

Ymateb gan: National Residential Landlords' Association | Evidence
from: National Residential Landlords' Association

Senedd Cymru | Welsh Parliament

Y Pwyllgor Llywodraeth Leol a Thai | Local Government and Housing
Committee

Bil Diogelwch Adeiladau (Cymru) | Building Safety (Wales) Bill

Building Safety (Wales) Bill: Call for Evidence
Response from the National Residential Landlords Association

1.0 About the NRLA

- 1.1 The **National Residential Landlords Association (NRLA)** is the leading voice in England and Wales for private sector residential landlords. We have over 110,000 members, making us by far the largest organisation in the sector. Our members, which includes both leasehold and freehold landlords, own and manage around 10% of private rented housing in England and Wales, equating to approximately one million private rented homes.
- 1.2 The NRLA provides training and support for landlords to ensure they fully understand their responsibilities and are equipped to provide good quality housing for their tenants. We currently offer a qualification in managing property and residential lettings, which is recognised by the Office of Qualifications and Examinations Regulation (Ofqual).
- 1.3 We also work with other stakeholders and campaign for policies that seek to improve the sector for the benefit of tenants and responsible landlords. This includes being involved with the working group that prepared the Regulation of Property Agents report in 2019.

2.0 Executive summary

- 2.1 The NRLA supports efforts to improve building safety, and we recognise its vital role in protecting residents and maintaining confidence in the housing sector. In line with this, we advise all landlords of houses in multiple occupation (HMOs) to have fire safety assessments undertaken on their properties. We therefore find no issue with the spirit of the Building Safety (Wales) Bill, but we do hold some concerns about its practical implementation.
- 2.2 We believe the expected cost to the HMO industry of £62 per HMO is an underestimation. The cost of fire risk assessments (FRAs) alone far exceeds this. As part of our preparation, we assessed the fire risk assessment industry in Wales. We found that it typically costs £394.50 for a full FRA. Beyond this initial cost, there may also be upgrades identified by the FRA. Whilst the cost can vary, we have been given estimates of up to £15,000 for a single property.
- 2.3 The proposed Bill also does not provide for adequate mechanisms for landlords to deal with tenants reneging or ignoring their duties regarding fire safety. We request that a new fundamental term be included in occupation contracts by the Welsh Government that would make breaching the tenant's fire safety duty a breach of the tenancy agreement.
- 2.4 Local authorities and fire services are already burdened with enforcement matters from existing regulation, with little to no extra funding. Additional enforcement duties without corresponding funding will compound the issue. We believe that appropriate funding should be allocated as part of the Bill to allow the relevant authorities to adequately carry out their duties.

3.0 General principles of the Building Safety (Wales) Bill

- 3.1 The NRLA has always advised landlords of HMOs to have annual fire safety assessments undertaken on their properties.¹ We support evidence-based regulation that improves the private rented sector for both landlords and tenants. We welcome reasonable legislation that strengthens fire and building safety, saving lives or preventing casualties. Therefore, we find no issue with the spirit of these proposed regulations.
- 3.2 However, we have some concerns around the implementation of the Bill and where powers have been granted to the Welsh Ministers for future decisions. Without guidance as to what these changes to the existing system of FRAs will be, it is difficult to estimate the impact on the industry, and therefore the wider private rented sector.

4.0 Potential barriers to the implementations of the Bill's provisions

Tenant's duties and enforcement mechanisms

- 4.1 Landlords in Wales want to provide safe homes for their tenants. Undertaking a fire risk assessment is one of the ways they can do this. Unfortunately, we have regularly heard reports from our members that they struggle to convince tenants to comply with fire safety measures such as leaving escape routes clear of obstructions.
- 4.2 More will need to be done to ensure that landlords and tenants are aware of their duties under these regulations. Unlike virtually all other duties on tenants and landlords in Wales, these new duties are not set out in the occupation contract as a fundamental or supplementary term.
- 4.3 The current system allows building owners to evict and recover remediation costs from leaseholders who materially increase building safety and fire risk, such as removing an internal wall that undermines compartmentalisation. We believe a similar system should be put in place to make tenants aware of their duties, and to allow landlords to take their own enforcement measures against tenants who consistently undermine fire safety within a relevant HMO.
- 4.4 The proposals outlined in the Building Safety (Wales) Bill provide a weak method of enforcement against tenants who regularly fail to comply with their duties. The enforcement powers are reliant on an outside body and penalties for non-compliance focus on the landlord even if the landlord is not at fault. As a result, it is likely to be slow, cumbersome, and provide no meaningful way for landlords to compel a tenant to stop breaching their own fire safety duties. To ensure the fire safety of all tenants in a building, we believe that landlords will need a fast, effective way of addressing reckless or negligent behaviour by some occupants.
- 4.5 To achieve this, we recommend inserting a new fundamental term into occupation contracts, detailing the tenant's duty to follow fire safety rules. It will give landlords a mechanism to enforce the tenant's responsibility, without the need for external compliance mechanisms. This fundamental term should be added at the same time as any terms added due to the Renters' Rights Bill, to limit administrative burden.
- 4.6 We believe the Welsh Government should avoid adding new fundamental terms where possible, due to the risks and burdens around providing a statement of variation or

¹ <https://www.nrla.org.uk/resources/managing-your-tenancy/fire-safety-overview>

updating tenancy agreements in a short timeframe. However, we cannot envisage another route to successfully ensuring tenant duties are complied with without onerous cost or administration for a landlord.

Fire risk assessment industry

- 4.7 The Welsh Government should take action to ensure that the proposed regulations do not create a sector-wide shortage of fire risk assessors, leading to landlords or building owners attempting to adhere to said regulations unduly finding themselves in breach due to the shortage. Fire risk assessors are already in heavy demand throughout Wales undertaking FRAs on “high-rise” buildings.
- 4.8 As identified in England, 38% of fee-earning fire risk assessors (in a self-reporting survey) report conducting assessments on buildings that are 18 metres or above, with 58% conducting assessments for buildings 11-18 metres.² It is likely that the statistic is similar in Wales. Given the financial incentive for assessing complex high-rise buildings, we anticipate that independent landlords are the most likely group to struggle to find suitably qualified assessors in time for the proposed legislation if the criteria for competence is too stringent.
- 4.9 The proposal to give Welsh Ministers powers to determine who is a competent person to undertake FRAs, including “*qualifications, memberships or accreditations*”³ must be clearly defined at an early stage to avoid sector-wide shortages of qualified fire risk assessors to undertake the required assessments.
- 4.10 The legislation as proposed also allows Welsh Ministers to determine methodology and content within an FRA.⁴ Diverging methodology or content may make it more difficult for assessors to remain fully trained to operate across England and Wales, causing unnecessary delays to FRAs in Wales – not only for relevant HMOs, but other building categories outlined within the Building Safety (Wales) Bill.
- 4.11 The most recent standard of FRA, published by the BSI (BS 9792:2025)⁵ updates existing guidance and provides a comprehensive framework for assessing fire risks – with the focus of a Person-Centred Fire Risk Assessment (PCFRA) via expanded evacuation guidance and legal alignment.
- 4.12 In discussions with leading building safety organisations however, we believe that this standard may be onerous, and perhaps even irrelevant for affected HMOs (as outlined in the Bill) in comparison to other categories of building outlined in the Building Safety (Wales) Bill.
- 4.13 To offset this, the Welsh Government should outline guidance regarding who will be considered a competent person and outline any methodological or content changes well in advance of commencement to ensure adequate time to train and adapt. We recommend a

² Home Office, 2024, Fire risk assessors in England: a survey of competency, capacity and experience: <https://www.gov.uk/government/publications/fire-risk-assessors-in-england-competency-and-capacity/fire-risk-assessors-in-england-a-survey-of-competency-capacity-and-experience>

³ Welsh Government, Building Safety (Wales) Bill, s29, p145: <https://laiddocuments.senedd.wales/primary-legislation/2024-25/bs-wales-2024-25-01/ld17294-em-en.pdf>

⁴ Ibid, s31, p146

⁵ BSI.knowledge, 2025: <https://knowledge.bsigroup.com/products/fire-risk-assessment-housing-code-of-practice>

12-month lead in time, to give industry time to adapt to any new regulations. This guidance should explicitly state elements to include when performing an FRA on a relevant HMO – this may then form a standardised FRA for the HMO sector.

5.0 Unintended consequences of the Bill

- 5.1 We want to ensure that HMOs are kept free of fire risk, but we are concerned that the Bill may create an overly burdensome regime on room-only HMOs, particularly if it extends things like waking watches to small HMOs. This would exceed the potential risk of living in this type of home and incentivises landlords to remove the choice about letting arrangements from tenants and make them jointly and severally liable for the behaviour of other tenants.
- 5.2 To avoid this, we recommend mirroring the fire safety legislation affecting HMOs in England. Specifically, the Building Safety Bill 2022 and Fire Safety Regulations 2023 set reasonable and proportionate expectations on landlords that match the level of risk found within HMOs let on a room-by-room basis. Namely, that the landlord must have a full fire risk assessment, provide suitable information on fire safety to their tenants, and ensure that communal parts have suitable fire safety doors and adequate fire-resistant signage to facilitate exits.
- 5.3 In addition to this, we are concerned that the additional enforcement duties placed upon local authorities and fire services as part of this Bill do not appear to be matched by corresponding funding. We anticipate lack of funding will limit the effectiveness of the Bill in tackling rogue and criminal elements of the private rented sector.
- 5.4 Regulatory compliance requires enforcement, and it would be reasonable to expect knock-on effects to private rented sector enforcement efficiency in local authorities' cooperation with Rent Smart Wales.
- 5.5 It is also probable that local authorities or fire services will have to reduce or remove optional services to fulfil their statutory obligations found in the Bill, compounded by other regulations coming into force in both Wales solely and the UK more generally, affecting communities within Wales.
- 5.6 Finally, as discussed in Section 5.8, we are concerned that changes to the FRA sector without appropriate lead-in time may lead to shortages that will have a compounding effect on the private rented sector. Landlords and building owners who make all effort to comply with the new regulations may find themselves stuck, with a lack of available assessors due to the extremely high demand shared across relevant HMOs and other categories of buildings found in the Bill.

6.0 The Welsh Government's assessment of the financial and other impacts of the Bill

- 6.1 We consider the costed figures for industry stated in the Bill of £62 per HMO building to be a severe underestimate if taken at face value.
- 6.2 As part of our preparation for this Bill we contacted FRA assessors across Wales and found an average cost of £394.50 for an FRA of an average 3 stories HMO. However, the ongoing cost of an annual review of these FRAs should be lower than this initial cost – with most estimates being around £100-£120.

- 6.3 Where FRAs identify issues with a property, there will be requirements to upgrade fire suppression/alert systems or compartmentalisation efforts.
- 6.4 Taken together, the upfront and ongoing cost to landlords is substantially more than the quoted cost to industry within the Bill. These costs will generally be passed on to tenants through rent – although significant costs can lead to unprofitability within the HMO market for some landlords as it could be impossible to wholly pass them on, causing sell-offs and reducing the total stock available within the private rented sector.