

2015 No. 1349 (W. 130)

HOUSING, WALES

**The Housing (Right to Buy and
Right to Acquire) (Limits on
Discount) (Amendment) (Wales)
Order 2015**

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends the existing maximum rates of discount available in relation to the exercise of the right to buy under Part 5 of the Housing Act 1985 (“the 1985 Act”) and the right to acquire under section 16 of the Housing Act 1996 (“the 1996 Act”).

Part 5 of the 1985 Act has been applied with modifications by the Housing (Extension of Right to Buy) Order 1993 (S.I. 1993/2240), the Housing (Preservation of Right to Buy) Regulations 1993 (S.I. 1993/2241) and the Housing (Right to Acquire) Regulations 1997 (S.I. 1997/619).

Section 16 of the 1996 Act sets out the conditions in which a tenant of a registered social landlord will have the right to acquire a dwelling. Section 17 of the 1996 Act allows the Welsh Ministers to specify the discounts applicable in relation to the exercise of the right available under section 16. In exercise of that power, the Secretary of State for Wales made the Housing (Right to Acquire) (Discount) (Wales) Order 1997/569 (“the 1997 Order”), article 3 of which sets the maximum discount available in the exercise of the right to acquire. Article 2 of this Order amends article 3 of the 1997 Order to reduce the maximum discount from £16,000 (sixteen thousand pounds) to £8,000 (eight thousand pounds).

A person exercising the right to buy a dwelling-house in Wales under Part 5 of the 1985 Act may be entitled, under sections 129 to 131 of and Schedule 4 to that Act, to a discount equal to a percentage of the price before discount. Section 131 of the 1985 Act provides limits upon the amount of discount to which the proposed purchaser is entitled and section 131(2)

empowers the Secretary of State to make an Order prescribing the maximum sum by which the price payable for a dwelling house under the right to buy scheme may be reduced by discount. The powers given to the Secretary of State by section 131 of the 1985 Act are now exercisable by the Welsh Ministers in relation to Wales.

Under section 131(2), the Secretary of State made the Housing (Right to Buy) (Limits on Discount) (Wales) Order 1999 (“the 1999 Order”) which prescribes amongst other matters, the maximum discount available in the exercise of the right to buy. Article 3 of this Order amends article 3 of the 1999 Order to reduce the maximum discount available in relation to the right to buy from £16,000 (sixteen thousand pounds) to £8,000 (eight thousand pounds).

Article 4 of this Order revokes the Housing (Right to Buy) (Limits of Discount) (Amendment) (Wales) Order 2003 which previously amended the maximum discount available in respect of the right to buy through amending the 1999 Order.

Article 5 provides that this Order does not affect any applications served under section 122(1) of the 1985 Act prior to the coming into force of this Order. In relation to such applications, the maximum discounts existing prior to the amendments made by this Order will apply.

The Welsh Ministers’ Code of Practice on the carrying out of Regulatory Impact Assessments was considered in relation to this Order. As a result a regulatory impact assessment has been prepared as to the likely costs and benefits of complying with this Order. A copy of the regulatory impact assessment can be obtained from the Housing Policy Division, Welsh Government, Rhydycar Business Park, Merthyr Tydfil, CF48 1UZ.

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HOUSING, WALES

**The Housing (Right to Buy and
Right to Acquire) (Limits on
Discount) (Amendment) (Wales)
Order 2015**

Made 1 June 2015

Laid before the National Assembly for Wales

4 June 2015

Coming into force

14 July 2015

The Welsh Ministers make the following Order in exercise of the powers conferred on the Secretary of State by section 131(2) of the Housing Act 1985⁽¹⁾ and now exercisable by them⁽²⁾, and the powers conferred on them by section 17(1)(a) of the Housing Act 1996⁽³⁾:

Title and commencement

1.—(1) The title of this Order is the Housing (Right to Buy and Right to Acquire) (Limits on Discount) (Amendment) (Wales) Order 2015.

(2) This Order comes into force on 14 July 2015.

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- (1) 1985 c. 68. Part 5 has been modified by the Housing (Extension of Right to Buy) Order 1993 (S.I. 1993/2240), the Housing (Preservation of Right to Buy) Regulations 1993 (S.I. 1993/2241) and the Housing (Right to Acquire) Regulations 1997 (S.I. 1997/619). Section 131 of the Housing Act 1985 has been amended by section 122 of the Housing Act 1988 (c. 50).
- (2) Functions of the Secretary of State, in so far as they relate to Wales, were transferred to the National Assembly for Wales by article 2 of, and Schedule 1 to, the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672). Those functions were then transferred to the Welsh Ministers by virtue of section 162 of, and paragraph 30 of Schedule 11 to, the Government of Wales Act 2006 (c. 32).
- (3) 1996 c. 52. Section 17 was amended by sections 62 and 63 of the Housing and Regeneration Act 2008 (c. 17).

Amendment to the Housing (Right to Acquire) (Discount) (Wales) Order 1997

2. In article 3 (rate of discount) of the Housing (Right to Acquire) (Discount) (Wales) Order 1997(1) for “£16,000” substitute “£8,000 (eight thousand pounds)”.

Amendment to the Housing (Right to Buy) (Limits on Discount) (Wales) Order 1999

3. In article 3 (maximum discounts) of the Housing (Right to Buy) (Limits on Discount) (Wales) Order 1999(2) for “£16,000” substitute “£8,000 (eight thousand pounds)”.

Revocation of the Housing (Right to Buy) (Limits of Discount) (Amendment) (Wales) Order 2003

4. The Housing (Right to Buy) (Limits of Discount) (Amendment) (Wales) Order 2003(3) is revoked.

Transitional provision

5. This Order does not have effect in a case where a notice under section 122(1) of the Housing Act 1985(4) was served before this Order came into force.

Lesley Griffiths

Minister for Communities and Tackling Poverty, one
of the Welsh Ministers
1 June 2015

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- (1) S.I. 1997/569.
(2) S.I. 1999/292. Article 3 has been amended by the Housing (Right to Buy) (Limits of Discount) (Amendment) (Wales) Order 2003 (S.I. 2003/803) (W. 97).
(3) S.I. 2003/803(W. 97).
(4) As amended by section 32 of the Housing (Wales) Measure 2011(nawm 5). Section 122 is applied with modifications by the Housing (Extension of Right to Buy) Order 1993; the Housing (Preservation of Right to Buy) Regulations 1993, as amended in relation to Wales by the Housing (Wales) Measure 2011 (Consequential Amendments to Subordinate Legislation) Order 2012 (S.I. 2012//2090) (W. 240); and the Housing (Right to Acquire) Regulations 1997.