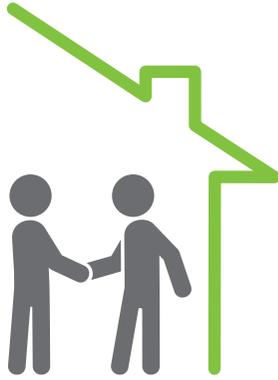


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Wales**



UK Housing Legislation Summary

June 2018

This document is available in Welsh / Mae'r ddogfen hon ar gael yn Gymraeg



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UK LEGISLATION - GENERAL

	Tenancy Agreement	GDPR (General Data Protection Regulation)	Right to Rent	Discrimination Equality Act 2010	Schedule of Condition/ Inventory	Water Industry	Energy Performance Certificate (EPC)
WAL 	<p> There is no legal requirement for a written tenancy agreement. However, it is best practice to do so.</p> <p>The Renting Homes Act 2016 will require all landlords/agents to issue written tenancy agreements (contracts).</p>	<p> Privacy notice must be given to tenant.</p> <p>Right to be forgotten.</p> <p>Restrictions on marketing Secure systems.</p> <p>Prospective tenant's consent must be sought before referencing.</p>	<p> No requirement, however it is best practice to follow the Right to Rent requirements as established in England.</p>	<p> Prospective and existing tenants must not be treated less favourably because of their disability, gender, race, religion, sexual orientation or whether they have children or are pregnant.</p> <p>Age is not a protected characteristic within housing.</p>	<p> It is best practice to complete a schedule of condition/ inventory.</p>	<p> Non Owner Occupiers Regulations 2014.</p> <p>Landlord has obligation to inform Welsh Water/Dee Valley of new tenancy and details of the adult tenants.</p> <p>Failure to comply will mean the landlord is liable to pay the bill.</p>	<p> Energy Performance Indicator to be displayed during advertisement of the rental property.</p> <p>A full copy of the EPC must be provided at viewing to prospective tenants.</p>
ENG 	<p> There is no legal requirement for written tenancy agreement. However, it is best practice to do so.</p>	<p> As in Wales.</p>	<p> Landlords who do not comply with Right to Rent could be committing a civil/ criminal offence.</p>	<p> As in Wales.</p>	<p> As in Wales.</p>	<p> No Regulation.</p>	<p> As in Wales.</p>
SCO 	<p> Private Residential Tenancy required.</p>	<p> As in Wales.</p>	<p> As in Wales.</p>	<p> As in Wales.</p>	<p> As in Wales.</p>	<p> No Regulation.</p>	<p> As in Wales.</p>
N.I. 	<p> As in England.</p>	<p> As in Wales.</p>	<p> As in Wales.</p>	<p> As in Wales.</p>	<p> As in Wales.</p>	<p> No Regulation.</p>	<p> As in Wales.</p>

UK LEGISLATION - LANDLORDS PT.1

	Minimum Energy Efficiency Standard	Tenancy Deposit Legislation	HMO Licensing	Ending a Fixed Term Tenancy	Landlord Registration	Landlord Licensing	Appointing an Agent
 WAL	 Minimum EPC 'E' rating for new tenancy agreements from 1st April 2018. This includes periodic tenancy and tenancy renewals. From April 2020 all tenancies need to comply.	 Deposit to be placed in a government-backed tenancy deposit scheme (TDP) within 30 days of receiving it. Prescribed information to be given to tenant to check and sign.	 Requirement for HMO mandatory licence if a property occupied by 5 or more people, forming two or more separate households, and comprises of three or more habitable storeys.	 Serving Section 21 requirements: <ul style="list-style-type: none"> • Be licensed with Rent Smart Wales. • Comply with Deposit Protection Legislation • If an HMO, it needs to be licensed. • Must be minimum 2 months notice. • Cannot expire before end of fixed term. 	 All landlords who rent out properties in Wales are required to register their properties with Rent Smart Wales. 	 All landlords who let and manage properties in Wales are required to be licenced with Rent Smart Wales. 	 Agent must provide: <ul style="list-style-type: none"> • RSW agent licence. • Fees and expenses • Terms of business • Duration of agreement • Extent of financial authority. • Allow sufficient time to read and understand.
 ENG	 As in Wales .	 As in Wales .	 As of 1st October 2018 HMO definition for mandatory licensing purposes will be any property occupied by five or more people forming two or more separate households.	 Serving Section 21 requirements: <ul style="list-style-type: none"> • Form 6A cannot be served in the first 4 months of a fixed term tenancy. • EPC, Gas Safety Certificate and 'How to Rent Checklist' needs to be issued to the tenant at the start of tenancy. • Compliance with Deposit Protection Legislation. • HMO's properties must be licensed. • Retaliatory eviction are not permitted. 	 No nationwide regulation although some local authorities have adopted a landlord registration scheme. Check with your local authority.	 No nationwide regulation although some local authorities have adopted a landlord licensing scheme. Check with your local authority.	 Agent must provide: <ul style="list-style-type: none"> • Fees and expenses. • Terms of business. • Duration of agreement. • Extent of financial authority. • Allow sufficient time to read and understand.

UK LEGISLATION - LANDLORDS PT.2

	Minimum Energy Efficiency Standard	Tenancy Deposit Legislation	HMO Licensing	Ending a Fixed Term Tenancy	Landlord Registration	Landlord Licensing	Appointing an Agent
 SCO	 Scotland's Energy Efficiency Programme proposed setting an initial standard of EPC rating E from 2019, raising this to D within three years.	 As in Wales .	 As in Wales .	 Landlords sometimes combine a notice to quit and a section 33 notice into one notice. It must give the landlord at least two months.	 Landlords need to register with Local Authority to ensure their properties meet the minimum legal requirements.	 No regulation however landlords should use a letting agent who has registered with the Letting Agents Register.	 Agent must provide: <ul style="list-style-type: none"> • Fees and expenses. • Terms of business. • Duration of agreement. • Extent of financial authority. • Allow sufficient time to read and understand.
 N.I	 There are no current proposals for MEES on sales or lettings as seen in the Energy Act 2011.	 As in Wales .	 As in Wales .	 To terminate the tenancy at the end of the fixed term, landlord should inform the tenant in writing by letter at least 28 days in advance of the date that they wish the tenancy agreement to end.	 The Landlord Registration Scheme Regulations (Northern Ireland) 2014 require landlords to register with a central scheme.	 No regulation.	 Agent must provide: <ul style="list-style-type: none"> • Fees and expenses • Terms of business • Duration of agreement. • Extent of financial authority. • Allow sufficient time to read and understand.

UK LEGISLATION - AGENTS PT.1

	Agent Licensing	Agent Fees, Charges and Penalties	Appointing an Agent	Cancellation of Contract	Client Money Protection	Professional Indemnity Insurance	Consumer Redress Scheme
 WAL	 All agents who let and manage properties in Wales are required to be licensed with Rent Smart Wales. 	 Must publicise in prominent place in branch and online be clear, proportionate inclusive of VAT. Welsh Government to introduce a bill to prevent unfair fees being charged to tenants.	 Agent must provide: <ul style="list-style-type: none"> • RSW agent licence • Fees and expenses • Terms of business • Duration of agreement • Extent of financial authority. • Allow sufficient time to read and understand. 	 Consumer Contracts (Information Cancellation and Additional Charges) Regulations 2013. 14 day right to cancel. Express consent required.	 Required under Rent Smart Wales Agent licence conditions. 	 Required under Rent Smart Wales Agent licence conditions. 	 Required under Rent Smart Wales Agent licence conditions. 
 ENG	 No regulation.	 Must publicise in branch and online (including VAT). November 2017, Government released the Draft Tenant Fees Bill.	 Agent must provide: <ul style="list-style-type: none"> • Fees and expenses • Terms of business • Duration of agreement. • Extent of financial authority. • Allow sufficient time to read and understand. 	 As in Wales .	 No regulation Housing and Planning Act 2016 (soon to be changed).	 No regulation Housing and Planning Act 2016 (soon to be changed).	 Required for all letting agents. <i>Please note - as of February 2018, Ombudsman Services: Property will no longer handle complaints.</i>

UK LEGISLATION - AGENTS PT.2

	Agent Licensing	Agent Fees, Charges and Penalties	Appointing an Agent	Cancellation of Contract	Client Money Protection	Professional Indemnity Insurance	Consumer Redress Scheme
 SCO	 Scottish letting agents required by law to comply with a Letting Agent Code of Practice and to join a Register of Letting Agents by 1st Oct 18. The Register of Letting Agents is a list run by Scottish Ministers that makes sure every letting agent is suitable and has met minimum training requirements.	 Agent must provide fees to landlord (inclusive of VAT) before instruction. Fees to tenants have been unlawful since 30th November 2012.	 Agent must provide: <ul style="list-style-type: none"> • Fees and expenses • Terms of business • Duration of agreement. • Extent of financial authority. • Allow sufficient time to read and understand. 	 As in Wales .	 Letting Agent Code of Practice (Scotland) Regulations 2016. Requirement to hold client money protection effective as of 31st January 2017.	 Required under the Letting Agent Code of Practice (Scotland) Regulations 2016.	 In Dec 2016: the First-Tier Tribunal (Housing and Property Chamber) replaced the Private Rented Housing Panel.
 N.I.	 No regulation However, in Jan 2017 the Department for Communities in Northern Ireland published a consultation document on the Private Rented Sector in Northern Ireland with proposed changes.	 No regulation to publicise fees. The DfC is proposing to introduce a regulatory framework for all letting agents including a legislation to ban letting agent and fees.	 Agent must provide: <ul style="list-style-type: none"> • Fees and expenses • Terms of business • Duration of agreement. • Extent of financial authority. • Allow sufficient time to read and understand. 	 As in Wales .	 No regulation However, in Jan 2017 the Department for Communities in Northern Ireland published a consultation document on the Private Rented Sector in Northern Ireland with proposed changes.	 No regulation However, in Jan 2017 the Department for Communities in Northern Ireland published a consultation document on the Private Rented Sector in Northern Ireland with proposed changes.	 No regulation However, in Jan 2017 the Department for Communities in Northern Ireland published a consultation document on the Private Rented Sector in Northern Ireland with proposed changes.

HEALTH AND SAFETY PT.1

	Property Conditions	Gas Safety	Electrical Safety	Carbon Monoxide Detectors	Smoke Alarms	Fire Risk Assessment	Asbestos	Legionella	Waste Disposal
 WAL	 Property must be kept in a safe condition with no unacceptable risk to the health of tenants or visitors.	 Every 12 months.	 HMO – mandatory electrical conditioning report every 5 years for installations. Not mandatory but best practice for non HMO’s Welsh Government consulted on electrical inspections in a Fitness for Human Habitation standard under the Renting Homes (Wales) Act 2016.	 CO detector to be fitted if a solid fuel burning appliance is installed. Best practice is to provide CO detector in all rooms where a gas, oil or solid fuel appliance is present.	 Legal requirement for all HMO’s to have a mains wired smoke detector. Best practice to install at least battery operated smoke detectors for all other properties. Properties built since 1992 must be fitted with mains-powered, inter-linked smoke detector.	 Responsible person to carry out a fire risk assessment.	 Responsible person to carry out risk assessment and take appropriate action.	 All landlords to minimise potential risk by ensuring hot water hot, cold water cold, system is flushed and remove any debris from water tanks.	 Duty of Care to dispose of waste adequately. The disposal of commercial waste must be carried out by a registered (Natural Resources Wales) waste carrier.
 ENG	 As in Wales .	 As in Wales .	 As in Wales .	 As of Oct 2015: Legal responsibility to ensure CO detectors are installed in rental properties with solid fuel	 As of Oct 2015: Legal responsibility to ensure smoke alarms are fitted on every floor of rental properties.	 As in Wales .	 As in Wales .	 As in Wales .	 As in Wales .

HEALTH AND SAFETY PT.2



Property Conditions	Gas Safety	Electrical Safety	Carbon Monoxide Detectors	Smoke Alarms	Fire Risk Assessment	Asbestos	Legionella	Waste Disposal
 As in Wales.	 As in Wales.	 As of Dec 2015 private landlords must ensure that an electrical safety inspection of the property is carried out by a registered electrician at least every five years. This covers: <ul style="list-style-type: none"> Any installations in the property for the supply of electricity. Electrical fixtures and fittings Any appliances provided by the landlord under the tenancy. Landlords must be able to prove that all of the above are in a reasonable state of repair and in proper working order. 	 As in Wales.	 There should be some provision to detect fires and that this should be operational and in good working order.	 As in Wales.	 As in Wales.	 As in Wales.	 As in Wales.
 As in Wales.	 As in Wales.	 No regulation.	 Every rental property must now be fitted with carbon monoxide alarms.	 Every rental property must now have: <ul style="list-style-type: none"> A Fire Blanket Carbon Monoxide Alarm Two 10 year lithium battery smoke alarms or mains wired smoke alarms. Suitable window restrictors where required. 	 As in Wales.	 As in Wales.	 As in Wales.	 As in Wales.

TAX AND FINANCES

	Universal Credit	Property Tax	Buy to Let Surcharge	First Time Buyer Relief	Restricting Cost Relief for Individual Landlords	Wear and Tear Reforms	Anti Money Laundering	Overseas Landlords
 WAL	✓	✓ As of 1st April 2018 Land Transaction Tax (LTT) collected by Welsh Revenue Authority on property sales above £180k.	✓ Extra 3% on additional property sales over £40k.	✗	✓ Basic rate reduction from income tax liability for finance costs, to be phased in. <i>e.g.</i> mortgage interest, interest on loans to buy furnishings and fees incurred when taking out or repaying mortgages or loans. No relief is available for capital repayments of a mortgage or loan.	✓ 10% Wear and tear allowance replaced with tax relief for actual cost of replacing furnishings, appliances and kitchenware. The relief given will be for the cost of a like-for-like, or nearest modern equivalent, replacement asset, plus any costs incurred in disposing of, or less any proceeds received for, the asset being replaced.	✓ Agencies which deal with sales must be registered with HMRC.	✓ Letting agent or tenant to deduct basic rate Income Tax from the rent paid to the non-resident landlord, unless confirmation given from HMRC that the non-resident landlord is approved to receive their rental income.
 ENG	✓	✓ Stamp Duty Land Tax (SDLT) on property sales over £125k.	✓ As in Wales .	✓ First Time Buyers exempt from stamp duty on the first £300k of homes worth up to £500k.	✓ As in Wales .	✓ As in Wales .	✓ As in Wales .	✓ As in Wales .
 SCO	✓	✓ Land and Buildings Transaction Tax on property sales above £145k	✓ As in Wales .	✗ Draft proposal LBTT relief up to £175k. Not enacted yet.	✓ As in Wales .	✓ As in Wales .	✓ As in Wales .	✓ As in Wales .
 N.I	✓	✓ Same as England .	✓ As in Wales .	✗	✓ As in Wales .	✓ As in Wales .	✓ As in Wales .	✓ As in Wales .

ACKNOWLEDGEMENTS

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arla | propertymark

Disclaimer - the information in this document is as a guide only, and is correct as of June 2018. Although we aim to update the document with relevant information in future, it is important that you seek your own legal advice to ensure that you are acting on the most up-to-date information on UK Housing Legislation.