



LEGAL

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REFERENCE

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RENTING HOMES (WALES) ACT 2016 TERMS OF CONTRACT



1. INTRODUCTION

The Renting Homes (Wales) Act 2016, which is coming into force on 15th July 2022 covers all aspects of a residential tenancy.

The Welsh Government has published a [model written statement](#) of a fixed term standard occupation contract for a term of less than seven years and [another](#) for a periodic standard occupation contract. For all looking to record a converted tenancy there is a specific government [guidance](#) on this. There is also a growing collection of forms and guidance available on the Welsh Government [website](#). This guidance is designed as an overview of the new provisions.

This will apply to all relevant residential tenancies – those converted on 15th July and new tenancies created from then. There will be a transition period of 6 months from the implementation date for landlords of tenancies existing prior to the 15th July in respect of the requirement to produce a model written statement. Guidance is available for the transition from assured shorthold to standard contracts. Care needs to be taken and advice sought when a private landlord has let a property on an assured tenancy on whether the converted tenancy will be a standard or secure contract. Schedule 12 of The Act covers the subject of conversion tenancies.

This series of guidance notes is up to date at the time of publication, but they may need to be amended if the Welsh Government issues further regulations. Further advice is available on request from the CLA Cymru office.

2. THE NEW CONTRACTS

The new contract will refer to at least three different types of term.

- Key matters,
 - Fundamental terms,
 - Supplementary terms,
- and in some Additional terms.

Key matters of all standard contracts are:

The dwelling,
The occupation date,
Whether periodic or a fixed term (if so what term)
The amount of rent or other consideration, and
The rental periods
Any specified time when they are excluded from the premises.

Fundamental terms

A fundamental term is not incorporated as a term of an occupation contract if the landlord and contract holder agree it should not and the contract holder takes the view that their position is not improved by having it incorporated.

There are certain fundamental provisions that may not be modified. Such as those relating to requirement to use a deposit scheme, break clauses and termination. The full list is set out in [Section 20 \(3\)](#).

Supplementary terms

The Act also establishes the concept of a “supplementary provision”; that is, a provision set out in regulations, which is automatically included as a term of all occupation contracts, or of specified occupation contracts. Once a supplementary provision is included in an occupation contract, it is referred to as a “supplementary term” of the contract (see section 23).

At the creation of the contract, the parties can agree that a supplementary provision will be included in the contract with modifications or that it will not be included at all, and once an occupation contract has been created, the parties can vary its supplementary terms; but there are certain limits to this.

Additional terms

Anything extra such as terms about pets or parking.

Care of the dwelling – Landlord’s obligations

These are set as a minimum requirement for the landlord. They are fundamental terms that can be modified to the contract-holder’s benefit.

Part 4 of the Renting Homes (Wales) Act 2016 (The Act) sets out the obligations placed on a landlord with regard to the condition of a dwelling. These obligations apply to all occupation contracts made for a term of less than seven years. A landlord under an occupation contract is obliged to ensure a dwelling is both in repair and fit for human habitation (FFHH).

The new legislation has allowed for some consolidation and the next provision has drawn from the Housing Health and Safety Rating System.

Section 91 of The Act places an obligation on a landlord to ensure that, at the start of and during the length of the occupation contract, the dwelling is Fit For Human Habitation. These obligations are set out in The Renting Homes (Fitness for Human Habitation) (Wales) Regulations 2022 (“the FFHH Regulations”) The Renting Homes (Fitness for Human Habitation) (Wales) Regulations 2022 (senedd.wales) which set out the 29 matters and circumstances to which regard must be had when determining whether a property is FFHH. In addition, there are specific requirements placed upon a landlord to help ensure certain matters and circumstances do not arise.

Section 92 of The Act sets out the landlord’s obligation to keep the dwelling in repair as it was in the previous regime. This obligation extends to:

- the structure and exterior of the dwelling (including drains, gutters and external pipes), and
- the service installations in the dwelling, such as those:
 - for the supply of water, gas or electricity,
 - for sanitation, and
 - for space heating or for heating water.

A landlord must keep the dwelling in repair at all times, although there may be instances where a landlord may not have knowledge of the need for a repair. Once the landlord is aware of the need for repairs, they must be carried out in a reasonable time and to a reasonable standard. This includes the obligation to make good any damage resulting from the repairs. The landlord cannot place any obligation on the contract-holder regarding the repairs, for example contributing to the cost, where the repair is not the fault of the contract-holder.

In terms of FFHH there are 29 sections which are covered by the obligation and which include some suggested actions by the landlord to ensure none of the 29 matters arise. The Government document is lengthy but it is important to familiarise oneself with all the headings. The 29 and their potential landlord actions are:

1. Damp and mould growth – the most stand out measure is “sufficient means of ventilation to cope with moisture from normal domestic activities without the need to open windows.”
2. Cold – Insulation, heating systems etc.
3. Heat – If south facing, sufficient shutters or blinds, means of cooling during summer.
4. Asbestos and Manufactured Mineral Fibres – Keeping a record of asbestos location and protecting it from damage by occupants and removing by licensed contractors if necessary.
5. Biocides - These are chemicals used to treat timber and/or mould growth in dwellings. The potential for harm depends on the chemical in use and people are usually affected by inhalation, skin contact and swallowing.
6. Carbon monoxide and fuel combustion products - regular maintenance of flues, extractor fans and ventilation, installation and regular maintenance of carbon monoxide alarms.
7. Lead – If concerned about this have the water supply tested.
8. Radiation.
9. Uncombusted fuel gas.
10. Volatile organic compounds.
11. Crowding and space – landlords should ensure the requirements of Part 10 of the Housing Act 1985.

12. Entry by intruders – Ensuring well lit access, all locks are available and in good working order.
13. Lighting – Sufficient natural light and appropriate artificial light.
14. Noise.
15. Domestic hygiene, pests and refuse – Storage provision, easily cleanable, sealed dwelling etc.
16. Food safety – Facilities for fridge and freezer with appropriate sockets, connection for cooker, at least four appropriate power sockets with worktops as well as two for general use.
17. Personal hygiene, sanitation and drainage – This includes the threats to mental health associated with personal hygiene etc.
18. Water supply.
19. Falls associated with baths etc.
20. Falling on surfaces.
21. Falling on stairs etc. –
 - tread dimensions to be between 280mm and 360mm
 - rise dimensions to be between 100mm – 180mm
 - pitch (angle of stairs) to be less than 42°
 - stair width should be a minimum of 900mm-1000m
22. Falling between levels.
23. Electrical hazards - electrical wiring installation meets the latest requirements of Institute of Engineering and Technology/British Standard (BS 7671).
24. Fire – covered by further guidance such as Furniture and Furnishings (Fire) (Safety) regulations 1988.
25. Flames, hot surfaces etc. - hot water should be no more than 60°C in kitchens, 41°C for hand basins and 46°C for baths, surfaces should be covered if the temperature is more than 70C.
26. Collision and entrapment.
27. Explosions.
28. Position and operability of amenities etc.
29. Structural collapse and falling elements.

Most of these 29 matters are avoidable by regular testing, inspection and keeping the property in good repair. However there are a number of requirements that the landlord **must** follow to ensure none of these 29 matters arise. These are:

1. Ensure the presence of **smoke alarms** in proper working order, connected to the electrical supply and inter-linked with all other smoke alarms. The opportunity to test smoke alarms should be sought. Depending on the size of the property more than one smoke alarm per storey could be considered, and an extra heat alarm should be considered in the kitchen.
 - a. A dwelling which is subject to an occupation contract with converted from an existing contract will not be required to install a smoke alarm for a period of up to 12 months from the date of conversion. This exemption ceases to apply should the converted contract end.

The fire service provides guidance on the type of alarms available and their fitting. In addition, BS 5839 (part 6) sets out the requirements for the proper fitting of smoke alarms in domestic properties. A contractor specialising in the fitting of smoke alarms should be able to advise you on this standard.

[Get a free smoke alarm](#) from North Wales Fire and Rescue Service.
[Request a home safety visit](#) by South Wales Fire and Rescue Service.

[Request a Safe and Well visit](#) from Mid and West Wales Fire and Rescue Service.

2. The FFHH Regulations require a landlord to ensure that a **carbon monoxide alarm** is present in any room which has a gas, oil or solid fuel burning appliance installed.
3. The landlord must carry out **Periodic inspection and testing (PIT) and be issued with an Electrical Installation Condition Report (EICR)** which will be valid for 5 years unless recommended to be retested sooner.
 - a. The current EICR must be made available to the contract-holder within seven days of the occupation date. Where a PIT is carried out after the occupation date the EICR must be provided to the contract-holder within even days of the inspection date. In addition, a landlord is also required to provide the contract-holder written confirmation of all investigatory and remedial work carried out on the electrical installation as a result of a PIT.
 - b. A dwelling which is subject to an occupation contract which converted from an existing contract on the date of implementation will not be subject to the requirements of PIT for a period of 12 months from the date of conversion. This exemption will no longer apply to the dwelling should the converted contract end.

A valid electrical condition report obtained before the conversion date is still relevant for these purposes.

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