

RENTING HOMES (FEES ETC.) (WALES) ACT 2019

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 2 – Prohibitions of Certain Payments

Section 4 – Prohibited and permitted payments

16. This section specifies that any payment of money required in consideration of granting, renewing or continuing a standard occupation contract, or pursuant to a term of a standard occupation contract, is a prohibited payment, unless it falls into one of two categories:
17. The first category covers a payment by a landlord to a letting agent in respect of “lettings work” or “property management work” (both of which terms have the same meaning as in Part 1 of the Housing (Wales) Act 2014 (“2014 Act”)) carried out by the agent on behalf of the landlord. This is necessary because without specifying this, the usual fees charged by agents to landlords would be prohibited, in that they are payable in consideration of the agent arranging the grant etc. of a contract.
18. The second category comprises permitted payments: the payments described as such by Schedule 1. Subsection (2) of this section gives an overview of the payments currently set out in Schedule 1 (rent, security deposits, holding deposits, payments in default, payments in respect of council tax, payments in respect of utilities (including payments under a Green Deal plan), payments in respect of a television licence and payments in respect of communication services).