

# **RENTING HOMES (WALES) ACT 2016**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part 7 - Provisions Applying Only to Fixed Term Standard Contracts**

##### *Chapter 5 - Dealing: Transfers*

##### *Section 139 – Transfer on death of sole contract-holder*

342. A fixed term standard contract may include a term which provides that, in the event of the death of the contract-holder, the contract may be transferred to another person as part of the administration of the estate of the deceased contract-holder. If this term is included, the right of succession under section 73 will not apply (so that the contract passes on as part of the administration of the estate, rather than under the succession provisions in Chapter 8 of Part 3); and section 155, which provides that the contract ends with the death of a sole contract-holder, is not incorporated as a term of the contract.

##### *Section 140 – Forced transfers*

343. A fixed term standard contract may include a term allowing a joint contract-holder to require the other joint contract-holder(s) to join in a transfer of the contract. If it does so, this section provides that a joint contract-holder who imposes such a requirement may apply for a court order to enforce that requirement.

##### *Section 141 – Joint contract-holder's interest*

344. Where a fixed term standard contract contains a term that allows a joint contract-holder to transfer their rights and obligations under the contract to another person, the contract must also provide that if the contract-holder fails to give notice of the transfer to the other joint contract-holders, the transfer cannot be made. The contract must also provide that the person to whom the rights and obligations are transferred may only occupy the dwelling with the consent of the other joint contract-holders.

##### *Section 142 - Transfer on death of joint contract-holder*

345. This section applies where a fixed term standard contract contains a term which provides that, in the event of the death of a joint contract-holder, his or her rights and obligations under the contract may be transferred to another person as part of the administration of his or her estate. In common with section 141, if the contract contains such a term, the contract must also provide that if the contract-holder fails to give notice to the other joint contract-holders that such a transfer will be made on his or her death, the transfer cannot be made. The contract must also provide that the person to whom the rights and obligations are transferred may only occupy the dwelling with the consent of the other joint contract-holders.