WELSH STATUTORY INSTRUMENTS

# 2016 No. 178 (W. 75)

# HOUSING, WALES CONSUMER PROTECTION, WALES

The Duty of Letting Agents to Publicise Fees (Exclusion) (Wales) Regulations 2016

| Made                     | 8 February 2016  |
|--------------------------|------------------|
| Laid before the National |                  |
| Assembly for Wales       | 16 February 2016 |
| Coming into force        | 15 March 2016    |

The Welsh Ministers make the following Regulations in exercise of the powers conferred by section 84(3) of the Consumer Rights Act 2015(1):

### Title, commencement and application

**1.**—(1) The title of these Regulations is the Duty of Letting Agents to Publicise Fees (Exclusion) (Wales) Regulations 2016.

- (2) These Regulations come into force on 15 March 2016.
- (3) These Regulations apply in relation to Wales only.

#### Interpretation

2. In these Regulations—

"the 2007 Act" ("Deddf 2007") means the Legal Services Act 2007(2);

"the 2015 Act" ("Deddf 2015") means the Consumer Rights Act 2015;

"an authorised person" ("*person awdurdodedig*") has the meaning given by section 18 of the 2007 Act; and

"legal activity" ("gweithgarwch cyfreithiol") has the meaning given by section 12 of the 2007 Act.

(**2**) 2007 c. 29.

<sup>(1) 2015</sup> c. 15. See definition of "the appropriate national authority" in section 88(1).

# Persons who are not letting agents

- 3. For the purpose of Chapter 3 of Part 3 of the 2015 Act, a person is not a letting agent if—
  - (a) the person is an authorised person; and
  - (b) the person is engaged in legal activity and does nothing else within section 86(1) of the 2015 Act.

Lesley Griffiths Minister for Communities and Tackling Poverty, one of the Welsh Ministers

8 February 2016

## **EXPLANATORY NOTE**

(This note is not part of the Regulations)

These Regulations create an exclusion from Chapter 3 of Part 3 of the Consumer Rights Act 2015 ("the 2015 Act") which is applicable to legal professionals in certain circumstances.

Chapter 3 of Part 3 of the 2015 Act places a duty on a letting agent to publicise details of its relevant fees by displaying them at its premises and by publishing them on its website.

By section 84(1) of the 2015 Act a letting agent is defined as a person who engages in letting agency work (defined at section 86(1)) whether or not that person engages in other work.

The 2015 Act provides that a letting agent must include in its list of fees any fees which are payable to it by a landlord or a tenant in respect of letting agency or property management work or otherwise in connection with an assured tenancy of a dwelling house (including a proposed assured tenancy).

The Legal Services Act 2007 ("the 2007 Act") makes provision for the regulation of the legal services sector by approved regulators. It provides that certain legal activity, termed reserved legal activity, may only be carried out by a person authorised by an approved regulator ("an authorised person").

In these Regulations "legal activity" has the meaning given by section 12 of the 2007 Act and includes reserved legal activity (for example, the exercise of a right of audience and the conduct of litigation) and any other activity which consists of the provision of legal advice or assistance in connection with the application of the law or with any form of resolution of legal disputes and/or the provision of representation in connection with any matter concerning the application of the law or any form of resolution of legal disputes.

These Regulations provide that authorised persons within the meaning of the 2007 Act are not letting agents for the purposes of Chapter 3 of Part 3 of the 2015 Act when engaged in legal activity within the meaning of the 2007 Act. Accordingly authorised persons engaged in legal activity are excluded from the duty of letting agents to publicise relevant fees unless they are also engaged in lettings work that is not "legal activity."