WELSH STATUTORY INSTRUMENTS

2022 No. 781

The Renting Homes (Rent Determination) (Converted Contracts) (Wales) Regulations 2022

Title and commencement

1. The title of these Regulations is the Renting Homes (Rent Determination) (Converted Contracts) (Wales) Regulations 2022 and they come into force on [F1] December 2022 (the day on which section 239 of the Act comes into force)](1).

Textual Amendments

F1 Words in reg. 1 substituted (13.8.2022) by The Renting Homes (Wales) Act 2016 (Commencement No. 2 and Consequential Amendments) Order 2022 (S.I. 2022/906), arts. 1(2), **13**

Commencement Information

Reg. 1 in force at 1.12.2022, see reg. 1 (as amended by The Renting Homes (Wales) Act 2016 (Commencement No. 2 and Consequential Amendments) Order 2022 (S.I. 2022/906), art. 13)

Interpretation

[F22. In these Regulations—

"the Act" ("y Ddeddf") means the Renting Homes (Wales) Act 2016;

"appointed day" ("y diwrnod penodedig") has the meaning given by the Act (see section 242);

"assured agricultural occupancy" ("meddiannaeth amaethyddol sicr") has the meaning given by the Act (see paragraph 1 of Schedule 12 to the Act);

"assured tenancy" ("tenantiaeth sicr") has the meaning given by the Act (see section 242);

"billing authority" ("awdurdod bilio") has the meaning given by section 1(2) of the Local Government Finance Act 1992;

"category of dwellings" ("categori o anheddau") has the meaning given by section 30(1) and (2) of the Local Government Finance Act 1992;

"dwelling" ("annedd") has the meaning given by the Act (see section 246);

"hereditament" ("hereditament") has the meaning given by section 3 of the Local Government Finance Act 1992;

"landlord" ("landlord") has the meaning given by the Act (see section 244(2));

"relevant contract-holder" ("deiliad contract perthnasol") means a contract-holder (which has the meaning given by the Act (see section 7(5)) under a relevant converted contract;

"relevant converted contract" ("contract wedi ei drosi perthnasol") has the meaning given by the Act (see paragraph 15(3) of Schedule 12 to the Act);

Section 239 of the Renting Homes (Wales) Act 2016 comes into force on a day appointed by the Welsh Ministers in an order made by statutory instrument.

"relevant improvement" ("gwelliant perthnasol") means an improvement—

- (a) carried out during the relevant converted contract to which the notice under section 104 or 123 of the Act applies, or
- (b) which satisfies the following conditions—
 - (i) the improvement was carried out not more than twenty-one years before the date of service of the notice under section 104 or 123 of the Act,
 - (ii) at all times during the period beginning when the improvement was carried out and ending on the date of service of the notice under section 104 or 123 of the Act, the dwelling has been let under a relevant converted contract, an assured tenancy or an assured agricultural occupancy, and
 - (iii) on the coming to an end of an assured tenancy or an assured agricultural occupancy, at any time during that period, the tenant or licensee (or, in case of joint tenants or licensees, at least one of them) did not quit;

"rent" ("rhent") does not include—

- (a) any service charge within the meaning of section 18 of the Landlord and Tenant Act 1985, or
- (b) any payments prohibited under section 4 of the Renting Homes (Fees etc.) (Wales) Act 2019,

but, subject to that, includes any sums payable by the relevant contract-holder to the landlord on account of the use of furniture, in respect of council tax or for any of the matters referred to in section 18(1)(a) of the Landlord and Tenant Act 1985, whether or not those sums are separate from the sums payable for the occupation of the dwelling concerned or are payable under separate agreements;

"rent assessment committee" ("pwyllgor asesu rhenti") means a rent assessment committee constituted in accordance with Schedule 10 to the Rent Act 1977.]

Textual Amendments

F2 Reg. 2 substituted (30.11.2022) by The Renting Homes (Rent Determination) (Converted Contracts) (Wales) (Amendment) Regulations 2022 (S.I. 2022/1078), regs. 1, 3(2)

Commencement Information

Reg. 2 in force at 1.12.2022, see reg. 1 (as amended by The Renting Homes (Wales) Act 2016 (Commencement No. 2 and Consequential Amendments) Order 2022 (S.I. 2022/906), art. 13)

Application to a rent assessment committee

- **3.**—(1) Following receipt of a notice under section 104 or 123 of the Act, a relevant contract-holder may apply to a rent assessment committee for a determination of the rent for the dwelling.
 - (2) The application to a rent assessment committee must be made—
 - (a) in the prescribed form, and
 - (b) within 2 months following receipt of the notice under section 104 or 123 of the Act.
 - (3) The prescribed form is as set out in the Schedule.
 - (4) An application in a form substantially to the same effect as the prescribed form is valid.

Commencement Information

Reg. 3 in force at 1.12.2022, see reg. 1 (as amended by The Renting Homes (Wales) Act 2016 (Commencement No. 2 and Consequential Amendments) Order 2022 (S.I. 2022/906), art. 13)

Determination of rent by a rent assessment committee

4. A rent assessment committee must determine all applications made under regulation 3 in accordance with the assumptions set out in regulation 6.

Commencement Information

Reg. 4 in force at 1.12.2022, see reg. 1 (as amended by The Renting Homes (Wales) Act 2016 (Commencement No. 2 and Consequential Amendments) Order 2022 (S.I. 2022/906), art. 13)

Variation of rent upon a determination by a rent assessment committee

5. A rent determined by a rent assessment committee, in accordance with the assumptions set out in regulation 6, will be the rent for the dwelling under the relevant converted contract with effect from the date specified in the notice under section 104 or 123 of the Act, unless the landlord and the relevant contract-holder otherwise agree.

Commencement Information

Reg. 5 in force at 1.12.2022, see reg. 1 (as amended by The Renting Homes (Wales) Act 2016 (Commencement No. 2 and Consequential Amendments) Order 2022 (S.I. 2022/906), art. 13)

Assumptions in accordance with which a rent assessment committee must determine rent

- **6.** When making a determination of rent for a dwelling under these Regulations, a rent assessment committee must determine the rent at which it considers the dwelling concerned might reasonably be expected to be let in the open market by a willing landlord under [F3 an occupation contract of the same type as the relevant converted contract] to which the notice under section 104 or 123 of the Act relates, assuming that—
 - (a) the [F4occupation] contract begins on the date specified in the notice under section 104 or 123 of the Act,
 - (b) the granting of a contract to a sitting contract-holder has no effect on the rent,
 - (c) any increase in the value of the dwelling attributable to a relevant improvement carried out by a person who at the time it was carried out was the [F5tenant, licensee] or relevant contract-holder has no effect on the rent, if the improvement was carried out—
 - (i) otherwise than in pursuance of an obligation to the immediate landlord, or
 - (ii) pursuant to an obligation to the immediate landlord being an obligation which did not relate to the specific improvement concerned but arose by reference to consent given to the carrying out of that improvement,
 - (d) any reduction in the value of the dwelling attributable to a failure by the ^{F6}... relevant contract-holder to comply with any terms of the ^{F7}... relevant converted contract [F8 or the tenancy or licence which existed immediately before the appointed day] has no effect on the rent,

- (e) where the landlord or a superior landlord is liable to pay council tax in respect of a hereditament of which the dwelling forms part, under Part 1 of the Local Government Finance Act 1992, the amount of council tax which, as at the date on which the notice under section 104 or 123 was served, was set by the billing authority—
 - (i) for the financial year in which the notice was served, and
 - (ii) for the category of dwellings within which the relevant hereditament fell on that date, has an effect on the rent, but any discount or other reduction affecting the amount of council tax payable has no effect on the rent, and
- (f) neither the landlord nor a superior landlord is paying rates in respect of the dwelling.

Textual Amendments

- F3 Words in reg. 6 substituted (30.11.2022) by The Renting Homes (Rent Determination) (Converted Contracts) (Wales) (Amendment) Regulations 2022 (S.I. 2022/1078), regs. 1, **3(3)(b)**
- F4 Word in reg. 6(a) substituted (30.11.2022) by The Renting Homes (Rent Determination) (Converted Contracts) (Wales) (Amendment) Regulations 2022 (S.I. 2022/1078), regs. 1, 3(3)(c)
- Words in reg. 6(c) substituted (30.11.2022) by The Renting Homes (Rent Determination) (Converted Contracts) (Wales) (Amendment) Regulations 2022 (S.I. 2022/1078), regs. 1, 3(3)(d)
- **F6** Words in reg. 6(d) omitted (30.11.2022) by virtue of The Renting Homes (Rent Determination) (Converted Contracts) (Wales) (Amendment) Regulations 2022 (S.I. 2022/1078), regs. 1, **3(3)(e)(i)**
- F7 Words in reg. 6(d) omitted (30.11.2022) by virtue of The Renting Homes (Rent Determination) (Converted Contracts) (Wales) (Amendment) Regulations 2022 (S.I. 2022/1078), regs. 1, 3(3)(e)(ii)
- Words in reg. 6(d) inserted (30.11.2022) by The Renting Homes (Rent Determination) (Converted Contracts) (Wales) (Amendment) Regulations 2022 (S.I. 2022/1078), regs. 1, 3(3)(e)(iii)

Commencement Information

Reg. 6 in force at 1.12.2022, see reg. 1 (as amended by The Renting Homes (Wales) Act 2016 (Commencement No. 2 and Consequential Amendments) Order 2022 (S.I. 2022/906), art. 13)

Landlord and relevant contract-holder notice to a rent assessment committee

7. Nothing in these Regulations requires the rent assessment committee to continue with its determination of a rent for a dwelling under the relevant converted contract if the landlord and relevant contract-holder give notice in writing that they no longer require such a determination or if the relevant converted contract has come to an end.

Commencement Information

I7 Reg. 7 in force at 1.12.2022, see reg. 1 (as amended by The Renting Homes (Wales) Act 2016 (Commencement No. 2 and Consequential Amendments) Order 2022 (S.I. 2022/906), art. 13)

Consequential amendments to the Rent Assessment Committees (England and Wales) Regulations 1971

8.—(1) The Rent Assessment Committees (England and Wales) Regulations 1971(2) are amended as follows.

- (2) In regulation 2 (interpretation)(3)—
 - (a) in the definition of "reference", after "Local Government and Housing Act 1989", replace the full stop with ", or which is made under regulation 3 of the Renting Homes (Rent Determination) (Converted Contracts) (Wales) Regulations 2022(4).";
 - (b) at the appropriate places, insert the following definitions—

""dwelling" has the meaning given by section 246 of the Renting Homes (Wales) Act 2016(5);";

""relevant contract-holder" means a contract-holder (which has the meaning given by section 7(5) of the Renting Homes (Wales) Act 2016) under a relevant converted contract;";

""relevant converted contract" has the meaning given by paragraph 15(3)(6) of Schedule 12 to the Renting Homes (Wales) Act 2016;";

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F9....,
F10....,
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- (3) In regulation 2A (1988 and 1989 Act references)(7)—
 - (a) for the heading, substitute "References";
 - (b) in paragraph (1), after "Housing Act 1988;", omit "or";
 - (c) in paragraph (1), after "Local Government and Housing Act 1989", in the second place it occurs, replace the full stop with—

"; or

- regulation 3 of the Renting Homes (Rent Determination) (Converted Contracts) (Wales) Regulations 2022(8).".
- (4) In regulation 3(3)(c)(9), after "tenant", insert "F11"... or relevant contract-holder".
- (5) In regulation 5(1)(b)(10)—
- [F12(a) for "assured tenancies or assured agricultural occupancies", substitute "assured tenancies, assured agricultural occupancies or relevant converted contracts",]
 - (b) after "dwelling-houses", in both places it occurs, insert "or dwellings".
- (6) In regulation 7—
 - (a) in the heading, after "dwelling-house", insert "or dwelling", and
 - (b) in paragraph (1), after "dwelling-house", insert "or dwelling".

⁽³⁾ Regulation 2 was amended by regulation 2 of the Rent Assessment Committees (England and Wales) (Amendment) Regulations 1998 (S.I. 1988/2200), regulation 2(a) of the Rent Assessment Committees (England and Wales) (Amendment) Regulations 1993 (S.I. 1993/653), regulation 9 of the Rent Assessment Committees (England and Wales) (Leasehold Valuation Tribunal) (Amendment) Regulations 1997 (S.I. 1997/1854) and regulation 2(1) of the Rent Assessment Committees (England and Wales) (Amendment) Regulations 1990 (S.I. 1990/427).

⁽⁴⁾ S.I. 2022/781 (W. 170).

^{(5) 2016} anaw 1. Section 246(1) was amended by section 14 of and paragraphs 1 and 7 of Schedule 5 to the Renting Homes (Amendment) (Wales) Act 2021 (asc 3).

⁽⁶⁾ Paragraph 15(3) of Schedule 12 to the Act was amended by regulation 12(b) of the Renting Homes (Wales) Act 2016 (Amendment of Schedule 12) Regulations 2022 (S.I. 2022/795 (W. 173)).

⁽⁷⁾ Regulation 2A was inserted by regulation 2(3) of the Rent Assessment Committees (England and Wales) (Amendment) Regulations 1988 (S.I. 1988/2200) and amended by regulation 2 of the Rent Assessment Committees (England and Wales) (Amendment) Regulations 1997 (S.I. 1997/3007).

⁽⁸⁾ S.I. 2022/781 (W. 170).

⁽⁹⁾ Regulation 3(3) was substituted by regulation 3 of the Rent Assessment Committees (England and Wales) (Amendment) Regulations 1980 (S.I. 1980/1699) and amended by regulation 4 of the Rent Assessment Committees (England and Wales) (Amendment) Regulations 1981 (S.I. 1981/1783).

⁽¹⁰⁾ Regulation 5(1)(b) was amended by regulation 2(5) of the Rent Assessment Committees (England and Wales) (Amendment) Regulations 1988 (S.I. 1988/2200).

Textual Amendments

- F9 Words in reg. 8(2)(b) omitted (30.11.2022) by virtue of The Renting Homes (Rent Determination) (Converted Contracts) (Wales) (Amendment) Regulations 2022 (S.I. 2022/1078), regs. 1, 3(4)(a)(i)
- **F10** Words in reg. 8(2)(b) omitted (30.11.2022) by virtue of The Renting Homes (Rent Determination) (Converted Contracts) (Wales) (Amendment) Regulations 2022 (S.I. 2022/1078), regs. 1, **3(4)(a)(ii)**
- **F11** Words in reg. 8(4) omitted (30.11.2022) by virtue of The Renting Homes (Rent Determination) (Converted Contracts) (Wales) (Amendment) Regulations 2022 (S.I. 2022/1078), regs. 1, **3(4)(b)**
- F12 Reg. 8(5)(a) substituted (30.11.2022) by The Renting Homes (Rent Determination) (Converted Contracts) (Wales) (Amendment) Regulations 2022 (S.I. 2022/1078), regs. 1, **3(4)(c)**

Commencement Information

Reg. 8 in force at 1.12.2022, see reg. 1 (as amended by The Renting Homes (Wales) Act 2016 (Commencement No. 2 and Consequential Amendments) Order 2022 (S.I. 2022/906), art. 13)

Julie James
Minister for Climate Change, one of the Welsh
Ministers

Changes to legislation:
There are currently no known outstanding effects for the The Renting Homes (Rent Determination) (Converted Contracts) (Wales) Regulations 2022.