Changes to legislation: There are currently no known outstanding effects for the Renting Homes (Fees etc.) (Wales) Act 2019, Paragraph 1. (See end of Document for details)

SCHEDULE 1

PERMITTED PAYMENTS

Rent

- 1 (1) A payment of rent under a standard occupation contract is a permitted payment.
 - (2) But, subject as follows, if the amount of rent payable in respect of a relevant period ("P1") is more than the amount of rent payable in respect of another relevant period ("P2"), the additional amount payable in respect of P1 is a prohibited payment.
 - (3) Where there is more than one relevant period other than P1, P2 is whichever one of those other relevant periods is the period in respect of which the lowest amount of rent is payable.
 - (4) In a case where the duration of one relevant period (P1) differs from that of another (P2), to determine—
 - (a) whether a prohibited payment has been made by virtue of sub-paragraph (2), and
 - (b) if so, the amount of the prohibited payment,

the following steps are to be taken.

Step 1 For each of P1 and P2, the applicable daily rate of rent (the "ADR") is to be calculated (and in the case of an amount that is not a whole number of pennies, then rounded up to the nearest penny) by dividing the total amount of rent for the period by the number of days in the period.

Step 2 If there is no difference between the ADR for each period, there is no prohibited payment.

Step 3 But if the ADR for P1 differs from that for P2, determine which of the rates is the lower (the "lower ADR") and which is the higher (the "higher ADR").

Step 4 For whichever period in respect of which the higher ADR is payable, calculate the amount of rent that would have been payable for it if rent had been payable in respect of that period at the lower ADR.

Step 5 Calculate the difference between the amount of rent calculated under Step 4, and the amount of rent actually payable in respect of the period in which the higher ADR is payable.

The resulting amount is a prohibited payment by virtue of sub-paragraph (2).

- (5) Where—
 - (a) rent is payable monthly in respect of P1 and P2, or P1 and P2 are both periods calculated by reference to the same number of calendar months, and
 - (b) the amount of rent payable in respect of P1 and P2 is the same,

P1 and P2 are to be treated for the purposes of Step 2 in sub-paragraph (4) as having the same ADR.

- (6) No account is to be taken of any difference between the rent payable in respect of P1 and another relevant period to the extent that it results from a permitted variation of the rent.
- (7) In sub-paragraph (6), "permitted variation", in relation to rent payable under a standard occupation contract, means a variation made—

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- (a) by agreement between the landlord and the contract-holder;
- (b) pursuant to a term in the contract which provides for variation of the rent under the contract;
- (c) by or as a result of an enactment.
- (8) In this paragraph—
 - (a) "enactment" means an enactment (whenever enacted or made) comprised in, or in an instrument made under—
 - (i) an Act of Parliament,
 - (ii) a Measure or an Act of the National Assembly for Wales, and
 - (b) "relevant period", in relation to a standard occupation contract, means any period in respect of which a payment of rent falls to be made.

Commencement Information

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

Changes to legislation:

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