



John Griffiths AM
Chairman Equalities Local Government and Communities Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

Your ref: 200316
MoJ ref: ADR77982

29 May 2020

Dear John,

RENTING HOMES (WALES) ACT 2016

Thank you for your letter of 16 March 2020 sent on behalf of the Committee in which you have raised two points in respect of amendments to the Renting Homes (Wales) Act 2016. Please accept my apologies for the delay in replying and extend the same to your Committee.

You have written that the following points have arisen during your Committee's scrutiny:

What impact is commencement of the Renting Homes (Wales) Act 2016, and the proposed amendments to be made by the Renting Homes (Amendment) (Wales) Bill likely to have on the courts in Wales?

Will the changes in any way impact upon the average time it takes for a landlord to recover possession of their property?

As you are aware the Renting Homes (Wales) Act 2016 and the Housing (Wales) Act 2014 were drafted with the aim of reforming housing law in Wales to provide clarity and certainty for renters and landlords alike, placing landlord and tenant law on a more contractual footing. So, for instance tenants will be known as contract holders occupying premises under an occupation contract. Additionally, the number of tenancy types was reduced to broadly two. Further changes include licensing and regulation of the industry and a reform of the law of possession. Standardised written contracts will also be introduced. All the while preserving role of the Courts to be the final arbiter of all disputes.

While most of the legislation has yet to be implemented, officials from the Welsh Government, HMCTS and MoJ Policy have been engaged in this work with an eye to implementation in 2021, to coincide with the end of the current assembly session. This work involves creating a set of procedural rules and changes to the online platform and court processes to reflect the new legislation.

The number of possession cases outright should fall. Firstly, with occupation contracts likely to be longer than the current six month assured shorthold tenancies, there will be fewer claims for possession at the end of a tenancy. Secondly, there will be a reduction in the number of possession claims from social landlords because of their not having to go to court in cases of possession linked to abandonment. Thirdly, Welsh Government housing policy under which social landlords will not evict tenants into homelessness will also have an effect. Given that possession claims from social landlords currently account for 84% of court hearings, we anticipate that the reduction in claims from social landlords will

free-up sufficient capacity within the courts system to accommodate any increase in claims under the breach of contract or rent arrears grounds from private landlords, without causing them undue delay or inconvenience.

Whilst the changes to the section 21 “accelerated possession route”, which are found at section 173 of the 2016 Act is likely to increase the length of time for those actions to progress, this will be offset by the 2016 Act’s other provisions. The use of section 21 “no fault” applications has expanded, both in the private rental sector and amongst social landlords. The 2016 Act should rebalance this trend so that fewer cases will be dealt with under the section 21 (s173) process, with more being dealt with under the various other provisions in the 2016 Act to which the Civil Procedure Rules have attached specific time frames.

I hope this addresses your points.

A handwritten signature in blue ink, appearing to read 'Chris Philp', with a long horizontal flourish extending to the right.

CHRIS PHILP MP