

# **RENTING HOMES (WALES) ACT 2016**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part 3 - Provisions Applying to All Occupation Contracts**

##### *Chapter 8 - Dealing*

##### *Sections 59 - Sub-occupation contracts: interpretation*

200. In most rental situations there is only a landlord and a contract-holder. However, on occasions a contract-holder may wish to sub-let the dwelling to another person. This would create a 'sub-occupation contract' between the contract-holder and that person, who is known as the 'sub-holder' under the Act. In this scenario the contract-holder is the landlord of the sub-holder. The contract-holder's landlord is known as the 'head landlord' and the head landlord's contract with the contract-holder known as the 'head contract'.
201. There is no right under the Act for the contract-holder to enter into a sub-occupation contract with another person, but the head landlord may however agree to sub-occupation. This will generally be addressed as an additional term of the 'head contract' between the head landlord and the contact-holder.