.

[378] **Ms Silversmith:** Very concerned as well, as I think most respondents to the consultation are. Like I said earlier, you're creating a two-tier system as well, with people who have the shorter contracts, which are less reliable and there are more fees—. But also, I should point out that this isn't the norm across Europe. I mean, six months is the very bare minimum, and Shelter pointed out in their evidence that in Europe—in Austria, the standard is three years; in Spain, it's five, in Belgium, it's nine, and in Germany, Sweden and Switzerland it's continuous and open-ended. We're creating a substandard sector in Wales; again, although Scotland and England are making different moves, we're creating a poorer sector. I think landlords will follow legislation, and we shouldn't be encouraging a short-term sector and short-term lets. We should be encouraging more secure and longer term tenancies to make it a better sector, and to have homes, rather than houses for tenants.

[379] **Peter Black:** The Minister's justification for removing the moratorium was that it would encourage landlords to rent to higher risk people. I am just interested in your views on that, and also the impact on students, as well.

[380] **Christine Chapman:** Beth, do you want to start with the students?

[381] **Ms Button:** Yes. I'm afraid this is one area that I'm not really that au fait with, but I think I would say that, obviously, the move to short-term renting is going to benefit students, because it's more in line with the kind of renting that they're taking up, so we can't deny that. But then, I do echo some of the concerns around the fact that this is an exceptionally low level of protection for tenants. But, I think we can counter that by having things like break clauses introduced in the contracts, which allows student short-term renting to be protected, but then doesn't impact on the rest of the rented market in terms of changing the way in which the rented market does it.

[382] **Peter Black:** Do you think it will attract landlords to rent to higher risk tenants?

[383] **Ms Silversmith:** Well, I think if it's in legislation, that's what will happen, but I think it's a position where the Welsh Government can provide some leadership on this, and say, 'No, you should be renting to these people'. Anyway, you can have break clauses and agreements at the beginning to put these things in the contract and the key matters document to say, 'Okay, you give this much notice; I give this much notice'. These things can be done. If you lead with saying, 'Okay, well, this is how it should be, and it's okay to have it at less than six months', then that is what will happen. There should be some leadership on this to improve the sector, not to make it more temporary.

[384] **Mr Clark:** Once more, I think it's about landlords then having confidence to rent to a particular person. My understanding is that they are more confident if they know that the tenant has had training and support on how to manage a tenancy. The tenancy sustainment issue is really—. So are they aware that they understand their rights and obligations, how they pay their rent, what the terms of the agreements mean to them individually, et cetera, around managing utilities, and about neighbourliness and resolving conflicts and disputes? So, it's about tenancy sustainment. The landlord will provide to at-risk people, provided that they've had tenancy support and they understand that. That's their biggest concern: that people are taking on tenancies without any knowledge of their rights and obligations. The survey that was conducted demonstrated that—on both sides, both the landlord and the tenant. The landlord is getting training through the competency programme as a result of the Housing (Wales) Act, but the tenant isn't.

11:30

[385] What I'd like to see is—if you are allocating through local authorities, for instance, and you are allocating to vulnerable people or people who've been evicted or had issues in their prior tenancy and, therefore, pose a risk to the private sector—that that risk is mitigated. All a landlord wants to know is that they can pay rent. The biggest risk is welfare reform and universal credit and direct payments. I don't think it's about tenancy length. The risk is around other factors.

[386] **Peter Black:** Can I just ask—in the social housing sector, there are things called probationary tenancies. Is there a case—and this is very similar to a break clause, I suppose—for a longer-term tenancy with a probationary period in the private rented sector? If Liz or Beth could comment on that.

[387] **Ms Silversmith:** I think that would be a good idea. That's how it is at the moment—a six month probation period is pretty standard. I think that would improve things. Also, to point out, yes, a landlord may see a tenant as high risk, but a property or a landlord is potentially high risk to every tenant. Every tenant doesn't know if that property's going to be around for long, or if they're going to get kicked out of it, or if they're going to have a very poor standard of living from it. So, it goes both ways. It's consistent throughout all of the housing sector: the benefit is always in favour of the landlord, and the pandering is always done for the landlord, not any fairness either way.

[388] **Peter Black:** Okay; thanks.

[389] **Christine Chapman:** Okay. I know there are other questions that Members had, but, obviously, because of time, we'll have to draw this session to a close. We'll send you some other questions; if you're happy, perhaps you could do a written response to us. It's been a very useful session. Could I thank you for coming in? We'll send you a transcript of the meeting so that you can check for factual accuracy. Thanks for that.

11:31

**Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd o Weddill y Cyfarfod**

**Motion under Standing Order 17.42 to Resolve to Exclude the Public from the Remainder of the Meeting**

*Cynnig:*

*Motion:*

*bod y pwyllgor yn penderfynu gwahardd y cyhoedd o weddill y cyfarfod yn unol â Rheol Sefydlog 17.42(vi).*

*that the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order 17.42(vi).*

*Cynigiwyd y cynnig.  
Motion moved.*

[390] **Christine Chapman:** I now invite the committee to move into private session. We need to discuss the evidence we've had this morning, consider the consultation on a private rented sector code of practice for landlords and agents, consider the draft report on their inquiry into poverty in Wales, strand 1, and also consider the approach to scrutiny of the Historic Environment (Wales) Bill. Okay, happy with that.

*Derbyniwyd y cynnig.  
Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 11:32.  
The public part of the meeting ended at 11:32.*