



# Renting Homes (Wales) Act 2016

2016 anaw 1

## PART 9

### TERMINATION ETC. OF OCCUPATION CONTRACTS

#### CHAPTER 7

##### TERMINATION OF FIXED TERM STANDARD CONTRACTS

###### *End of fixed term: landlord's notice*

#### **186 Landlord's notice in connection with end of term**

- (1) The landlord under a fixed term standard contract may, before or on the last day of the term for which the contract was made, give the contract-holder notice that he or she must give up possession of the dwelling on a date specified in the notice.
- (2) The specified date may not be less than six months after—
  - (a) the occupation date of the contract, or
  - (b) if the contract is a substitute contract, the occupation date of the original contract.
- (3) Subject to subsection (2), the specified date—
  - (a) may not be before the last day of the term for which the contract was made, and
  - (b) may not be less than two months after the day on which the notice is given to the contract-holder.
- (4) For the purposes of subsection (2)—
  - (a) an occupation contract is a substitute occupation contract if—
    - (i) the occupation date of the contract falls immediately after the end of a preceding occupation contract,
    - (ii) immediately before the occupation date of the contract a contract-holder under the contract was a contract-holder under the preceding

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- contract and a landlord under the contract was a landlord under the preceding contract, and
- (iii) the contract relates to the same (or substantially the same) dwelling as the preceding contract, and
- (b) “original contract” means—
- (i) where the substitute occupation contract has an occupation date falling immediately after the end of a contract which is not a substitute occupation contract, the occupation contract which precedes the substitute occupation contract;
- (ii) where there have been successive substitute occupation contracts, the occupation contract which preceded the first of the substitute occupation contracts.
- (5) If the landlord gives the contract-holder a notice under subsection (1), the landlord may on that ground make a possession claim.
- (6) Section 215 provides that if the court is satisfied that the ground is made out, it must make an order for possession of the dwelling (subject to any available defence based on the contract-holder’s Convention rights).
- (7) The landlord may not make a possession claim on that ground before the end of the fixed term standard contract.
- (8) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts; subsections (2) and (4) are fundamental provisions which are incorporated as a term of all fixed term standard contracts, except fixed term standard contracts which—
- (a) do not incorporate subsection (1) as a term of the contract, or
- (b) are within Schedule 9 (whether or not they incorporate subsection (1) as a term of the contract),
- and section 20 provides that those subsections must be incorporated, and must not be incorporated with modifications.

*Termination by landlord: serious rent arrears*

**187 Serious rent arrears**

- (1) If the contract-holder under a fixed term standard contract is seriously in arrears with his or her rent, the landlord may on that ground make a possession claim.
- (2) The contract-holder is seriously in arrears with his or her rent—
- (a) where the rental period is a week, a fortnight or four weeks, if at least eight weeks’ rent is unpaid;
- (b) where the rental period is a month, if at least two months’ rent is unpaid;
- (c) where the rental period is a quarter, if at least one quarter’s rent is more than three months in arrears;
- (d) where the rental period is a year, if at least 25% of the rent is more than three months in arrears.
- (3) Section 216 provides that the court must (subject to any available defence based on the contract-holder’s Convention rights) make an order for possession of the dwelling if it is satisfied that the contract-holder—

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- (a) was seriously in arrears with his or her rent on the day on which the landlord gave the contract-holder the possession notice, and
  - (b) is seriously in arrears with his or her rent on the day on which the court hears the possession claim.
- (4) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts.

### **188 Restrictions on section 187**

- (1) Before making a possession claim on the ground in section 187, the landlord must give the contract-holder a possession notice specifying that ground.
- (2) The landlord may not make the claim—
- (a) before the end of the period of 14 days starting with the day on which the landlord gives the contract-holder the possession notice, or
  - (b) after the end of the period of six months starting with that day.
- (3) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts.

#### *Contract-holder's break clause*

### **189 Contract-holder's break clause**

- (1) A fixed term standard contract may contain a term enabling the contract-holder to end the contract before the end of the fixed term by giving the landlord notice that he or she will give up possession of the dwelling on a date specified in the notice.
- (2) References in this Act to a contract-holder's break clause, in relation to a fixed term standard contract, are to the term mentioned in subsection (1).

### **190 Minimum notice period**

- (1) The date specified in a notice under a contract-holder's break clause may not be less than four weeks after the day on which the notice is given to the landlord.
- (2) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts with a contract-holder's break clause.

### **191 Recovery of possession**

- (1) If a contract-holder fails to give up possession of the dwelling on the date specified in a notice under a contract-holder's break clause, the landlord may on that ground make a possession claim.
- (2) Section 215 provides that if the court is satisfied that the ground is made out, it must make an order for possession of the dwelling (subject to any available defence based on the contract-holder's Convention rights).
- (3) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts with a contract-holder's break clause.

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## **192 Restrictions on section 191**

- (1) Before making a possession claim on the ground in section 191 the landlord must give the contract-holder a possession notice specifying that ground.
- (2) The landlord may make the possession claim on or after the day on which the landlord gives the contract-holder the possession notice.
- (3) But the landlord may not make the possession claim after the end of the period of six months starting with that day.
- (4) The landlord may not give the contract-holder a possession notice specifying the ground in section 191 after the end of the period of two months starting with the date specified in the notice under the contract-holder's break clause as the date on which the contract-holder would give up possession of the dwelling.
- (5) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts with a contract-holder's break clause.

## **193 Termination of contract under contract-holder's break clause**

- (1) If the contract-holder gives up possession of the dwelling on or before the date specified in a notice under the contract-holder's break clause, the contract ends on the date specified in the notice.
- (2) If the contract-holder gives up possession of the dwelling after that date but in connection with the notice, the contract ends—
  - (a) on the day on which the contract-holder gives up possession of the dwelling, or
  - (b) if an order for possession is made, on the date determined in accordance with section 206.
- (3) The notice ceases to have effect if, before the contract ends—
  - (a) the contract-holder withdraws the notice by further notice to the landlord, and
  - (b) the landlord does not object to the withdrawal in writing before the end of a reasonable period.
- (4) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts with a contract-holder's break clause.

### *Landlord's break clause*

## **194 Landlord's break clause**

- (1) A fixed term standard contract may contain a term enabling the landlord to end the contract before the end of the fixed term by giving the contract-holder notice that he or she must give up possession of the dwelling on a date specified in the notice.
- (2) References in this Act to a landlord's break clause, in relation to a fixed term standard contract, are to the term mentioned in subsection (1).

## **195 Minimum notice period**

- (1) The date specified in a notice under a landlord's break clause may not be less than two months after the day on which the notice is given to the contract-holder.

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- (2) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts with a landlord's break clause.

#### **196 Restrictions on use of landlord's break clause: first four months of occupation**

- (1) The landlord may not give notice under a landlord's break clause before the end of the period of four months starting with the occupation date of the contract.
- (2) If the contract is a substitute occupation contract, the landlord may not give notice under a landlord's break clause before the end of the period of four months starting with the occupation date of the original contract.
- (3) For the purposes of subsection (2)—
- (a) an occupation contract is a substitute occupation contract if—
    - (i) the occupation date of the contract falls immediately after the end of a preceding occupation contract,
    - (ii) immediately before the occupation date of the contract a contract-holder under the contract was a contract-holder under the preceding contract and a landlord under the contract was a landlord under the preceding contract, and
    - (iii) the contract relates to the same (or substantially the same) dwelling as the preceding contract, and
  - (b) "original contract" means—
    - (i) where the substitute occupation contract has an occupation date falling immediately after the end of a contract which is not a substitute occupation contract, the occupation contract which precedes the substitute occupation contract;
    - (ii) where there have been successive substitute occupation contracts, the occupation contract which preceded the first of the substitute occupation contracts.
- (4) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts, except fixed term standard contracts which—
- (a) do not have a landlord's break clause, or
  - (b) are within Schedule 9 (whether or not they have a landlord's break clause),
- and section 20 provides that this section must be incorporated, and must not be incorporated with modifications.

#### **197 Restrictions on use of landlord's break clause: breach of information requirements**

- (1) If the landlord does not comply with section 31(1) or (2) (duty to provide written statement of contract), the landlord may not give notice under a landlord's break clause before the end of the restricted period.
- (2) The restricted period is six months starting with the day on which the landlord gives a written statement of the contract to the contract-holder.
- (3) The landlord may not give notice under a landlord's break clause at any time when the landlord has not provided a notice required under section 39 (duty to provide information).

- (4) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts with a landlord's break clause.

**198 Restrictions on use of landlord's break clause: security and deposit requirements**

- (1) The landlord may not give notice under a landlord's break clause at a time when security required by the landlord in a form not permitted by section 43 has not been returned to the person by whom it was given.
- (2) The landlord may not give notice under a landlord's break clause at a time when any of subsections (3) to (5) apply unless—
- (a) a deposit paid in connection with the contract has been returned to the contract-holder (or any person who paid the deposit on his or her behalf) either in full or with such deductions as may have been agreed, or
  - (b) an application to the county court has been made under paragraph 2 of Schedule 5 and has been determined by the county court, withdrawn, or settled by agreement between the parties.
- (3) A deposit has been paid in connection with the contract but the initial requirements of an authorised deposit scheme have not been complied with.
- (4) A deposit has been paid in connection with the contract but the landlord has not provided the information required by section 45(2)(b).
- (5) A deposit paid in connection with the contract is not being held in accordance with an authorised deposit scheme.
- (6) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts with a landlord's break clause; section 20 provides that this section—
- (a) must be incorporated, and
  - (b) must not be incorporated with modifications.

**199 Recovery of possession**

- (1) If the landlord gives the contract-holder a notice under the landlord's break clause, the landlord may on that ground make a possession claim.
- (2) Section 215 provides that if the court is satisfied that the ground is made out, it must make an order for possession of the dwelling, unless section 217 (retaliatory evictions) applies (and subject to any available defence based on the contract-holder's Convention rights).
- (3) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts with a landlord's break clause.

**200 Restriction on section 199**

- (1) The landlord may not make a possession claim on the ground in section 199—
- (a) before the date specified in the notice given by the landlord to the contract-holder under the landlord's break clause, or
  - (b) after the end of the period of two months starting with that date.

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- (2) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts with a landlord's break clause.

**201 Termination of contract under landlord's break clause**

- (1) If the contract-holder gives up possession of the dwelling on or before the date specified in a notice under the landlord's break clause, the contract ends on the date specified in the notice.
- (2) If the contract-holder gives up possession of the dwelling after that date but in connection with the notice, the contract ends—
- (a) on the day on which the contract-holder gives up possession of the dwelling, or
  - (b) if an order for possession is made, on the date determined in accordance with section 206.
- (3) The notice ceases to have effect if, before the contract ends—
- (a) the landlord withdraws the notice by further notice to the contract-holder, and
  - (b) the contract-holder does not object to the withdrawal in writing before the end of a reasonable period.
- (4) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts with a landlord's break clause.