

1. Summary

The Renting Homes (Wales) Act 2016 (the Act'), in force from 01 December 2022, has fundamentally changed the law relating to private rented dwellings in Wales let under a standard occupation contract.

Section 21 and Section 22 of the Landlord and Tenant Act 1988 no longer apply for new occupation contracts. There is a new procedure for possession proceedings. There is a new procedure for possession proceedings granted for a fixed-term contract.

Contract-holders under a standard occupation contract cannot be evicted without a court order. This guidance provides an overview of how a standard occupation contract can be terminated with a court order. It also looks at the circumstances in which a contract can be terminated without a court order.

2. Termination without a court order

Different provisions apply depending on whether the contract is periodic or granted for a fixed-term, or

For all possession notices, the notice must ensure the notice:

- Is in writing;
- States the landlord's name and address;
- Specifies the date on which the notice is given;
- States the date on which the notice expires.

The Welsh Government has published the prescribed forms of the possession notices which can be found [here](#).

Periodic Standard Occupation Contracts

a. Section 17(1) of the Act

This is the 'no-fault' procedure.

- For a periodic contract, the landlord must give the contract-holder 6 months' notice in writing. The notice must be served from the first day of the month after the date on which the notice is given.
- For a fixed-term contract, the landlord must give the contract-holder 2 months' notice in writing. The notice must be served from the first day of the month after the date on which the notice is given.

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This procedure can only be used if the contract is periodic.

For a periodic contract, the landlord must give the contract-holder 6 months' notice in writing. The notice must be served from the first day of the month after the date on which the notice is given.

For a fixed-term contract, the landlord is only required to give 2 months' notice in writing. The notice must be served from the first day of the month after the date on which the notice is given.

How the Welsh Government intends to amend the Act so that the no-fault notice period applies to converted periodic contracts from 1 June 2023.

The notice period for a converted periodic contract is RHW17. The notice period for a fixed term contract is RHW38.

A landlord will not be able to serve a section 173 notice if they have failed to comply with their statutory obligation to provide the following information:

1. failed to provide the contract-holder with a written statement of the occupation of the property;
2. failed to provide the contract-holder with an address to which the contract-holder may send notices served on the landlord;
3. not returned the contract-holder's request to comply with the requirements relating to the provision of a written statement of the occupation of the property;
4. breached the Renting Homes (Fees etc.) (Wales) Act 2019;
5. not provided the contract-holder with an Energy Performance Certificate ("EPC");
6. failed to comply with the requirements of the Renting Homes (Fitness for Human Habitation) (Wales) Regulations 2022:
 - a) to ensure working smoke alarms and, where required, carbon monoxide alarms, are installed;
 - b) to obtain an electrical condition report, or to give the contract-holder a copy of the report or written confirmation of certain other information;
 - c) to ensure compliance with the Gas Safety Regulations 1998 by providing the contract-holder, or displaying, a relevant gas safety certificate.
7. An HMO and
8. The landlord is not licensed with and does not hold a licence under the Rent Smart Wales Act 2020.

If the contract-holder is evicted on the date specified in the section 173 notice ('the eviction date') but must make a possession claim on or after the eviction date but must make a possession claim on or after the eviction date. If a landlord does not make a claim within the specified period, the landlord is prohibited from serving a section 173 notice for another 6 months.

A section 173 notice is not valid unless an error is made in the notice and it is corrected and reissued. If a landlord serves a first notice, a landlord will have to wait six months to reissue a new section 173 notice on the day the first notice was withdrawn.

This is an absolute
the correct procedure

b. Serious rent

Serious rent arrears
apply depending on

- At least 8 weeks
- At least 2 months
- At least a quarter
- At least 25% of the rent

The landlord must give
The prescribed form

The court must make
notice is given, and

The landlord must be

c. Anti-social

A landlord can serve
if the contract-holder
includes excessive
RHW23.

This ground is disc
order for possession

A landlord has six months

d. Other breach

A landlord can give
The prescribed form
month from the date

This ground is disc
order for possession

A landlord has six months

e. Estate Management

The landlord may take

¹ A retaliatory eviction
dwelling and any works

and the court must make an order for possession if
and this is not a retaliatory eviction¹.

paid (if the rent is paid monthly). Different amounts

the rental period is a week, a fortnight or four weeks.
the rental period is a month.

for more than three months if the rental period is a

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4 days' notice before issuing a possession claim.

serious rent arrears at the time the possession
court hearing.

months of the possession notice.

and commence court proceedings on the same day
behaviour and other prohibited conduct, which
physical assault. The prescribed form notice is

will decide whether it is reasonable to grant an

on notice to issue proceedings.

possession notice for any other breach of contract.
landlord can commence court proceedings one
e.

will decide whether it is reasonable to grant an

the possession notice to issue proceedings.

one or more of the estate management grounds:

ed a possession notice to avoid carrying out repairs to the
for human habitation.

- Ground 1: To carry out building works to the dwelling.
- Ground 2: To dispose of the dwelling to a redevelopment scheme.
- Ground 3: Where the contract-holder's occupation would conflict with the public interest or safety.
- Ground 4: Where the dwelling is not being used by a person with a physical disability, is not being used to house a person with physical disabilities.
- Ground 5: Where the dwelling is for people who are difficult to house. This ground is only available to housing associations or housing trusts.
- Ground 6: Where the dwelling is part of a group of dwellings for people with special needs and is needed for those needs.
- Ground 7: Where the contract-holder has reserve successors.
- Ground 8: Where the contract-holder is a joint contract-holder.
- Ground 9: Where the contract-holder has other reasons.

The landlord can only give a possession notice if the contract-holder has been given one month from the date of the possession notice. The prescribed form is Form N5.

This ground is discretionary. The court will decide whether it is reasonable to grant an order for possession if the contract-holder has no other accommodation available for the contract-holder.

The landlord must give a possession notice within six months of the possession notice.

f. Contract-holder's occupation

If the contract-holder is in possession of the dwelling on the date specified in the possession notice, the contract-holder must give a possession notice to the contract-holder no later than the date specified in the contract-holders notice. The contract-holder has up to six months from the possession notice to commence proceedings.

This is a mandatory ground. The court must make an order if the landlord has followed the correct procedure.

Fixed Term Standard Occupation Contracts

A fixed term standard occupation contract can be terminated on the following grounds. For the purposes of this document, the grounds are referred to as follows:

1. Serious rent arrears
2. Anti-social behaviour
3. Other breach of contract
4. Estate management

5. Landlord's breach

An additional ground for possession following a landlord's break notice if the landlord has two months' notice to claim on this ground.

This is a mandatory ground if the landlord has followed the correct procedure.

A landlord's break notice is only valid if it is served within the first 18 months of the tenancy.

6. **Converted Contract**

If the contract is a converted contract, a section 21 or section 8 notice has been served before 01 December 2022, and the termination provisions of the existing tenancy agreement will apply.

A section 21 notice served before 01 December 2022 will still be valid and will follow the possession procedure set out in the contract; however, the section 21 notice will only be valid for 6 months (from 01 December 2022) and so landlords will need to issue proceedings before the expiry of the notice.

A section 8 notice served before 01 December 2022, will still be valid and will follow the possession procedure set out in the contract; however, the section 8 notice will only be valid for 6 months (from 01 December 2022) (unless the section 8 notice expires before this) and so landlords will need to issue proceedings before the expiry of the notice.

3. **Termination with Notice**

Both periodic and fixed term contracts can be terminated:

a. **By Agreement**

The contract can be terminated by the agreement of all the parties.

b. **Early termination by the contract-holder**

A contract-holder can terminate the contract before the earlier of:

- The contract-holder gives the landlord a written statement; or
- The contract-holder gives the landlord a written statement.

c. **Notice by the contract-holder (periodic standard occupation contract)**

A contract-holder can terminate a periodic standard occupation contract at any time on giving the landlord the appropriate notice. If there are joint contract-holders, then all the contract-holders must agree to terminate the contract.

d. **Repudiatory breach**

For fixed term standard occupation contracts is, if the contract-holder does not vacate the dwelling. The contract-holder must make a possession order on this ground if the contract-holder does not vacate the dwelling, and this is not a retaliatory eviction.

A contract-holder can terminate a fixed term contract for a term of less than 2 years if the contract-holder gives the landlord 6 months' notice and cannot be served with a possession order on this ground if the contract-holder does not vacate the dwelling, and this is not a retaliatory eviction.

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Both periodic and fixed term contracts can be terminated:

It will be up to the court to decide if the breach by the landlord is so serious so as to give the contract-holder the right to terminate the contract.

e. Death of a sole contract-holder

The contract will end after the death of the sole contract-holder (or earlier if the contract-holder has died and there is someone who qualifies to succeed the contract-holder).

There are two types of successor: 1) **priority successor**, and 2) **reserve successor**.

A **priority successor** is a civil partner of the deceased or a partner who lived with them in the dwelling as their principal home.

There are two types of **reserve successors**. The first is a family member (not a priority successor) who lived in the dwelling as their principal home in the last 12 months preceding the death of the contract-holder. The second type of reserve successor is a family member who lived in the dwelling as their principal home in the last 12 months preceding the death of the contract-holder and lived with them in the dwelling as their principal home at the time of the contract-holder's death.

f. Death of landlord

An occupation contract is a licence

An occupation contract ends on the death of the landlord.

4. Abandonment

A landlord will be able to end the contract if the dwelling has been abandoned with the contract-holder. If they do, the landlord must also satisfy themselves that the dwelling has been abandoned by the contract-holder.

5. Joint contract-holders

Unlike an assured shorthold tenancy, a standard occupation contract will not end when one joint contract-holder dies. New joint contract-holders can be added without the contract-holder's consent and start another one or enter into a deed of assignment to transfer the contract to a new group of contract-holders.

SUMMARY TABLE

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Occupation contract is a licence

An occupation contract ends on the death of the landlord.

sion of the dwelling (if it is a term of the contract only or principal home) if the dwelling has been abandoned with the contract-holder. The landlord must give notice to the contract-holder of four weeks, the landlord can end the contract. The landlord must also satisfy themselves that the dwelling has been abandoned by the contract-holder. The landlord must then serve a further notice to the contract-holder.

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Contract

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Ground		Mandatory or Discretionary	Cut off period for making a claim
1. Section 173 notice ('no fault' eviction)	d	Mandatory - unless retaliatory eviction	2 months (from the eviction date)
2. Serious rent arrears 1. at the time of the possession notice and 2. at the time of the court hearing		Mandatory	6 months (from the possession notice)
3. Anti-social behaviour		Discretionary Must be reasonable to evict	6 months (from the possession notice)
4. Other breach of contract		Discretionary Must be reasonable to evict	6 months (from the possession notice)
5. Estate Management Grounds		Discretionary Must be reasonable to evict and suitable accommodation must be available	6 months (from the possession notice)
6. Contract-holder's notice		Mandatory	6 months (from the possession notice)

2. Fixed Term Standard Contract

Ground		Mandatory or Discretionary	Cut off period for making a claim

1. Serious rent arrears 1. at the time of the possession notice; and 2. at the time of the court hearing	14 days		6 months (from the possession notice)
2. Anti-social behaviour	Immediate	ry onable to	6 months (from the possession notice)
3. Other breach of contract	One month	ry onable to	6 months (from the possession notice)
4. Estate Management Grounds	One month	ry onable to able on must be	6 months (from the possession notice)
5. Landlord's break clause	On or after specified break notice	– unless eviction	2 months (from the possession notice)

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