

ABOLITION OF THE RIGHT TO BUY AND ASSOCIATED RIGHTS (WALES) ACT 2018

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Section 3 – Exceptions to the restriction on exercising the right to buy

14. This section amends the Housing Act 1985. It inserts a new section 121ZB into that Act, which sets out the cases in which the right to buy can still be exercised in relation to a home which isn't from previously let social housing stock, i.e. new social housing stock. If any of the cases apply, or have applied, in respect of a home, the right to buy can be exercised by an eligible tenant despite the restriction in section 2.
15. The first case applies where, after the date on which section 2 came into force, a court has ordered a tenant with the right to buy to give up possession of their home on certain specified grounds, the tenant has moved into a new home (which is new social housing stock), and the new home is considered suitable alternative accommodation for the purposes of the court order (section 121ZB(1)). The grounds for possession that apply for the purposes of the first case are generally ones where tenants are ordered to give up possession of their home through no fault of their own (e.g. a house is being demolished, or is subject to a redevelopment scheme).
16. The second case is similar to the first case, except that it relates to the preserved right to buy: it applies where, after the date on which section 2 came into force, a court has ordered a tenant with the preserved right to buy to give up possession of their home on the grounds that there is suitable alternative accommodation available, the tenant has moved into a new home (which is new social housing stock), and the new home is considered suitable alternative accommodation for the purposes of the court order (section 121ZB(2)).
17. The third case addresses a specific scenario that can arise in relation to the preserved right to buy under section 171B(6) of the Housing Act 1985.
18. Under section 171B(6), it is possible for a tenant to continue to have the preserved right to buy if he or she moves home, so long as the landlord remains the same. But section 2(3) of the Act inserts a new subsection (7) into section 171B of the Housing Act 1985 to restrict the tenant's ability to exercise the preserved right to buy in those circumstances. As a result of section 2(3), as a general rule, if a tenant moves into a home that isn't from previously let housing stock, he or she won't be able to exercise the preserved right to buy even if section 171B(6) applies.
19. The third case (in section 121ZB(3)) provides an exception to that general rule where the tenant moves into the new home after the date on which section 2 came into force, and the new home has been let by a registered social landlord or a private registered provider of social housing under an assured tenancy (other than a long tenancy) at some point during the six months before section 2 came into force.

*These notes refer to the Abolition of the Right to Buy and Associated Rights
(Wales) Act 2018 (c.1) which received Royal Assent on 24 January 2018*

20. This provision places tenants with the preserved right to buy who wish to move home in a similar position to tenants with the right to buy or the right to acquire who wish to move home. Further cases in which the right to buy can be exercised in relation to homes that are not from previously let social housing stock can be added by regulations.