RENTING HOMES (WALES) ACT 2016

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 7 - Provisions Applying Only to Fixed Term Standard Contracts

Chapter 4 - Joint Contract-Holders: Withdrawal

Section 138 – Withdrawal of joint contract-holder using contract-holder's break clause

341. A fixed term standard contract can include a contract-holder's break clause, which enables a contract-holder to end the contract before the end of the fixed term by giving notice (see section 189). This section provides that a contract which contains a contract-holder's break clause may enable the notice given by a joint contract-holder under the break clause to be treated as a withdrawal notice. However, where this is the case, the contract must also include terms equivalent to subsections (4) and (5) of sections 111 and section 130. These sections make provision, which is effectively identical, about the withdrawal of joint contract-holders from secure contracts and periodic standard contracts; the subsections in question concern the duty of the landlord to inform the other joint contract-holders about the giving of a withdrawal notice, and the moment when the joint contract-holder in question ceases to be a party to the contract.