



Renting Homes (Fees etc.) (Wales) Act 2019

2019 anaw 2

An Act of the National Assembly for Wales prohibiting persons from requiring certain payments to be made or certain other steps to be taken in consideration of the grant, renewal or continuance of a standard occupation contract, or pursuant to a term of a standard occupation contract; to make provision about holding deposits and in relation to requirements to publicise certain fees charged by letting agents; and for connected purposes. [15 May 2019]

Having been passed by the National Assembly for Wales and having received the assent of Her Majesty, it is enacted as follows:

PART 1

OVERVIEW

Modifications etc. (not altering text)

- C1 Pt. 1 applied (with modifications) (1.9.2019) by [The Renting Homes \(Fees etc.\) \(Wales\) Act 2019 \(Transitional Provision for Assured Shorthold Tenancies\) Regulations 2019 \(S.I. 2019/1151\)](#), regs. 1(2), 3

1 Overview of Act

- (1) This section gives an overview of the main provisions of this Act.
- (2) Part 2 makes it an offence for a landlord or letting agent to require certain payments to be made or certain other steps to be taken in consideration of the grant, renewal or continuance of a standard occupation contract, or pursuant to a term of a standard occupation contract.

Status: This version of this Act contains provisions that are prospective.

Changes to legislation: Renting Homes (Fees etc.) (Wales) Act 2019 is up to date with all changes known to be in force on or before 22 September 2021. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (3) Part 3 makes provision about the repayment of holding deposits (as defined in Schedule 1).
- (4) Part 4 makes provision about enforcement, including provision about powers to require information, and fixed penalties.
- (5) Part 5 makes provision for the recovery of payments prohibited by this Act, and of holding deposits withheld contrary to this Act.
- (6) Part 6 gives the Welsh Ministers a power to make provision by regulations in relation to publicising certain fees charged by letting agents.
- (7) Part 7 makes general provision, including provision about the procedural requirements for making regulations, and about Crown application.

Commencement Information

II [S. 1](#) in force at 1.9.2019 by [S.I. 2019/1150](#), [art. 2\(a\)](#)

PART 2

PROHIBITION OF CERTAIN PAYMENTS ETC.

Modifications etc. (not altering text)

C2 Pt. 2 applied (with modifications) (1.9.2019) by [The Renting Homes \(Fees etc.\) \(Wales\) Act 2019](#) ([Transitional Provision for Assured Shorthold Tenancies](#)) Regulations 2019 (S.I. 2019/1151), regs. 1(2), 3

2 Prohibitions applying to landlords

- (1) It is an offence for a landlord to require a prohibited payment to be made to the landlord, or any other person—
 - (a) in consideration of the grant, renewal or continuance of a standard occupation contract, or
 - (b) pursuant to a term of a standard occupation contract which purports to require the payment to be made.
- (2) It is an offence for a landlord to require a person to enter into a contract for services with the landlord, or any other person—
 - (a) in consideration of the grant, renewal or continuance of a standard occupation contract, or
 - (b) pursuant to a term of a standard occupation contract which purports to require entry into the contract for services.
- (3) But subsection (2) does not apply if the contract for services concerned provides for services to be provided by a person upon whom the standard occupation contract confers, or would confer, the right to occupy a dwelling (whether or not the contract for services also provides for any other person to provide services).

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- (4) It is an offence for a landlord to require the grant of a loan to the landlord, or any other person—
 - (a) in consideration of the grant, renewal or continuance of a standard occupation contract, or
 - (b) pursuant to a term of a standard occupation contract which purports to require the loan to be granted.
- (5) A person guilty of an offence under this section is liable on summary conviction to a fine.
- (6) The court by which a person (“the offender”) is convicted of an offence under subsection (1) may order the offender to pay the amount of the payment concerned or (in a case where part of the payment has been repaid) the outstanding amount of the payment to the person by whom it was paid.

Commencement Information

I2 [S. 2](#) in force at 1.9.2019 by [S.I. 2019/1150](#), [art. 2\(a\)](#)

3 Prohibitions applying to letting agents

- (1) It is an offence for a letting agent to require a prohibited payment to be made to the letting agent, or any other person—
 - (a) in consideration of arranging the grant, renewal or continuance of a standard occupation contract, or
 - (b) pursuant to a term of a standard occupation contract which purports to require the payment to be made.
- (2) It is an offence for a letting agent to require a person to enter into a contract for services with the letting agent, or any other person—
 - (a) in consideration of arranging the grant, renewal or continuance of a standard occupation contract, or
 - (b) pursuant to a term of a standard occupation contract which purports to require entry into the contract for services.
- (3) But subsection (2) does not apply if the contract for services concerned is a contract between a landlord and a letting agent only, in respect of lettings work or property management work to be carried out by the agent on the landlord's behalf.
- (4) It is an offence for a letting agent to require the grant of a loan to the letting agent, or any other person—
 - (a) in consideration of arranging the grant, renewal or continuance of a standard occupation contract, or
 - (b) pursuant to a term of a standard occupation contract which purports to require the loan to be made.
- (5) A person guilty of an offence under this section is liable on summary conviction to a fine.
- (6) The court by which a person (“the offender”) is convicted of an offence under subsection (1) may order the offender to pay the amount of the payment concerned or

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(in a case where part of the payment has been repaid) the outstanding amount of the payment to the person by whom it was paid.

Commencement Information

I3 S. 3 in force at 1.9.2019 by S.I. 2019/1150, art. 2(a)

4 Prohibited and permitted payments

- (1) Any payment of money is a prohibited payment unless—
 - (a) it is payable by a landlord to a letting agent in respect of lettings work or property management work carried out by the agent on behalf of the landlord, or
 - (b) it is a permitted payment by virtue of Schedule 1.
- (2) That Schedule makes provision about—
 - (a) rent;
 - (b) security deposits;
 - (c) holding deposits;
 - (d) payments in default;
 - (e) payments in respect of council tax;
 - (f) payments in respect of utilities;
 - (g) payments in respect of a television licence;
 - (h) payments in respect of communication services.
 - [^{F1}(i) service charges;]
 - [^{F2}(j) payments in respect of further copies of a written statement.]

Textual Amendments

- F1** S. 4(2)(i) inserted (with effect in accordance with s.15(4) of the amending Act) by Renting Homes (Amendment) (Wales) Act 2021 (asc 3), ss. 15(2), 19(1) (with s. 15(5)-(7))
- F2** S. 4(2)(j) inserted (7.6.2021) by Renting Homes (Amendment) (Wales) Act 2021 (asc 3), ss. 16(3), 19(3)

Commencement Information

I4 S. 4 in force at 1.9.2019 by S.I. 2019/1150, art. 2(a)

5 Non-binding contract terms

- (1) A term of a standard occupation contract is not binding on a contract-holder to the extent that (but for this section) it would require a prohibited payment to be made, or a contract for services to be entered into, or a loan to be made, as described in section 2 or 3.
- (2) But the contract continues, so far as practicable, to have effect in every other respect.

Commencement Information

I5 S. 5 in force at 1.9.2019 by S.I. 2019/1150, art. 2(a)

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6 Application of sections 2 to 5 to pre-existing requirements and contracts

Sections 2 to 5 do not apply in respect of—

- (a) a requirement imposed before the coming into force of this Part;
- (b) a requirement forming part of a standard occupation contract entered into before the coming into force of this Part.

Commencement Information

I6 S. 6 in force at 1.9.2019 by S.I. 2019/1150, art. 2(a)

7 Power to amend definition of “permitted payment”

- (1) Regulations may amend this Act for the purposes of adding, modifying or removing a reference in Schedule 1 to a category of payment.
- (2) But the power in subsection (1) does not extend to removing the payment of rent from the categories of payment that are permitted payments under this Act.

Commencement Information

I7 S. 7 in force at 1.9.2019 by S.I. 2019/1150, art. 2(a)

8 Meaning of “letting agent”, “lettings work” and “property management work”

For the purposes of this Part and Parts 3 to 5—

“letting agent” (“*asiant gosod eiddo*”) means a person who carries out lettings work or property management work (whether or not the person carries out other work);

“lettings work” (“*gwaith gosod*”) and “property management work” (“*gwaith rheoli eiddo*”) have the same meaning as in Part 1 of the Housing (Wales) Act 2014 (anaw 7) (see sections 10 and 12 of that Part).

Commencement Information

I8 S. 8 in force at 1.9.2019 by S.I. 2019/1150, art. 2(a)

PART 3

TREATMENT OF HOLDING DEPOSITS

Modifications etc. (not altering text)

C3 Pt. 3 applied (with modifications) (1.9.2019) by The Renting Homes (Fees etc.) (Wales) Act 2019 (Transitional Provision for Assured Shorthold Tenancies) Regulations 2019 (S.I. 2019/1151), regs. 1(2), 3