







Autumn Newsletter November 2023

Dear Landlord / Agent,

Read on for news and updates from the private rented sector this quarter, including:

- Clarification on energy efficiency requirements
- A reminder of your Renting Homes deadline
- Ensuring your business is HMRC compliant
- Guidance on reducing damp and mould over the winter months

| Legislative Updates



Changes to minimum permitted energy rating abandoned

The Prime Minister issued a statement on 21 September 2023 which abandoned the intended move to increase the minimum energy efficiency standard (MEES) of rental properties from an E to a C rating. Property owners will still be encouraged to make improvements where they can, the benefits of which continue to be cheaper energy bills, reduced environmental impact and potential increase in property value.

Find more information about your energy efficiency obligations and the financial support available here:

Energy Efficiency standards

Working together for a safe home for all

Is your property 'Fit for Human Habitation'? Renting Homes deadline fast approaching

From 1 December 2022, the Renting Homes (Wales) Act 2016 made it a requirement for landlords to ensure that their properties are Fit for Human Habitation (FFHH). This includes making sure the property is in good repair, has interlinked smoke detection and carbon monoxide alarms and electrical certification.

However, for most converted contracts, landlords were given extra time to meet the requirements for

A working, mains powered and interlinked smoke alarm on each

floor of the dwelling AND

 An Electrical Condition Report for the dwelling being provided to the tenants.

The absolute deadline for all contracts is 30th November 2023.

To find out more about what you are required to do, read <u>Welsh Government</u> guidance.

Many landlords have still not issued a written statement of converted contract or have done so incorrectly. Do not bury your head in the sand as the consequences of doing so will continue. Consequences are financial and procedural – rent may not be due from the tenant and you may not be able to secure possession, if required.

It's not too late to put things right. Read our <u>Conversion Information</u> document for guidance.

Welsh Government guidance

Conversion Information

| Building Safety



New Fire Safety Guidance – Section 156 of the

Building Safety Act 2022

Welsh Government has published new fire safety guidance which also applies to the non-domestic parts of multi-occupied residential buildings (e.g. communal corridors, stairways, plant rooms). This provides valuable advice for landlords in meeting fire safety responsibilities and legal obligations.

A <u>Fire Risk Assessment Checklist</u> has been published by Welsh Government. This provides help and re-assurance that your assessments are correct and effective.

The checklist covers:

- Identifying potential fire hazards
- Preventative measures
- Planning in the event of a fire.

Latest fire safety documents can be found on the Welsh Government website.

View here

| Business Information



HM Revenue & Customs: Reminders about Property Disposal and Declaring income from

Letting Property

Tax implications of property disposal

Have you sold a property in the UK on or after 6 April 2020?

Anyone disposing of a UK property that is not their main residence (such as buy-to-let properties, land, or inherited property) has to report and pay any Capital Gains Tax due via GOV.UK.

You can find further information on Capital Gains Tax, including when it is applicable, by visiting the pages below on the GOV.UK website, and YouTube:

- An overview of Capital Gains Tax
- Report and pay Capital Gains Tax
- YouTube: How do I report and pay Capital Gains Tax

Declaring rental income from letting property

You must pay tax on any profit you make from renting out property. How much you pay depends on how much profit you make and your personal circumstances.

You can find further information on paying tax on rental income by visiting the pages below on the GOV.UK website, and YouTube:

- Further information on rental income
- YouTube: If I have income from property, how do I fill in my tax return?



Launch of new Interactive Dashboards

Our interactive dashboards have proven to be a popular resource for those who want a clearer picture of the PRS in Wales. Two more interactive dashboards are now live.

Use our <u>Licensing</u> dashboard to track Rent Smart Wales licence processing activity. Click on the interactive map to see the percentage of properties managed by landlords and agents by Local Authority.

Our <u>Contact Centre</u> dashboard displays the volume of calls and emails we received over the last 12 months. Call answer rates and response time to emails are also shared.

Browse all Dashboards



How to reduce damp and mould in your property over the winter

High humidity and condensation during colder months present threats to the conditions of your property as well as the health of those who live there.

Top tips to reduce condensation and mould growth:

- Fit extractor fans to shower rooms, bathrooms and kitchens to extract moist air.
- Ensure that trickle vents are open in double glazed windows.
- Mop up any water that accumulates on the window glass or windowsills.
- Avoid drying clothes inside on airers or over radiators.

Remember: If your tenant has done all they can to prevent and control condensation, damp and mould growth but there is still a problem, you could be required to do additional works. Additionally, the tenant could deem the property 'unfit for human habitation' under their contract.

Share these tips with your tenants to help reduce condensation in the home. Complete further learning by taking our CPD course below.



Useful documents and templates

Ensure you're using the latest versions of our guides and downloads by regularly returning to our website. Our resources page hosts forms and policies as well as information leaflets and useful templates to help you manage tenancies. All stored in one place for easy reference!

New and updated documents published this quarter:

The Renting Homes <u>Conversion Guide</u> summarises the actions a landlord needs to take to convert the tenancy properly. It lays it out simply in scenario format.

The <u>Start of Contract Checklist</u> can be used by landlords and agents to ensure tenants are provided with all required documentation at the start of a contract.

Resource library



Support for owners of property in medium or high-rise buildings

Welsh Government's Leaseholder Support Scheme can help you, if you are facing significant financial hardship because of fire safety issues affecting your property. Landlords are not excluded.

Check your eligibility



Source: Ove Arup and Partners Ltd

Reinforced Autoclaved Aerated Concrete (RAAC): Reminder for Landlords and Agents

RAAC is a concrete commonly used in construction between the 1950s and mid-1990s. There is a risk that RAAC can fail, particularly if it has been damaged by water ingress from leaking roofs which causes corrosion of the reinforcement, excessive thermal degradation, or if it was not formed correctly when originally made.

The advice of the Institute of Structural Engineers is that if a building owner or manager has a building from this period and is unsure of the form of construction, they should carry out an inspection and a risk assessment.

Read more



Looking for Events in your local area?

See a list of upcoming landlord forums, workshops and more by visiting our website.

View events

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