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### **EXPLANATORY NOTES**

# RENTING HOMES (WALES) ACT 2016

#### INTRODUCTION

**Tenancies and licences** 

Is a tenancy or licence an occupation contract?

If so, what kind of occupation contract is it?

What are the terms of an occupation contract?

**Fundamental provisions** 

What are the terms of an occupation contract?

**Supplementary provisions** 

What are the terms of an occupation contract?

Terms addressing key matters and additional terms

Where are the terms of an occupation contract set out?

#### STRUCTURE OF THE ACT

# **COMMENTARY ON SECTIONS**

#### **PART 1 - OVERVIEW OF ACT**

Sections 1 to 6 – Introduction to, and overview of, Act

Schedule 1 - Overview of fundamental provisions incorporated as terms of occupation contracts

#### PART 2 - OCCUPATION CONTRACTS AND LANDLORDS

#### **Chapter 1 - Occupation Contracts**

Section 7 – Tenancies and licences that are occupation contracts

Schedule 2 - Exceptions to section 7

PART 1 - TENANCIES AND LICENCES NOT WITHIN SECTION 7 THAT ARE OCCUPATION CONTRACTS IF NOTICE IS GIVEN

Paragraph 1

Paragraph 2

### PART 2 - TENANCIES AND LICENCES WITHIN SECTION 7 THAT ARE NOT OCCUPATION CONTRACTS UNLESS NOTICE IS GIVEN

Paragraph 3

# PART 3 - TENANCIES AND LICENCES THAT ARE NEVER OCCUPATION CONTRACTS

Paragraph 7

Paragraph 8

Paragraph 10

# PART 4 - TENANCIES AND LICENCES TO WHICH SPECIAL RULES APPLY: HOMELESSNESS

Paragraph 11

Paragraph 12

# PART 5 - TENANCIES AND LICENCES TO WHICH SPECIAL RULES APPLY: SUPPORTED ACCOMMODATION

Paragraph 13

Paragraph 14

Paragraph 15

Paragraph 16

Section 8 – Secure contracts and standard contracts

# **Chapter 2 - Nature of Contracts Which Can Be Made Etc. by Community Landlords and Private Landlords**

Section 9 – Community landlords and Section 10 – Private landlords

Section 11 – Contract made with community landlord

Schedule 3 - Occupation contracts made with or adopted by community landlords which may be standard contracts

Section 12 – Contract adopted by community landlord

Section 13 – Notice of standard contract

Section 14 – Review of notice

Section 15 – Notice of right to decide to remain on fixed contract

Section 16 – Introductory standard contracts

### Schedule 4 - Introductory standard contracts

- Paragraph 1
- Paragraph 2
- Paragraph 3
- Paragraph 4
- Paragraph 5
- Paragraph 6
- Paragraph 7
- Paragraph 8
- Paragraph 9

Section 17 – Contract made with or adopted by private landlord

# **Chapter 3 - Fundamental Provisions of Occupation Contracts**

- Section 18 Fundamental provisions and Section 19 Fundamental terms and fundamental provisions: definitions
- Section 20 Incorporation and modification of fundamental provisions
- Section 21 Effect of non-incorporation and modification of fundamental provisions
- Section 22 Powers in relation to fundamental provisions

# **Chapter 4 - Supplementary Provisions of Occupation**

#### **Contracts**

- Section 23 Supplementary provisions
- Section 24 Incorporation and modification of supplementary provisions
- Section 25 Effect of non-incorporation and modification of supplementary provisions

#### **Chapter 5 - Key Matters and Additional Terms of Occupation Contracts**

- Section 26 Key matters of all occupation contracts
- Section 27 Further key matters of standard contracts
- Section 28 Additional terms

# **Chapter 6 - Model Contracts**

Section 29 – Model written statement of contract

#### PART 3 - PROVISIONS APPLYING TO ALL OCCUPATION CONTRACTS

#### **Chapter 1**

Section 30 – Overview of this Part

#### **Chapter 2 - Provision of Information**

Section 31 – Written statement

Section 32 – Contents of written statement

Section 33 – Editorial changes

Section 34 – Failure to provide a written statement etc.

Section 35 - Failure to provide statement: compensation

Section 36 – Incomplete statement

Section 37 – Incorrect statement: contract-holder's application to court

Section 38 – Incorrect statement: landlord's application to court for declaration that contract is a standard contract

Section 39 – Provision by landlord of information about the landlord and

Section 40 - Compensation for breach of section 39

Section 41 – Form of notices etc.

#### **Chapter 3 - When Contract Becomes Enforceable**

Section 42 – When terms of occupation contract become enforceable

### **Chapter 4 - Deposits and Deposit Schemes**

Section 43 – Form of security

Section 44 – Form of security: county court proceedings

Section 45 – Requirement to use deposit scheme

Section 46 – Deposit schemes: further provision

Schedule 5 - Deposit schemes: further provision

Paragraph 1

Paragraphs 2 and 3

Paragraph 4

Section 47 - Deposit schemes: interpretation

# **Chapter 5 - Joint Contract-Holders and Joint Landlords**

Section 48 – Joint contract-holders: joint liability etc.

The	e notes	refer to	the	Renting	Homes	(Wales	) Act 2016 (	c1

- Section 49 Adding a joint contract-holder
- Section 50 Adding a joint contract-holder: landlord's consent
- Schedule 6 Reasonableness of withholding consent etc.

#### **PART 1 – INTRODUCTORY**

# PART 2 – CIRCUMSTANCES WHICH MAY BE RELEVANT TO REASONABLENESS GENERALLY

# PART 3 - CIRCUMSTANCES WHICH MAY BE RELEVANT TO REASONABLENESS IN RELATION TO PARTICULAR TRANSACTIONS

- Section 51 Adding a joint contract-holder: formalities
- Section 52 Joint contract-holder ceasing to be a party to the occupation contract
- Section 53 Joint landlords

# **Chapter 6 - Right to Occupy Without Interference**

Section 54 – Right to occupy without interference from landlord

#### Chapter 7 - Anti-Social Behaviour and Other Prohibited Conduct

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- Schedule 7 Prohibited conduct standard contracts
  - Paragraph 1
  - Paragraph 2
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- Section 56 Power to amend section 55

### **Chapter 8 - Dealing**

- Section 57 Permissible forms of dealing and Section 58 Dealing and landlord's consent
- Sections 59 Sub-occupation contracts: interpretation
- Section 60 Sub-occupation contract never takes effect as transfer
- Section 61 Failure to comply with conditions imposed by head landlord

- Section 62 End of head contract
- Section 63 End of head contract: further provision
- Section 64 Possession claim against contract-holder where there is a sub-holder
- Section 65 Extended possession order against sub-holder
- Section 66 Exclusion of contract-holder after abandoning contracts
- Section 67 -Excluded contract-holder's remedies
- Section 68 Power to vary periods of time relating to exclusion after abandonment of contracts
- Section 69 Form of transfer and Section 70 Effect of authorised transfer
- Section 71 Effect of unauthorised transfer
- Section 72 Deeds and covenants
- Section 73 Succession on death
- Sections 74 to 76 Persons qualified to succeed
- Section 77 Reserve successor: carer
- Section 78 More than one qualified successor
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- Section 80 Substitute succession on early termination and Section 81– Effect of substitute succession
- Section 82 Notice of rights under section 80
- Section 83 Succession interpretation

### **Chapter 9 - Landlord's Consent**

- Section 84 Landlord's consent: reasonableness
- Section 85 Application to court relating to consent
- Section 86 Landlord's consent: timing

# **Chapter 10 - Compensation**

- Section 87 Compensation for failures relating to provision of written statements etc.
- Section 88 Right of set off

#### **PART 4 - CONDITION OF DWELLING**

### **Chapter 1**

- Section 89 Application of Part
- Section 90 Fixed term standard contracts: determining the length of term

#### **Chapter 2 - Condition of Dwelling**

- Section 91 Landlord's obligation: fitness for human habitation
- Section 92 Landlord's obligation to keep dwelling in repair
- Section 93 Obligations under sections 91 and 92: supplementary
- Section 94 Determination of fitness for human habitation
- Section 95 Limits on sections 91 and 92: general
- Section 96 Limits on sections 91 and 92: contract-holders fault
- Section 97 Limits on section 91 and 92: notice
- Section 98 Landlord's right to access dwelling
- Section 99 Rights of permitted occupiers to enforce Chapter

#### **Chapter 3 – Miscellaneous**

- Section 100 Specific performance
- Section 101 Waste and tenant-like user

#### PART 5 - PROVISIONS APPLYING ONLY TO SECURE CONTRACTS

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#### **Chapter 2 - Variation of Contracts**

- Section 103 Variation
- Section 104 Variation of rent and Section 105 Variation of other consideration
- Section 106 Variation of fundamental terms
- Section 107 Variation of supplementary and additional terms
- Section 108 Limitation on variation
- Section 109 Written statement of variation
- Section 110 Failure to provide written statement etc.

#### **Chapter 3 - Joint Contract-Holders: Withdrawal**

Section 111 – Withdrawal

Section 112 - Withdrawal: power to prescribe time limits

#### **Chapter 4 - Dealing**

Section 113 – Lodgers

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# **Chapter 5 - Prohibited Conduct Standard Contracts**

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# **Chapter 6 - Provisions Applying Only to Secure Contracts With Community Landlords**

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# PART 6 - PROVISIONS APPLYING ONLY TO PERIODIC STANDARD CONTRACTS

# **Chapter 1**

Section 120 - Overview of Part

#### **Chapter 2 – Exclusion for Specific Periods**

Section 121 – Exclusion of contract-holder from dwelling for specific periods

#### **Chapter 3 - Variation of Contracts**

Section 122 - Variation

Section 123 – Variation of rent and Section 124 – Variation of other consideration

Section 125 – Variation of other terms

Section 126 - Variation by landlord of other terms: notice procedure

Section 127 - Limitation on variation

Section 128 – Written statement of variation

Section 129 – Failure to provide written statement etc.

#### **Chapter 4 - Joint Contract-Holders: Withdrawal**

Section 130 – Withdrawal

Section 131 - Withdrawal: power to prescribe time limits

# PART 7 - PROVISIONS APPLYING ONLY TO FIXED TERM STANDARD CONTRACTS

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Section 133 – Exclusion of contract-holder from dwelling for specified periods

### **Chapter 3 - Variation of Contracts**

Section 134 and 135 – Variation and Limitation on variation

Section 135 - Limitation on variation

Section 136 – Written statement of variation

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#### **Chapter 4 - Joint Contract-Holders: Withdrawal**

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

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Section 140 – Forced transfers

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### **Chapter 1 - Overview and Introductory Provisions**

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Section 148 – Permissible termination etc.

Section 149 – Possession claims and Section 150 – Possession notices

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Section 156 - Death of landlord where occupation contract is a licence

# **Chapter 3 - Termination of All Occupation Contracts (Possession Claims by Landlords)**

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#### **Redevelopment grounds**

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Paragraph 2 - Ground B (redevelopment schemes)

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Paragraph 3 - Ground C (charities)

Paragraph 4 - Ground D (dwellings suitable for disabled people)

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### **Under-occupation grounds**

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Paragraph 9 - Ground I (other estate management reasons)

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- Section 165 Recovery of possession
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#### **Chapter 5 - Termination of Periodic Standard Contracts**

- Section 168 to 172 Contract-holder's notice and minimum notice period
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- Schedule 9 Standard contracts to which limits in sections 175, 185(2) and 196 (landlord's notice during first six months of occupation) do not apply
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Section 183 – Relevance of events under fixed term standard contract

### Chapter 6 – Fixed Term Standard Contracts: End of the Fixed Term

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Section 187 – Serious rent arrears and Section 188 – Restrictions on section 187

Section 189 – Contract-holder's break clause and Section 190 - Minimum notice period

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# Chapter 8 - Review by Landlord of Decision to Give Notice Requiring Possession (This Chapter Applies Only to Introductory Standard Contracts and Prohibited Conduct Standard Contracts)

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# **Chapter 9 - Possession Claims: Powers of Court (This Chapter Applies to All Occupation Contracts)**

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Section 205 – Orders for possession

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# Chapter 10 – Possession Claims: Powers of Court in Relation to Discretionary Grounds (This Chapter Applies to All Occupation Contracts)

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Schedule 10 - Orders for Possession on discretionary grounds etc.: reasonableness

Section 210 – Estate management grounds

Schedule 11 - Suitable alternative accommodation

Section 211 – Powers to adjourn proceedings and postpone giving up of possession

# Chapter 11 – Possession Claims: Powers of Court in Relation to Absolute Ground (This Chapter Applies Only to Secure Contracts)

Section 212 – Contract-holder's notice ground

Section 213 – Review of claim made on absolute ground

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# **Chapter 12 - Possession Claims: Powers of Court in Relation to Absolute Grounds (This Chapter Applies Only to Standard Contracts)**

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Section 216 – Serious rent arrears grounds

Section 217 – Retaliatory possession claims to avoid obligations to repair etc.

Section 218 – Review of claim made on absolute ground

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# **Chapter 13 – Abandonment (This Chapter Applies to All Occupation Contracts)**

Section 220 - Possession of abandoned dwellings

Section 221 – Disposal of property

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Section 224 – Rights of entry

# Chapter 14 – Joint Contract-Holders: Exclusion and Termination (This Chapter Applies to All Occupation Contracts)

Section 225 – Non-occupation: exclusion by landlord

Section 226 – Remedies for exclusion under Section 225

Section 227 – Non-occupation: exclusion by joint contract-holder

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Section 229 – Power to vary periods of time relating to exclusion of joint contract-holder

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### **Chapter 15 - Forfeiture and Notices to Quit Not Available**

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Section 234 – Consultation arrangements and Section 235 - Statement of consultation arrangements

Section 236 – Form of notices, statements and other documents and Section 237 - Giving notices, statements and other documents

# Chapter 2 – Trespassers: Implied Tenancies and Licences

Section 238 – Implied tenancies and licences

# **Chapter 3 – Tenancies and Licences Existing before Commencement of This Chapter**

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### **PART 11 - FINAL PROVISIONS**

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#### RECORD OF PROCEEDINGS IN NATIONAL ASSEMBLY FOR WALES