

EXPLANATORY MEMORANDUM TO THE REGULATION OF PRIVATE RENTED HOUSING (TRAINING REQUIREMENTS) (WALES) REGULATIONS 2015

This Explanatory Memorandum has been prepared by the Housing Policy Division and is laid before the National Assembly for Wales in conjunction with the above subordinate legislation and in accordance with Standing Order 27.1.

Minister's Declaration

In my view, this Explanatory Memorandum gives a fair and reasonable view of the expected impact of the Regulation of Private Rented Housing (Training Requirements) (Wales) Regulations 2015

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Minister for Communities and Tackling Poverty

29 April 2015

1. Description

1.1 The Regulation of Private Rented Housing (Training Requirements) (Wales) Regulations 2015 set out requirements in relation to training. Training will need to be undertaken by applicants for a licence and connected persons. The Regulations do not specify the content of authorised training. Instead the Regulations authorise the Licensing Authority to specify the details. The Regulations also set out the procedure for the Licensing Authority to determine applications from persons wishing to be authorised to carry out training, and to apply to have a training course approved including the setting of fees for such purposes. Lastly, the Regulations allow the Licensing Authority to deliver its own approved training.

2. Matters of special interest to the Constitutional and Legislative Affair Committee

2.1 None.

3. Legislative background

3.1 Under Section 19 of the Housing (Wales) Act 2014, before a Licensing Authority grants a licence the requirements in relation to training specified in Regulations made by Welsh Ministers must, or will be, met.

Welsh Ministers may, among other things, authorise a Licensing Authority/Authorities to specify requirements in relation to training in respect of:

- The statutory obligations of a landlord and tenant
- The contractual relationship between a landlord and a tenant
- The role of an agent who carries out letting work or property management work
- Best practice in letting and management dwellings subject to, marketed or offered for let under, a domestic tenancy

Welsh Ministers may also make provision for the Licensing Authority to:

- Authorise persons to carry out training courses
- Approve training courses

Welsh Ministers may make provision for the Licensing Authority/Authorities to charge a fee for an application for an authorisation of a training provider or approval of a training course.

3.2 The procedure for making these Regulations is the affirmative procedure by virtue of section 142(3)(a) of the Act.

3.3 These Regulations authorise the Licensing Authority to specify requirements in relation to the core content of training courses. The Regulations also specify the training courses must be delivered either by the Licensing Authority or a person authorised by the Licensing Authority. The Regulations provide the Licensing Authority's process for assessing an application for an authorisation or approval and provides a right to make representation in relation to a condition imposed by the Licensing Authority, a refusal or withdrawal of authorisation. They also allow the Licensing Authority to vary an authorisation or approval and to charge a fee for an authorisation or an approval.

4. Purpose & Intended Effect of the Legislation

4.1 Part 1 of the Housing (Wales) Act 2014 introduces a mandatory registration scheme for private landlords and a requirement for private landlords and agents who carry out letting/management tasks to be licensed. The Licensing Authority will control the registration scheme for landlords and the licensing scheme for landlords and agents who operate in the private rented sector in Wales.

These Regulations state the requirements in relation to training required under the Act:

4.6 Regulation 3 authorises the Licensing Authority to specify requirements in relation to training. The Regulation also provides the training must only be delivered by the Licensing Authority or by an authorised training provider and via an approved training course.

4.7 Regulation 4 gives the Licensing Authority the power to specify training course requirements in respect of:

- The statutory obligations of a landlord and tenant
- The contractual relationship between a landlord and tenant
- The role of an agent who carries out lettings work or property management work
- Best practice in letting and managing dwellings subject to, or marketed or offered for let under, a domestic tenancy
- The role of a landlord who carries out lettings activities or property management activities; and
- Any other requirements in relation to training which the Licensing Authority considers necessary to be included in an approved training course

4.8 Regulations 5-8 provide the application requirements and the Licensing Authority process for authorisation of a training provider or approval of a training course, as well as the processes for varying, refusing and/or withdrawing an approval or authorisation (with or without conditions). The Regulations also outline the process an applicant can do to make written representations should they be unsatisfied with a decision of the Licensing Authority.

4.9 Regulation 9 allows the Licensing Authority to charge a fee for authorisation or approval of a training provider and/or course. They must create and publish a fees policy for this purpose.

5. Consultation

5.1 A formal 7 week consultation was held between 19 December 2014 and 6 February 2015 on the policy intent of the Training Regulations. In total 47 responses were received to the consultation. The majority of respondents welcomed the policy intention of the Regulations. to give the Licensing Authority the power to determine the specific core syllabus for training courses, authorise training providers and approve training courses and charge a fee for such a process.

The consultation summary report will be published on the Welsh Government website.

6. Regulatory Impact Assessment (RIA)

6.1 No separate RIA has been prepared as the Impact Assessment prepared for the Act is relevant and a copy may be obtained from the Department for Housing and Regeneration, Welsh Government, Rhydycar Business Park, Merthyr Tydfil, CF41 1UZ.