

HOUSING (WALES) MEASURE 2011

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Chapter 3 – Extension of Direction Suspending the Right to Buy

Section 18 – Extension applications: power to apply

47. **Section 18** allows an authority to apply for an extension of a direction if they have completed a consultation exercise in the 6 month period preceding the extension application and in light of that exercise and any other relevant information, the authority have concluded that the housing pressure condition continues to exist.
48. There is a ten year limit on the length of any direction, as extended. Under subsection (2) an authority may apply for the extension of a direction which has already been extended but an extended direction cannot have effect beyond ten years from the date of the direction issued under section 6.

Section 19 – Extension applications: consultation

49. **Section 19** outlines the consultation requirements that an authority must undertake before applying to the Welsh Ministers for an extension. This is similar to the consultation exercise required under section 2.
50. The consultation must include any other authority whose area is adjacent to the area to which it is proposed that the extended direction is to apply.

Section 20 – Application for extension

51. **Section 20** sets out the requirements which must be contained in an authority's application for an extension of a direction. The authority must explain the reasons why it has concluded that the housing pressure condition exists, why an extension is an appropriate way to deal with it, what other action it has taken to deal with it and what other action it proposes to take to reduce the imbalance between the demand for social housing and its supply within the authority's area during the proposed period of extension. The application must describe the consultation undertaken by the authority and set out the length of extension it wants which must not be for a period of more than five years from the date on which, but for Chapter 3, the direction would have ceased to have effect.

Section 21 – Decision of the Welsh Ministers on the application

52. **Section 21** sets out when the Welsh Ministers may reject an authority's application for an extension and when they must grant or refuse an application. The Welsh Ministers can reject the application if the authority has failed to provide information under section 27 or if its housing strategy is inadequate in so far as it deals with the imbalance between the demand for and the supply of social housing. They must issue a direction if they agree with the authority's reasons for concluding that the housing pressure condition exists and that the proposed extension is an appropriate way to address it. The Welsh Ministers must be satisfied that the authority's proposed future action to

reduce the imbalance between the demand for social housing and its supply is likely to contribute to a reduction. The authority must also have consulted properly. If the authority's application fails to meet any of these conditions, the Welsh Ministers cannot grant the application. If the Welsh Ministers are satisfied as to the adequacy of the action taken to date to reduce the imbalance between the demand for and supply of social housing, and if all the other conditions are met, they must issue a direction but if they are not so satisfied they may refuse the application.

Section 22 – Issue of direction as extended

53. **Section 22** deals with the issue of a direction as extended. It is to be identical to the direction it replaces, save for the date on which it ends. Subsection (2) specifies that an extension direction has effect from the date that the existing direction ends.
54. **Subsection 29(3)** sets out that where the right to buy has been suspended for the maximum of ten years, an authority has to wait 2 years after the date on which the existing direction ends before submitting an application for a new direction.