

# **SL(6)616 – The Renting Homes (Wales) Act 2016 (Consequential Amendments) Regulations 2025**

## **Background and Purpose**

These Regulations amend section 3(1) of the Landlord and Tenant Act 1987 (“the 1987 Act”) and the Renting Homes (Wales) Act 2016 (Consequential Amendments) Regulations 2022.

Section 1 of the 1987 Act establishes the right of first refusal for qualifying tenants. This means if the landlord of a qualifying tenant wishes to dispose of their interest in a property containing a qualifying tenant’s flat, the qualifying tenant must be provided with an opportunity to purchase the Landlord’s interest, before it is offered for sale to another party.

Section 3(1) of the 1987 Act sets out who is a “qualifying tenant”. These Regulations amend section 3(1) to provide that tenants under occupation contracts, which were introduced by the Renting Homes (Wales) Act 2016, are not qualifying tenants.

Section 3(1) was previously amended by the Renting Homes (Wales) Act 2016 (Consequential Amendments) Regulations 2022. That earlier amendment unintentionally extended the reach of the right of first refusal making it available to tenants of standard occupation contracts. A standard occupation contract is broadly equivalent to an assured shorthold tenancy (which was in place in Wales prior to implementation of the 2016 Act) and tenants of that type of tenancy were not qualifying tenants. These regulations revoke that earlier amendment.

## **Procedure**

Affirmative.

The Welsh Ministers have laid a draft of the Regulations before the Senedd. The Welsh Ministers cannot make the Regulations unless the Senedd approves the draft Regulations.

## **Technical Scrutiny**

No points are identified for reporting under Standing Order 21.2 in respect of this instrument.

## **Merits Scrutiny**

The following points are identified for reporting under Standing Order 21.3 in respect of this instrument.

- 1. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd.**



These Regulations are made utilising powers in section 255(1)(a) and (2) of the Renting Homes (Wales) Act 2016 which enables the the Welsh Ministers may make consequential provision for the purpose of giving full effect to any provision of the 2016 Act.

The title of these Regulations sets out that they include consequential amendments. However paragraphs 11 to 13 of the Explanatory Memorandum to these Regulations confirms these Regulations correct an earlier 2022 consequential amendment. We consider the Regulations would be more accurately titled "Amendment" Regulations on that basis. The provision in these Regulations is in consequence of the 2022 Regulations, rather than in consequence of the 2016 Act.

## **2. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd.**

No consultation has been carried out in relation to these Regulations. The Explanatory Memorandum to the Regulations notes that:

*"As the Regulations provide for consequential amendments which are limited in their effect to ensuring that section 3 of the 1987 Act reflects and aligns with the changes made to the residential tenancy regime in Wales by the 2016 Act and do not reflect a change in the Welsh Government's policy, a formal public consultation has not been undertaken. There was, of course, extensive consultation undertaken in relation to the development of the 2016 Act."*

## **Welsh Government response**

A Welsh Government response is not required.

## **Committee Consideration**

The Committee considered the instrument at its meeting on 2 June 2025 and reports to the Senedd in line with the reporting points above.

