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

## **EXPLANATORY NOTES**

## **COMMENTARY ON SECTIONS**

Part 2 - Occupation contracts and Landlords

**Chapter 1 - 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

- 34. A tenancy or licence which is made with a person ('person A'), but which allows a different person to live in the dwelling to which the tenancy or licence relates (such a person is described in paragraph 1 as a 'beneficiary'), is not an occupation contract under section 7.
- 35. The same is true of a tenancy or licence where no rent or other consideration (for example work undertaken by the contract-holder as a form of rent) is payable.
- 36. But under paragraph 1, such a tenancy or licence can be an occupation contract if the landlord wishes. If so, the landlord must give notice to the person with whom the tenancy or licence is made (which would be person A in relation to a tenancy or licence where the beneficiary will live in the dwelling) stating that the tenancy or licence is to be an occupation contract. That notice must be given before the tenancy or licence is made, or at the time it is made.