

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

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## **EXPLANATORY NOTES**

### **OVERVIEW OF THE ACT**

#### ***Background information***

2. The “right to buy” is a scheme established by Part 5 of the Housing Act 1985, to enable eligible local authority tenants to buy their home at a discount. To qualify for the right to buy, a tenant must be a secure tenant. Most local authority tenants will be secure tenants. Other criteria for eligibility are set out in Part 5 of the Housing Act 1985.
3. The “preserved right to buy” is a continuation of the right to buy. If a local authority has sold a property to another landlord (like a housing association) at a time when a secure tenant was living there, the tenant may have the right to buy the property from the new landlord despite not being a secure tenant. This right is known as the preserved right to buy.
4. The preserved right to buy can also apply if a tenant in the position described above subsequently moves to another property owned by the new landlord. Detailed provisions about the preserved right to buy are set out in sections 171A to 171F of the Housing Act 1985.
5. The “right to acquire” is a scheme established by section 16 of the Housing Act 1996. It enables tenants of registered social landlords and private registered providers of social housing to buy their home at a discount. To qualify for the right to acquire, a tenant must be a secure tenant or an assured tenant. Most housing association tenants will be assured tenants.
6. Other provisions about the right to acquire, including criteria for eligibility, are set out in sections 16 to 17 of the Housing Act 1996, and in Part 5 of the Housing Act 1985 (as it applies to the right to acquire). [The Housing \(Right to Acquire\) Regulations 1997 \(SI 1997/619\)](#) specifies how Part 5 of the Housing Act 1985 applies to the right to acquire.

#### ***Main provisions***

7. The Act makes provision for the following:
  - (a) Provision to abolish the right to buy and the preserved right to buy. The section that abolishes these rights cannot be brought into force earlier than one year after the Act received Royal Assent.
  - (b) Provision to abolish the right to acquire. The section that abolishes this right cannot be brought into force earlier than one year after the Act received Royal Assent.
  - (c) Provision to restrict a tenant’s ability to exercise the right to buy, the preserved right to buy and the right to acquire until those rights are abolished, if a tenant moves into a home that is new social housing stock. The sections that restrict the

*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*

exercise of these rights are brought into force two months after the Act receives Royal Assent and are subject to certain exceptions. They are intended to encourage social landlords to build or to acquire new homes for rent even before complete abolition of the rights.