

**Welsh Government consultation on Renting Homes Act and bed and breakfast accommodation
used for homelessness purposes.**

Response from Propertymark

July 2023

Background

1. Propertymark is the UK's leading professional body of property agents, with over 17,500 members representing over 12,500 branches. We are member-led with an executive Board of practicing agents who we work closely with to ensure that we uphold high-standards of professionalism and are able to advocate for legislative change on behalf of the sector.

Overview

2. The Welsh Government have opened a consultation to seek views on proposed amendments to Schedule 2 to the Renting Homes (Wales) Act 2016 ('the 2016 Act') to prevent bed and breakfast ('B&B') accommodation used for homelessness purposes being an occupation contract. This will apply where the accommodation (in Wales) is being provided by a private B&B provider, under arrangements made with a local housing authority, in pursuance of that local authority's "homelessness housing functions", as defined in paragraph 12(5) of Schedule 2 to the 2016 Act.

Questions

Question 1: Do you agree with the policy of excluding B&B accommodation provided to meet homelessness housing duties from being an occupation contract? Yes/No/Don't know

3. We agree with the proposal. We agree for two reasons. Firstly, it should be noted that the number of people living in temporary accommodation has increased to unprecedented levels since the Coronavirus pandemic and continues to be an issue during the cost-of-living crisis. The latest Welsh Government data shows that, between the start of the pandemic and the end of February 2023, over 33,600 people had been supported into emergency temporary accommodation.¹ With the supply of both socially and privately rented accommodation being outstretched by demand, many people at risk of homelessness are living in temporary accommodation. In some local authority areas, bed and breakfast and hotel accommodation is used for temporary accommodation which is used by around 10,000 people across Wales. Secondly, the intention of

¹ [Homelessness accommodation provision and rough sleeping: February 2023 | GOV.WALES](#)

housing people in hotels and bed and breakfast accommodation has always been a temporary measure. However, local authorities are not only witnessing an increase in the number of people accessing this form of accommodation but are also experiencing greater periods of time when people are living in this form of accommodation. In essence, without an amendment to the 2016 Act, this would result in a sizable number of people being subject to occupational contracts for whom they were not designed for.

Question 2: Do you think that B&B accommodation providers are likely to stop providing temporary accommodation to those who are homeless, if the accommodation is subject to an occupation contract? Yes/No/Don't know

4. Bed and breakfast and hotel accommodation is not an area of our expertise but make the following three observations. Firstly, we think there is a very real danger that if these forms of accommodation are not excluded from the 2016 Act, then some providers may cease to support local authorities in the temporary discharge of their homelessness duties and revert to their traditional client base. Secondly, the 2016 Act is a more appropriate piece of legislation for those seeking long-term tenure in private and socially rented accommodation and includes provision in the way their contracts are provided, in the way their homes are maintained and how contract holders can communicate to their landlords. These provisions include security of tenure are completely inappropriate for those providing temporary accommodation and would act as a deterrent for providers. Thirdly, in addition to supporting people at risk of homelessness, there is a possibility that the failure to exclude bed and breakfasts from the 2016 Act could also jeopardise the housing of other groups such as refugees and asylum seekers. Many refugees and asylum seekers are currently being housed in temporary accommodation including hotels and bed and breakfasts, which has recently been a controversial topic in some communities and the media. Adding additional and unnecessary legislation to those that provide housing to these groups could further disincentivise providers.

Question 3: Does the proposal mitigate the risk of a reduction in the availability of B&B provision as temporary accommodation, due to it otherwise becoming subject to an occupation contract? Yes /No/ Don't know

5. Yes. We agree that it would mitigate the risk of reduction in the availability of accommodation. The incentive for accommodation providers is an opportunity to have a number of people booked into their accommodation for a reasonable period of time, which is especially an incentive during non-seasonal and quieter periods. However, given the public concerns highlighted in the media, it might be appropriate for local authorities and the Welsh Government to provide additional support for providers.

Question 4: Do you consider there to be any additional risks to homeless households directly, or on the wider approach to homelessness prevention as a result of these proposals? Yes/No.

6. Overall, we do not believe there are additional risks to homeless households directly, or on the wider approach to homelessness prevention from the proposal. Presumably, if accommodation providers were subject to the 2016 Act, then they would have to offer contract holders 12 months security of tenure.² That might sound attractive to those that are especially vulnerable, but we believe the negatives of those providing accommodation leaving the service would far outweigh the benefit of security of tenure that is enjoyed in both the Private Rented Sector and social housing.

Question 5: If yes, please identify these risks and possible mitigations.

7. Not applicable.

Question 6: Do you consider there to be any wider potential risks or adverse effects of the proposal? Yes/No/Don't know

8. We do not foresee any additional risks from the proposal.

Question 7: We would like to know your views on the effects that the proposal would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English. What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?

9. We do not foresee any adverse impact from the proposals on the Welsh language.

² <https://www.gov.wales/tenants-housing-law-has-changed-renting-homes>

Question 8: Please also explain how you believe the proposal could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language, and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

10. We do not see any risks to those that use the Welsh language.

Question 9: We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them.

11. We believe the Welsh Government should investigate why some people are reluctant to access this form of accommodation even when they are in crisis. In addition, what could benefit those accessing this form of accommodation, could be greater provision of accommodation that is accepting of pets and wider support to service users' complex needs such as supporting mental health needs, accessing work and benefits as well as other health needs.