Changes to legislation: *There are currently no known outstanding effects for the Renting Homes (Fees etc.) (Wales) Act 2019, Cross Heading: Payment in the event of default. (See end of Document for details)*

SCHEDULE 1

PERMITTED PAYMENTS

Payment in the event of default

6 (1) A payment that is required, under a standard occupation contract, to be made in the event of a default by the contract-holder is a permitted payment, but this is subject to sub-paragraph (3).

(2) In this paragraph, "default" means—

(a) a failure by the contract-holder to make a payment by the due date to the landlord, or

(b) a breach by the contract-holder of a term of the contract.

(3) In the case of a default to which sub-paragraph (4) applies, if the amount of a payment required in the event of the default exceeds the prescribed limit, the amount of the excess is a prohibited payment.

(4) This sub-paragraph applies to—

(a) a failure by the contract-holder to make a payment of rent by the due date to the landlord;

(b) any additional description of default which is specified by regulations.

(5) In sub-paragraph (3), the "prescribed limit" means a limit specified by, or determined in accordance with, regulations.

Commencement Information

I1 Sch. 1 para. 6 in force at 1.9.2019 by S.I. 2019/1150, **art. 2(c)**

Changes to legislation:
There are currently no known outstanding effects for the Renting Homes (Fees etc.) (Wales) Act 2019, Cross Heading: Payment in the event of default.