



Eich cyf/Your ref P-04-669
Ein cyf/Our ref LG/01478/15

William Powell AM
Chair - Petitions Committee

committeebusiness@Wales.gsi.gov.uk

18

January 2016

Dear Bill,

Thank you for your letter of 15 December, regarding a petition requesting the repeal of Part 1 of the Housing (Wales) Act 2014, more commonly now known as *Rent Smart Wales*.

Firstly, the legislation does not require all landlords to become licensed. Any landlord who does not take part in any letting or management activities as defined in the Act, will only need to register their details, along with the details of the property they own. Any landlord who is only registered will need to pass responsibility for carrying out letting and management duties to a licensed agent.

I plan to achieve both redress and Client Money Protection, for letting agents at least, through their licence conditions. It is difficult to see how Client Money Protection could be applied to landlords, whether individual or company, as they tend to have only one client i.e. the tenant. There is already legislation which protects the tenants' money should something untoward occur with their landlord.

Whilst I am an advocate of membership of professional bodies and redress schemes, failing to abide by their codes of practice or conditions of membership can mean, at worst, removal of membership of the body or redress scheme. Should a landlord or letting agent breach the *Rent Smart Wales* Code of Practice, this can lead, ultimately, to removal of their licence. For a landlord, this would mean they would have to pass the actual letting and management of that property to a licensed agent. For an agent, loss of licence would mean they would be unable to operate in Wales. I believe this is a far more effective way of policing the true rogue element within the letting agent sector.

Part 1 of the Housing (Wales) Act 2014 was drawn up following many months of working with representative bodies from across the private rented sector. It was fully consulted on at every relevant stage. It stood up to intense scrutiny in both Committee sessions and within the Senedd. Adjustments were made throughout these processes until a fully workable "scheme" was produced. Ultimately, the Act, as a whole, was passed by a clear majority of Assembly Members. I believe this gives us a completely sound basis to take forward *Rent Smart Wales*.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

As a Minister, I am not in the business of repealing legislation which was voted for by Members. This legislation is in its infancy and has not even been fully implemented as yet. I absolutely cannot support this petition and would ask the Committee to endorse my approach.

Regards
Lesley

Lesley Griffiths AC / AM
Y Gweinidog Cymunedau a Threchu Tlodi
Minister for Communities and Tackling Poverty