

# **REGULATION OF REGISTERED SOCIAL LANDLORDS (WALES) ACT 2018**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### *Disposals of land*

##### *Overview*

74. Prior to amendments being made by the Act, RSLs were required to obtain the consent of the Welsh Ministers for disposals of land under section 9 of the 1996 Act, section 171D of the Housing Act 1985, and sections 81 and 133 of the Housing Act 1988. Sections 13 and 14 of the Act remove those requirements and impose a duty to notify the Welsh Ministers.
75. Section 9 of the 1996 Act (as amended by section 14 of the Act) will apply to any disposal by an RSL, meaning the RSL must notify the Welsh Ministers of a disposal and comply with any notification directions given by them.

##### *Section 13 –Disposal of land: consent*

76. [Section 13](#) amends section 171D of the [Housing Act 1985 \(c. 68\)](#) and repeals section 81, and amends section 133 of the [Housing Act 1988 \(c. 50\)](#)

##### **Section 171D of the Housing Act 1985**

77. Section 171D of the Housing Act 1985 relates to the preserved right to buy. Tenants of RSLs who were previously secure tenants of a local authority and became assured tenants because ownership of their homes were transferred to an RSL may have what is known as the preserved right to buy.
78. Amendment is made to section 171D of the Housing Act 1985 to remove the requirement of an RSL to obtain the consent of the Welsh Ministers before disposal by the RSL of a dwelling house which is subject to the right to buy or the preserved right to buy, unless the disposal is to a person or persons exercising those rights.

##### **Section 81 of the Housing Act 1988**

79. Section 81 of the Housing Act 1988 relates to subsequent disposals by RSLs where the original disposal was by a housing action trust.
80. Under section 81 of the Housing Act 1988, if a housing action trust wished to dispose of a house which was the subject of a secure tenancy or an introductory tenancy to an RSL, the conveyance needed to include a requirement that the consent of the Welsh Ministers (if the land was in Wales) or the Secretary of State (if the land was in England) was required in the event that the RSL wished subsequently to dispose of the house.

81. [Section 81](#) is repealed with the effect that RSLs are not required to obtain the consent of the Welsh Ministers or the Secretary of State before they dispose of the a house referred to in the paragraph above.

### **Section 133 of the Housing Act 1988**

82. Section 133 of the Housing Act 1988 relates to subsequent disposals by RSLs where the original disposal was by a local authority.
83. Under section 133 of the Housing Act 1988, if an RSL had acquired land or a house from a local authority under section 32 or 43 of the Housing Act 1985, and the consent relating to the original disposal did not provide otherwise, the consent of the Welsh Ministers (if the land was in Wales) or the Secretary of State (if the land was in England) was required in the event that the RSL wished subsequently to dispose of the house
84. Amendments are made to section 133 of the Housing Act 1988 to remove the requirement of an RSL to obtain the consent of the Welsh Ministers or the Secretary of State before disposal of land or a house referred to in the paragraph above.

### ***Section 14 - Disposal of land: notification***

85. [Section 14](#) amends section 9 of the 1996 Act relating to disposal of land by an RSL to remove the requirement to obtain the consent of the Welsh Ministers on the disposal of land, and instead impose a requirement to notify the Welsh Ministers on any such disposal.
86. As a result, the position is now as follows:
- Under section 8 of the 1996 Act, an RSL can dispose of land it holds in a manner which it thinks fit. But, if an RSL wants to dispose of land, it must notify the Welsh Ministers and comply with any notification directions given by them.
  - The Welsh Ministers may issue directions about how they should be notified. A direction may be about how and when notification must be given, or what it must contain or may set a deadline for giving a notification.
  - The Welsh Ministers can specify to which RSLs a direction applies and to which disposals or types of disposals it applies. A direction can also dispense with a requirement to notify the Welsh Ministers or revoke or vary a previous direction.
  - An RSL must comply with a direction which applies to it.

### ***Section 15 – Disposal Proceeds fund***

87. [Section 15](#) omits sections 24 to 26 of the Housing Act 1996.
88. [Sections 24 to 26](#) are repealed in order to remove the requirement to show disposal proceeds separately in accounts, and to remove the ability of the Welsh Ministers to determine how such proceeds should be used.