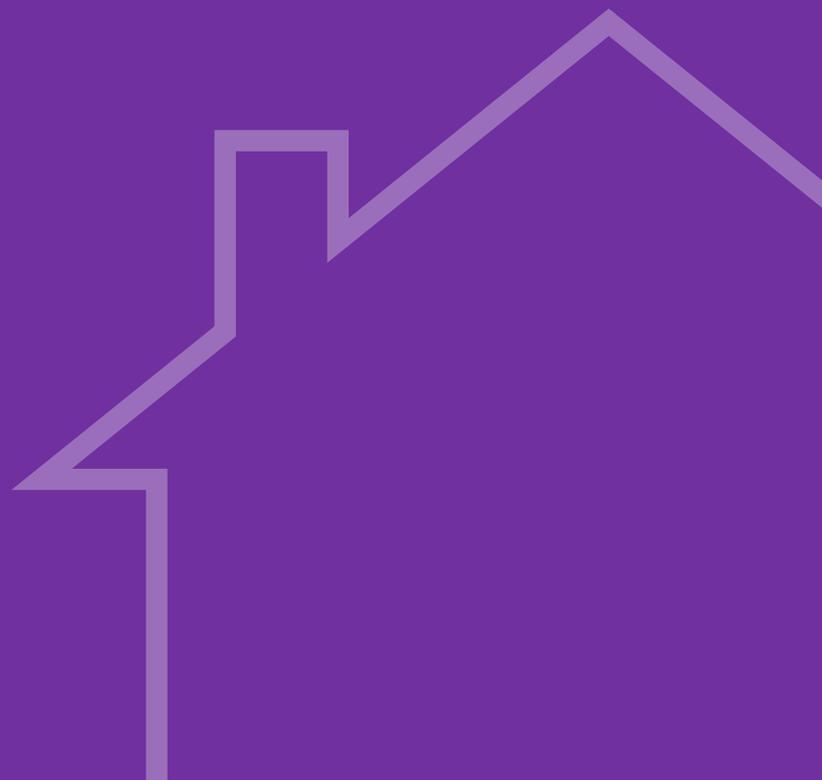




Llywodraeth Cymru
Welsh Government

Information about the end of the Right to Buy & Right to Acquire in Wales

Information for Council and Housing
Association Tenants



The right of council and housing association tenants to buy or acquire their home will end on 26 January 2019.

This booklet summarises the changes, which are made under the Abolition of the Right to Buy and Associated Rights (Wales) Act 2018.

It also sets out the steps to take if you wish to apply to buy or acquire your home before the rights are abolished.

Summary

- The Right to Buy and Right to Acquire will end for all Council and housing association tenants on 26 January 2019.
- 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 applying to buy 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, as suspensions will not be lifted before abolition comes into effect.
- This guide does not give legal advice, which you should seek from your own legal advisor if you want to buy your home.
- The end of the Right to Buy and Right to Acquire will not affect your tenancy in any other way.

Right to Buy and Right to Acquire – The Basics

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 schemes and the discounts you must have rented your home from a public sector landlord, for example your local Council, a housing association, or NHS Trust, for five years. But it doesn't have to be five years in a row, so long as it was a public sector tenancy.

The qualifying period for a discount can include time spent in different homes and with different landlords. You may also be able to count a period when your spouse or civil partner was a public sector tenant.

If you lived with your parents after the age of 16, and you later became the tenant of the same house or flat, you may be able to count that time too.

If your landlord is a local authority, you may have the **Right to Buy**. The Right to Buy allows eligible secure tenants of local Councils to buy their home at a discount from 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 purchase their home at a discount from the 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 Council 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. Where the term Right to Buy is used within this document, it includes reference to the Preserved Right to Buy.

The Right to Buy, Right to Acquire and the Preserved Right to Buy applies in the same way to leasehold properties and again the maximum discount available is £8,000.

If you wish to purchase your flat within a block of flats owned by a social landlord, you will usually purchase a lease which allows you to live in the flat for a long, but fixed, period of time. The block will still be owned by the social landlord, and the landlord will be responsible for the upkeep of the building as a whole and of any communal areas and facilities.

Your landlord will usually provide services like communal lighting, cleaning staircases and passageways and, perhaps, supplying hot water to your flat. If the landlord undertakes any works to the property you will have to pay a reasonable share of the costs of the works. Your share is determined by the number of flats in the block. Your share of service charges can be costly, for example if the block needs major repairs or maintenance, such as a new roof, new windows, or improvements.

Broadly speaking, the same applies if you buy a leasehold house. As a leaseholder, you will have to pay the landlord a nominal rent (known as 'ground rent').

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

Suspended Areas

In Anglesey, Cardiff, Carmarthenshire, 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.

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 24 March 2018. A "new home" is one which has not been let as social housing for the six months before 24 March 2018, 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", for example if you are moved due to subsidence or a clearance scheme. 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 for further information:

www.gov.wales/topics/housing-and-regeneration/housingsupply/buying-and-selling/help-for-buying

Applications to buy your home

If you are able to exercise a right to buy your home, you can submit your application to your landlord up to, and including, **25 January 2019**. Any application made after this date will not be accepted.

If you are applying close to **25 January 2019**, 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 they are 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 or if the property is a home particularly suitable for older people, 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.

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 (minus the appropriate discount), legal costs, survey fees, and possibly some taxes, for example Land Transaction Tax. After buying, there will be monthly payments for council tax, water rates, energy bills, and a mortgage (if you have one).

There will also be other on-going costs, which are currently included in your rent, for example 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 and your home may be repossessed if you are unable to keep up your mortgage repayments.

It is important to get professional advice, for example on financial matters, about whether your individual circumstances are suited to purchasing your home, and to consider all the costs involved and the choices available. You should also consider taking legal advice to help with the legal process of buying a home. Organisations such as your local Citizens Advice Bureau may be able to explain how best to go about it.

Professional, independent advice 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 them at a later date) or offering advice in return for a fee. It's likely that they will charge you for their services, and they may be offering a deal which is better for them than it is for you. As a minimum, always check first if there are any costs or conditions involved and talk to your landlord before signing up to any deal.

The Money Advice Service is a free, impartial service to help people make informed choices about managing their money. You can get useful information from their website:

<https://www.moneyadviceservice.org.uk/en/categories/buying-a-home> or by

telephoning 0300 500 5000.

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 more information on the Right to Buy rules and how to apply.

It can be found at

www.gov.wales/topics/housing-and-regeneration/housingsupply/buying-and-selling/council-house

More information on the Right to Acquire can be found at

www.gov.wales/topics/housing-and-regeneration/housing-supply/buyingand-selling/your-registered-social-landlord-house

If you want further information about buying your own home, you should contact your landlord. Your landlord will also be able to give you a Right to Buy or Right to Acquire application form.

If you want general information about the Right to Buy, Right to Acquire or Preserved Right to Buy, or you would like hard copies of the information documents, you can also contact the Welsh Government:

Email: RightToBuy@gov.wales

Post: Right to Buy / Right to Acquire
Housing Policy Division / Homes and Places
Division
Welsh Government
Rhydycar
Merthyr Tydfil
CF48 1UZ

Telephone: 0300 025 8173 (Right to Buy) or
0300 062 8114 (Right to Acquire)