

Right to Buy guidance – Draft Structure

1. Introduction

- a. Purpose of guidance – to outline the changes in the new legislation to indicate how the RTB position of tenants will change in consequence of this legislation and to provide guidance on the implementation of the new legislation.
- b. Brief overview of background and introduction of RTB, current legislative position, establishment of modernised RTB through 2001 Act, protection of RTB on existing terms and conditions for some tenants.
- c. Explanation of structure of guidance

2. Right to Buy

- a. Who is eligible?
 - local authority tenants
 - housing association sector
 - qualification requirements
 - who is not eligible
- b. How is the price determined?
 - market value
 - discount regime
 - cost floor
- c. How does the tenant apply?
 - application to purchase and offer to sell
 - timetable for sale
 - notice of acceptance
 - refusal of application
 - Lands Tribunal
- d. What conditions can be attached to the sale?
 - recovery of discount
 - adapted properties
 - pre-emption in rural areas

3. The Modernised Right to Buy

- The qualifying conditions
- The price and discount
- Sale procedures and conditions of sale
- Exemptions
 - charitable
 - special needs
 - mutual co-operative HAs
- Limitations
 - RSLs
 - arrears, etc
 - conduct

Pressured areas
Cash Incentive Scheme
Houses liable to demolition
Repeals - lender of last resort
- rent to mortgage and fixed price option

[NB. Where applicable the guidance on the modernised RTB will explain where the current provisions will continue to apply, for example, how the length of residence is calculated for qualifying period and discount purposes.]

4. The Transition to the Modernised Right to Buy

- a. timetable for introduction;
- b. application of modernised RTB to new tenancies and successors after introduction;
- c. protection of RTB on existing terms - general position and exceptions for compulsory transfers and certain types of succession;
- d. protection of rights following stock transfers (community ownership) - in particular, transfers to charitable RSLs.

Annexes

1. Summary table of existing and modernised RTB
2. Copies of relevant orders, ie protection of rights, demolition information requirement