

**EXPLANATORY MEMORANDUM TO THE REGULATION OF PRIVATE
RENTED HOUSING (DESIGNATION OF LICENSING AUTHORITY) (WALES)
ORDER 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 (Designation of Licensing Authority) (Wales) Order 2015

Lesley Griffiths
Minister for Communities and Tackling Poverty

2 March 2015

1. Description

1.1 The Regulation of Private Rented Housing (Designation of Licensing Authority) (Wales) Order 2015 designates the County Council of the City and County of Cardiff as the licensing authority for the whole of Wales for the purposes of Part 1 of the Housing (Wales) Act 2014.

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

2.1 None.

3. Legislative background

3.1 Under section 3 of the Housing (Wales) Act 2014 (the Act), the Welsh Ministers must designate one person as the licensing authority for the whole of Wales, or designate different persons as licensing authorities for different areas of Wales. Section 3(2) provides the Welsh Ministers may only designate a person who exercises functions of a public nature wholly or mainly in relation to Wales, or designate themselves. However, the Welsh Ministers may not designate a Minister of the Crown. Section 3(4) of the Act provides before making an order the Welsh Ministers must consult any person who they propose to designate, and such other persons as the Welsh Ministers consider appropriate. The National Assembly for Wales procedure for making the Order is the affirmative procedure by virtue of section 142(3)(a) of the Act.

3.2 The Order specifies a single licensing authority for the whole of Wales and designates the County Council of the City and County of Cardiff (Cardiff Council) as the licensing authority.

4. Purpose & Intended Effect of the Legislation

4.1 Part 1 of the Act introduces a mandatory registration scheme for private landlords and a requirement for private landlords and letting and management agents who carry out letting/management work to be licensed. The designated licensing authority will manage the registration scheme for landlords and the licensing scheme for landlord and letting and management agents who operate in the private rented sector in Wales.

4.2 A nationally co-ordinated scheme will make a significant contribution to the effective and consistent implementation of the legislation across Wales.

4.3 Cardiff Council delivers the current voluntary landlord registration scheme, Landlord Accreditation Wales, which will be replaced by the new statutory scheme. It is felt Cardiff Council is best placed to build on the current scheme to ensure the effective implementation of the new scheme.

4.4 This Order designates Cardiff Council as the licensing authority for the whole of Wales.

5. Consultation

5.1 A formal 7 week consultation was held between 19 December 2014 and 6 February 2015 on the intention to appoint a single licensing authority for the whole of Wales and for that authority to be Cardiff Council. In total 47 responses were received with 92% favouring a single licensing authority for the whole of Wales and 79% agreeing that Cardiff Council should be the designated licensing authority. The consultation response report will be published on the Welsh Government website.

5.2 Cardiff Council has been consulted and are appointed the designated licensing authority.

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.