

# RENTING HOMES (WALES) ACT 2016

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### **Part 2 - Occupation contracts and Landlords**

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

##### *Section 8 – Secure contracts and standard contracts*

69. This section sets out the two types of occupation contract established by the Act, *secure* and *standard* contracts. As noted above in the commentary on Part 1, a secure contract is a periodic contract that typically runs from week to week or month to month. Secure contracts are the default contract issued by community landlords under the Act. The exceptions to this are set out below.
70. A standard contract can be either a periodic or a fixed term contract. Standard contracts are the default contract issued by private landlords, that is, all landlords that are not community landlords. But private landlords can issue secure contracts if they so choose.
71. A periodic contract runs for the agreed rental period, typically from month to month or sometimes week to week. A fixed term contract is for a pre-agreed specified length of time, usually a number of months or years. The Act provides that fixed term standard contracts automatically become periodic contracts on expiry of the fixed term period.