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Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref MA - L/CS/0645/17

David Rees AM
Chair
External Affairs and Additional Legislation
Committee
National Assembly for Wales
Ty Hywel
Cardiff Bay
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17th October 2017

Dear David

Regulation of Registered Social Landlords (Wales) Bill

Following the introduction of the Regulation of Registered Social Landlords (Wales) Bill into the National Assembly for Wales on 16 October 2017, please find attached a copy of the statement of policy intent. This document is provided to support the Committee's scrutiny of the Bill.

I look forward to providing evidence to the Committee in due course.

I am copying this letter to the Chair of the Constitutional and Legislative Affairs Committee.

Yours sincerely

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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.

Regulation of Registered Social Landlords (Wales) Bill – Statement of Policy Intent

Section	Description	Policy intention
<p>Section 5</p> <p>Inserts new paragraph 13 into Schedule 1 to the Housing Act 1996</p>	<p>The Welsh Ministers may give directions about the delivery, form and content of a notification given to the Welsh Ministers under paragraphs 9, 11, 12 or 13 relating to constitutional changes of the RSL.</p> <p>Directions may also include a deadline for giving a notification, and may dispense with the requirement to give a notification.</p> <p>Directions may be given generally in respect of all RSLs, or in respect of particular RSLs or types of RSL, and may make provision about notifications generally, or about particular notifications or types of notification.</p>	<p>The directions will specify the types of changes which RSLs must notify to the Welsh Ministers. These will include restructuring, company arrangements and reconstruction, dissolutions and constitutional changes.</p> <p>The directions will set out the information which must be provided in the notification and the time period in which it must be made which will vary depending on the type of notification. Notification will be retrospective.</p> <p>The directions will also specify the circumstances in which a notification is not required.</p>
<p>Section 14</p> <p>Inserts new section 9(3) into the Housing Act 1996</p>	<p>The Welsh Ministers may give directions about the delivery, form and content of notification given by an RSL in respect of a disposal of land.</p> <p>Directions may also include a deadline for giving notification, and may dispense with the requirement to give a notification.</p> <p>Directions may be given generally in respect of all RSLs, or in respect of particular RSLs or types of RSL, and may make provision about notifications generally, or about particular notifications or types of notification.</p>	<p>The directions will specify the types of disposals and transactions which RSLs must notify to the Welsh Ministers. The directions will also specify the circumstances in which a notification is not required.</p> <p>The directions will set out the information which must be provided in the notification and the time period in which it must be made which will vary depending on the type of notification. Notification will be retrospective and specified routine disposals may be provided in a periodic (quarterly) return.</p>

Section	Description	Policy intention
Section 18	<p>The Welsh Ministers may, by regulations make such provision amending, repealing or revoking any enactment as they consider appropriate in consequence of any provision made by or under this Bill, or for the purpose of giving full effect to any provision made under this Bill.</p>	<p>This power will only be used for making changes to other legislation needed in consequence of the provisions of this Bill.</p>
Section 19	<p>The Welsh Ministers may, by order, provide for provisions of the Bill to come into force on a day appointed by the Welsh Ministers.</p> <p>The Welsh Ministers may appoint different days for different purposes and make transitional, transitory or saving provision in connection with the coming into force of a provision in this Bill.</p>	<p>The intention is for sections 7A to 7D of the Housing Act 1996, inserted by Schedule 1 to the Bill, to come into force two months after Royal Assent. This will have the effect that RSLs have six months to reduce the number of local authority appointees on their boards to below the 24% limit.</p> <p>The remaining provisions in Schedule 1 relating to local authority influence on RSLs will come into force six months after Royal Assent.</p> <p>The other provisions in the Bill are intended to be commenced two months after Royal Assent.</p> <p>Suitable transitional provisions will be made where required, for example there will be transitional arrangements to direct the use of the sums in the disposal proceeds fund and specify a time limit for their use until abolition of the requirement.</p>

Section	Description	Policy intention
<p>Schedule 1</p> <p>Inserts section 7J(1) into the Housing Act 1996</p>	<p>The Welsh Ministers may by order provide that the provisions relating to limits on local authority influence over RSLs are not to apply to RSLs that are wholly controlled local authority subsidiaries.</p>	<p>This power will only be used if the current policy position changes to allow local authorities to be the “parent” of an RSL, which is not permitted at present. In the case that an RSL is a wholly controlled local authority subsidiary, the limits on local authority influence do not need to apply.</p>
<p>Schedule 1</p> <p>Inserts 7J(7) into the Housing Act 1996</p>	<p>The Welsh Ministers may by order make provision for a registered social landlord of a description specified in the order to be treated as being a wholly controlled local authority subsidiary for the purpose of section 7J (power to dis-apply provisions relating to local authority influence) .</p>	<p>Currently, the provisions relating to wholly controlled local authority subsidiaries in section 7J (power to dis-apply provisions relating to local authority influence) allow for subsidiary RSLs to be companies or registered societies.</p> <p>This power, to treat RSLs as a wholly controlled local authority subsidiary, is only intended to be used where there is a model proposed by a local authority which the Welsh Ministers consider should be exempt from the provisions limiting local authority influence.</p>