

**MINUTES OF THE FIRST MEETING OF THE WORKING GROUP ON HOUSING
ACT IMPLEMENTATION – RIGHT TO BUY SUB GROUP
25 SEPTEMBER 2001, MEDIA ROOM 2, ST ANDREWS HOUSE, EDINBURGH**

Attendees

Mr Richard Grant, Scottish Executive (Chairperson)
Mr Archie Stoddart, Scottish Executive
Mr Malcolm Clark, Scottish Executive
Ms Carolyn Stewart, Scottish Executive
Mr Dave Alexander, Scottish Federation of Housing Associations
Mr Alan McKeown, Convention of Scottish Local Authorities
Mr David Watkins, Scottish Homes
Ms Lindsey Robertson, Scottish Homes
Mr Jamie Ballantine, Tenants Participation Advisory Service

Apologies

Apologies were received from Mr Gavin Corbett and Mr Michael Thain.

Welcome and Introduction

Mr Grant welcomed members to the first meeting and invited each of them in turn to introduce themselves. He then briefly explained the background to the Housing Act Implementation Group and that the main purpose of this sub group will be about the production of the Right to Buy guidance. The guidance produced by the sub-group will be reported back to the Housing Act Implementation Group and will issue for general consultation before being finalised.

Mr Alexander asked what the envisaged implementation timescale was. Mr Grant replied that this would link in with agenda item 5 but proceeded to explain that it is hoped that the SST provisions, including the Right to Buy will be implemented at a 'big bang' date with effect from 30 September 2002. However, it may be that in some areas where there are whole stock transfers taking place in advance of September 2002, then the SST and the RTB would be introduced earlier. It is hoped that the general Right to Buy guidance will issue at the end of November with a 3 month consultation period.

Draft outline on framework (Paper 1)

Mr Grant introduced Paper 1, saying that he felt there was a need to include the existing Right to Buy in the guidance but would welcome comments on the level of detail. He also asked if the guidance needed to refer to previous circulars; should the orders be included or treated as a separate task, and how do we handle the transition to the Modernised Right to Buy.

It was agreed that the guidance should be written by the Executive. It was also agreed that the structure was appropriate and if possible we should aim to issue the draft orders at the same time as the guidance. A discussion followed as to how much detail was required for the existing Right to Buy and whether this should be in tabular form or in annex. Mr Alexander thought that the guidance should be comprehensive and consolidate both Acts. It was then

agreed that Chapter 2 would include the existing Right to Buy, a summary and refer to circulars. Mr Clark said that he would take on board any further comments he received after the meeting. The chapter on the modernised right to buy would say 'see above' where there were no differences between both schemes – e.g. the use of application forms etc. Finally, it is not the intention to include technical detail in this guidance.

Mr Alexander then made reference to HAG abatement for RSLs and whether or not this should be included in this guidance. Mr Grant noted this and pointed out that if advice on this point was included then it would also be necessary to include something on the handling of receipts by local authorities. However, in neither case was there expected to be any change as a result of the 2001 Act.

Members were advised that the website had been set up and was due to go live this week. Mr Clark would e-mail members when this happened.

Action: The Scottish Executive to draft guidance;
Mr Grant to note points on HAG abatement and LA receipts;
Mr Clark to advise members when website goes live;

Protection of RTB on existing terms and conditions (Paper 2)

Mr Grant introduced Paper 2 and said that this paper had been issued to colleagues dealing with stock transfer responsibilities. His intention was to use this as the basis for drawing up instructions for the relevant order. Again views were sought.

Discussion followed on this paper which members felt was self-explanatory. Point 1 was seen as a liberal definition regarding demolition and perhaps needed further clarification regarding where boundary lines fell. Point 2 was fine and is seen as the common sense definition. Points 3 and 4 were fine.

The question was raised as to what happens in the case of the assignation of a tenancy. Do tenants retain the existing Right to Buy or move the modernised Right to Buy? COSLA is of the opinion that it should be the modernised right which is applied, as landlords would set up the record as a new tenant with a new lease and rent account. Also this would assist in the faster route of changing to the modernised right to buy for all. Mr Grant said that he was unclear on this point and would investigate further in order to clarify the situation. In the meantime the instructions would be drafted and if members thought of further hard cases after the meeting they should advise Mr Grant accordingly.

Action: Instructions to be drafted on basis of Paper 2;
Mr Grant to clarify assignation right to buy terms;
Members to advise on hard cases.

Paper on pressured areas (Paper 3)

Mr Grant introduced this paper as a first draft on the pressured area designation guidance. He said any comments/ criticism would be welcomed.

The general opinion was that this was a good paper, comprehensive and easy to follow. Mr Grant said that authorities will have to explain to tenants that the RTB is only suspended.

In the following discussion, Mr McKeown asked if there would be a right of appeal for a local authority where it did not manage to secure pressured area status. Mr Grant said there was no statutory form of appeal but it was envisaged that dialogue would form part of any application process and differences could hopefully be resolved during this process. Local authorities who failed to secure a pressured area designation could take their case to judicial review, if they so wished. Mr McKeown asked if the guidance could reflect that dialogue would take place during the application process. Mr Grant agreed.

It was also felt that paragraphs 16 and 17 were too prescriptive in what should be included in an application. There was a danger that this information would become a necessity rather than a guideline and Mr McKeown said that he did not think all local authorities would be able to provide digitalised maps. Mr Grant said that these paragraphs were written to give a flavour of what is likely to be required and were not prescriptive. Local authorities should be able to satisfy the statutory criteria but there may be other ways in which they can do so. He offered to delete these references but members felt that they were useful, providing they were not prescriptive. Mr Grant noted that Scottish Homes had commissioned research to help local authorities monitor the impact of RTB in their areas and this may be helpful in developing this material further in due course.

It was noted that another challenge for local authorities would be the boundaries detail used to determine pressured areas. Mr McKeown said that all local authorities should be encouraged to use a common line and he would discuss with them accordingly.

Following the discussion it was agreed that some re-wording was required in certain paragraphs to which the Executive agreed. In particular,

- Page 6, paragraph 18 consider re-wording bullet point 3 of evidence on impact. Mr Grant agreed to consider re-wording to reflect reducing demand as well as supply, impact on the housing market of which houses bought and re-sold and the impact of those who needed to live in the social rented sector; and
- page 7, paragraph 20, line 2, delete “necessary” and insert “sufficient and appropriate”. Also make further reference to Local Housing Strategies.

It was agreed that further comments should be directed to the Executive following the meeting.

Introduction of RTB measures

Mr Grant asked members whether they thought that there was a case for introducing some Right to Buy provisions earlier than the ‘big bang’ date. For example, arrears and conduct apply to the 1987 Act, and the demolition measures from the 2001 Act stand on their own. COSLA said that they had not received representations from authorities requesting that measures be introduced earlier and were happy for the ‘big bang’ date approach. Mr Grant said that the Executive would proceed on this basis but might have to bring some measures in earlier in regard to the stock transfer issue.

Future meetings of the sub group

The sub-group agreed to meet in a months time. This would allow the Executive time to make some headway in drafting the guidance. The structure would be re-worked and it was hoped that the chapters on 'The modernised Right to Buy and the 'Transition to the modernised Right to Buy' would have been drafted for discussion prior to the meeting.

The date of the next meeting was arranged for Thursday 1 November at 10am in Conference Room 4 Victoria Quay.

Mr Grant closed the meeting and thanked everyone for attending.

The Scottish Executive
September 2001