



Llywodraeth Cymru
Welsh Government

WRITTEN STATEMENT

BY

THE WELSH GOVERNMENT

Title: **The Future of *Right to Buy* and *Right to Acquire***

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By: **Lesley Griffiths, Minister for Communities and Tackling Poverty**

A decent, affordable home is vital to people's health and well being and their ability to fulfil their potential. Today, I am informing Members of two significant developments which add to the wide range of action the Welsh Government is taking to help people to meet their housing needs.

Firstly, I have approved an application from Carmarthenshire County Council to suspend the *Right to Buy* and *Right to Acquire*, which allows eligible tenants to buy their home from the Council or their Housing Association. The application was made under the Housing (Wales) Measure 2011 and is part of the Council's action to address the housing pressures in its area. The suspension, which will halt sales for five years but could be extended to ten years, will protect the area's supply of social housing.

Secondly, I have decided it is time to take a fresh look at the wider issues around the *Right to Buy* and the *Right to Acquire*.

Social housing is a vital part of our housing market. The lower rents help people, particularly those who are vulnerable, who cannot find a home from the housing market, either by buying a home or by renting from a private landlord.

Over the last thirty years or so, the *Right to Buy* and *Right to Acquire* have allowed many tenants to buy their homes from their Local Authority or Housing Association. As a result, a very significant number of publicly-funded homes have passed into private ownership. The majority are owner-occupied but some have found their way into the private rented sector. Although the number of sales has fallen in recent years, sales continue to be made and, as a result, fewer homes are available for those on lower incomes to rent. Our current social housing stock is under considerable pressure and this is affecting people's ability to find a home they can afford and our ability to help them.

We need more homes and we are working very hard to increase the number of homes available, building more affordable homes and bringing increasing numbers of empty homes back into use. We have achieved nearly 70 % of our target of 10,000 affordable homes during this Assembly and nearly 90 % of our target of 5,000 empty homes brought back into use. However, more needs to be done.

We are committed to social housing, which is an important safety net. Developing and maintaining the stock of social rented homes is one way in which we can use housing policy to tackle poverty, which I am committed to doing. With this in mind, the second development I am announcing today is the publication of a White Paper.

Carmarthenshire has led the way for Local Authorities by taking action to suspend *Right to Buy* and *Right to Acquire*, and I am currently considering an application from Swansea City Council. However, because housing pressures exist in all areas, I believe there is a need to consider Wales-wide action.

The White Paper sets out, for public consultation, two proposals for changes to the *Right to Buy* and *Right to Acquire*. The purpose of both is to protect our social housing stock.

The first is a proposal to reduce the maximum discount on the sale price of a property from £16,000 to £8,000. This is short to medium-term action, which can help to reduce the number of sales.

Our second proposal could result in the development of new primary legislation to end the *Right to Buy* and the *Right to Acquire*. Ultimately, this is the only way to protect social housing stock from continuing erosion. A draft Bill could be prepared for the new Government to consider for inclusion in the legislative programme of the next Assembly.

The closing date for the consultation is 16 April 2015. I look forward to receiving comments.