



Ein cyf/Our ref: MA-L-CS-0256-17

John Griffiths AM  
Chair Equalities, Local Government and Communities Committee  
National Assembly for Wales

12<sup>th</sup> April 2017

Dear John

### **ABOLITION OF THE RIGHT TO BUY AND ASSOCIATED RIGHTS (WALES) BILL**

When I attended the Committee's meeting on 29 March about the Abolition of the Right to Buy and Associated Rights (Wales) Bill, I undertook to send you a copy of the draft information document which is intended to be sent to relevant landlords and tenants, if the Bill is passed by the National Assembly.

The information document (and accompanying flowchart) is intended to be issued after Royal Assent, in accordance with section 8 of the Bill, to inform tenants and prospective tenants of the effect of the Bill on the Right to Buy and the Right to Acquire.

I would welcome any comments from the Committee on the draft document.

Yours sincerely

### **Carl Sargeant AC/AM**

Ysgrifennydd y Cabinet dros Gymunedau a Phlant  
Cabinet Secretary for Communities and Children

Bae Caerdydd • Cardiff Bay  
Caerdydd • Cardiff  
CF99 1NA

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:  
0300 0604400

[Gohebiaeth.Carl.Sargeant@llyw.cymru](mailto:Gohebiaeth.Carl.Sargeant@llyw.cymru)  
[Correspondence.Carl.Sargeant@gov.wales](mailto:Correspondence.Carl.Sargeant@gov.wales)

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

# INFORMATION ABOUT THE END OF THE RIGHT TO BUY AND RIGHT TO ACQUIRE

## Information for Tenants of Social Landlords

Note: This sample has been produced simply to illustrate the type of information which could be issued to tenants by their social landlord if the Bill to abolish the Right to Buy and Right to Acquire is passed by the National Assembly for Wales. It has been produced to inform Assembly Members and stakeholders during the scrutiny process should questions arise on how such a change would be communicated to tenants. The production of this draft guide does not in any way presume the outcome of the Bill's passage through the Assembly.



## SUMMARY

- The Right to Buy and Right to Acquire will end for all tenants of social landlords on **[insert date of abolition]**
- This guide explains what you need to know about the end of the Right to Buy and Right to Acquire and what you should do if you are thinking about buying your local authority (council) or housing association home.
- If you live in an area in which the Right to Buy and Right to Acquire has been suspended, you will not be able to buy your home under these schemes.
- This guide does not give legal advice, which you should seek separately if you want to buy your home.

## Right to Buy and Right to Acquire - The Basics

If your landlord is a local authority, you may have the **Right to Buy**. The Right to Buy allows eligible secure tenants of local authorities to buy their home at a discount to the market value. The maximum discount available is £8,000.

If your landlord is a Registered Social Landlord, referred to in this guide as a “housing association”, you may have the **Right to Acquire**. The Right to Acquire enables eligible assured and secure tenants of housing associations the right to buy their home at a discount to market value. The maximum discount available is £8,000. The Right to Acquire does not apply in certain designated rural areas.

If your home used to be owned by the local authority but was transferred to another landlord, such as a housing association, while you were living in it, you may have the **Preserved Right to Buy**. This is very similar to the Right to Buy and the maximum discount available is also £8,000.

Before you start thinking about buying your home, you need to find out whether you are eligible to do so. In order to qualify for any of the above discounts you must have rented your home from a public sector landlord (e.g. a local authority, a housing association, NHS Trust) for 5 years. But it doesn't have to be 5 years in a row.

Further information on the eligibility requirements is available in the links at the end of this document, or from your landlord.

## The end of the Right to Buy and Right to Acquire

The Right to Buy, Right to Acquire and Preserved Right to Buy are ending for all tenants in Wales on **[insert date of abolition]**. This is part of the Abolition of the Right to Buy and Associated Rights (Wales) Act 20[XX].

If you are able to exercise a right to buy your home, you can submit your application up to **[insert date of abolition]** and it will be considered in the usual way. Any application made after this date will not be accepted.

If you are applying close to **[insert date of abolition]**, you may wish to send your application to your landlord by recorded delivery to ensure the date it is received is noted or deliver it personally to your landlord's office to ensure it arrives by the deadline date. If you deliver it in person, you may wish to request a receipt to show the date it was received by your landlord.

You must take care to make sure that all the details on your application form are correct. If not, then your application may be turned down. With this in mind, it is better not to leave your application too late. You will want to allow as much time as possible to resolve any issues that may arise.

If you have arrears of rent or council tax when you apply to buy your home, your landlord can refuse to sell it to you. You should check that all your payments are up to date in case this causes a problem.

If there is anything you don't understand about the application form, or you are not sure what information you have to provide, your landlord will be able to help.

The end of the Right to Buy and Right to Acquire will not affect your tenancy in any other way.

## **Suspended Areas**

In Anglesey, Carmarthen, Denbighshire, Flintshire and Swansea, the Right to Buy and Right to Acquire have been suspended. If you live in one of these areas you will not be able to buy your home under these schemes. Your landlord will be able to give you more information if you live in one of these areas.

## **Early abolition on new homes only**

The Right to Buy, Right to Acquire and Preserved Right to Buy will end for "new homes" only on **[insert date 2 months after Royal Assent]**. A "new home" is one which has not been let as social housing for the six months before **[insert date 2 months after Royal Assent]**, for example a new build property, or a home that has been recently acquired by the landlord.

There are certain exceptions if you are forced to move into a "new home". Ask your landlord for further information if you are in this situation.

## **Other Ways to Buy a Home**

Other means of assistance to help you buy a home may be available. Talk to your landlord or visit the Welsh Government's website <http://gov.wales/topics/housing-and-regeneration/housing-supply/buying-and-selling/help-for-buying/?lang=en> for further information.

## **Financial and Legal Advice**

Buying a home is a big commitment. Home ownership has costs as well as benefits. The costs include: the price of the home (after the appropriate discount), legal costs, survey fees, and possibly some taxes e.g. Stamp Duty/Land Transactions Tax. After buying, there will be monthly payments for council tax and a mortgage (if you have one) as well as other on-going costs, which are currently included in your rent e.g. repairs, maintenance and buildings insurance. As the homeowner, you will have to pay for these. Remember, too, mortgage interest rates could increase at some point.

It is important to get professional advice, for example, on financial matters. You should also consider taking legal advice. Organisations such as your local Citizens Advice Bureau may be able to explain how best to go about it. This is particularly important if you have been approached by someone offering to help you buy your home (perhaps in exchange for handing over ownership of the home to that person at a later date) or offering advice in return for a fee.

## **Further information**

The guidance booklet 'Your Right to Buy Your Home - a guide for tenants of social landlords in Wales' is published by the Welsh Government. It gives general information on the Right to Buy rules and how to apply. It can be found here:

<http://gov.wales/docs/desh/publications/150801-your-right-to-buy-your-home-en.pdf>

The Welsh Government's guidance booklet on the Right to Acquire can be found here:

<http://gov.wales/docs/desh/publications/170203-the-right-to-acquire-en.pdf>

If you want general information about the Right to Buy, Right to Acquire or Preserved Right to Buy you can contact the Welsh Government by email at [righttobuy@wales.gsi.gov.uk](mailto:righttobuy@wales.gsi.gov.uk) or you can telephone on **[insert phone number]**.

If you want more specific information about buying your own home, you should contact your landlord.

Your landlord will be able to give you a Right to Buy application form, or you can download it here:

<http://gov.wales/docs/desh/publications/150122-notice-claiming-right-to-buy-en.pdf>

**[insert link to Right to Acquire application form]**

If you would like hard copies of any of these documents, please contact the Welsh Government at **[righttobuy@wales.gsi.gov.uk and insert office address]** or call **[insert phone number]**.

# DRAFT

## Are you a tenant with the Right to Buy, Preserved Right to Buy or Right to Acquire your home?

The chart below gives an overview for tenants on the availability of the Right to Buy (RTB), Preserved Right to Buy (PRTB), or Right to Acquire (RTA) if the “Abolition of the Right to Buy and Associated Rights (Wales) Bill” is passed by the National Assembly for Wales.

