



Housing Strategy Team,
Welsh Government,
Rhydycar Business Park,
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Arbon House.
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Dear Sir/Madam

Meeting the Housing Challenge

Thank you for the opportunity to respond to your consultation. Our detailed responses to the questions posed by your consultation are attached as an Annex.

The following is an introduction to the Association of Residential Lettings Agents (ARLA), and to National Association of Estate Agents (NAEA) ARLA is a combined trade body and self regulatory organisation with approximately 6000 individual members specialising in Residential Lettings. NAEA fulfils a similar function for Estate Agents with approximately 8000 members.

ARLA and NAEA are the two largest divisions of the National Federation of Property Professional, which is the overarching parent body for a group of member organisations who seek to raise standards in the property industry as well as influence good practice and provide input to bodies with an interest in the property sector.

Ian C Potter FRICS FARLA
Operations Manager



Annex

Meeting the Housing Challenge

There is much that we can support in the Ministerial Statement. We have long said that standards in the Private Rented Sector, both in quality of property and professionalism of landlords and agents was lacking and have lobbied Central and Devolved Government on this issue.

We have set a bench mark for what we see as a minimum standard within the agent sector. We require any new member wishing to join us to have the following:-

- 1) A recognised qualification to a minimum of level 3 vocational qualification. To this end we are an awarding body for the Technical Award in Residential Lettings and Property Management. We are monitor by Ofqual for this qualification.
- 2) All our members are required to record 12 hours per annum CPD
- 3) All principal, partner or director members are required to have
 - a) Client Money Protection
 - b) Membership of an approved Ombudsman Scheme
 - c) Professional Indemnity Insurance
 - d) Submit annual accountants report on their client bank account.

We will be happy to become involved with the Welsh Assembly Government with the development of a scheme, as proposed by the minister in public statements. We believe that the 2 year proposal and the stated implications are fair and reasonable, although much detail will be required.

As an organisation we share many of the concerns over adequate supply of housing stock. A lack of exacerbates the problem of choice and does lead to poor conditions, as residential landlords do not feel a need to improve the quality in order to get a tenant.

Similarly our sister organisation, the National Association of Estate Agents report that a lack of sales stock forces people who may wish to purchase to live in the PRS, due to a lack of choice for purchase. This plays as large part in forcing people to be restricted in tenure choice in the same way that job security and lack of mortgage finance. There are many examples of mobile families requiring to rent for longer when a job move requires them to relocate.

Both organisations are therefore supportive of any meaningful measures which get new housing stock built.

Institutional investment suffers a lack of robust fiscal incentive which is not a devolved power, and as the statement indicates there is a lack of central funding to allow such a measure, however, as the statement acknowledges there are cost implications from the lack of investment. Savings in Health, Policing and potentially Education budgets which bear the brunt of the poor housing would be more than adequate to pay for the required incentive.

As previously indicated we look forward to the challenge and opportunity to work with the Welsh Government in its endeavours to achieve the ministerial objectives, through the delivery of a robust, effective and manageable strategy.

