

*These notes refer to the Housing (Wales) Act 2014 (c.7)  
which received Royal Assent on 17 September 2014*

# HOUSING (WALES) ACT 2014

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### **Part 6** Allowing Fully Mutual Housing Associations to Grant Assured Tenancies

##### *Section 138 – Amendment of Schedule 2 to the Housing Act 1988*

244. Schedule 2 to the 1988 Act is also amended to add a ground for possession of an assured tenancy granted by a fully mutual housing association. This is as a consequence of associations being able to opt-in to the assured tenancy regime.
245. If a tenancy is assured, the landlord may normally seek a court order to end a tenancy and recover possession of a home only on one or more of the grounds set out in Schedule 2. Part 1 of Schedule 2 sets out the grounds when a court has no discretion and must order possession if the ground is proved. This Section inserts an additional ground into Part 1 of Schedule 2 which provides for a possession order to be made on the ground that the fully mutual housing association has defaulted on a mortgage. This ground may not be used unless the association gives its tenant member a notice that this ground might apply before the tenancy is granted.
246. A “fully mutual housing association” is defined in section 45 of the 1988 Act by reference to the meaning given to the expression by Part 1 of the Housing Associations Act 1985. Section 1 of the 1985 Act contains the definition. In summary, it defines a housing association as a not-for-profit body whose purposes include providing housing. A “fully mutual” housing association means that membership is restricted to those who are tenants or prospective tenants. In addition, tenancies may only be granted to members. A “co-operative housing association” means a fully mutual housing association which is registered under the Industrial and Provident Societies Act 1965.