STATUTORY INSTRUMENTS

2005 No. 1735

HOUSING, ENGLAND

The Housing (Right to Buy)(Information to Secure Tenants)(England) Order 2005

Made - - - -	*29th June 2005*
Laid before Parliament	*5th July 2005*
Coming into force - -	*26th July 2005*

The First Secretary of State in exercise of the powers conferred upon him by sections 121AA and 121B of the Housing Act 1985(**a**) hereby makes the following Order:

Citation, commencement and application

1.—(1) This Order may be cited as The Housing (Right to Buy)(Information to Secure Tenants)(England) Order 2005 and shall come into force on 26th July 2005.

(2) This Order applies in relation to England only(**b**).

Interpretation

2. In this Order—

"the Act" means the Housing Act 1985;

"the document" means the document prepared by a landlord in accordance with section 121AA of the Act;

"landlord" means a body which lets dwelling-houses under secure tenancies.

Matters about which information is to be provided to secure tenants

3. The matters set out in the Schedule to this Order are specified for the purposes of section 121AA of the Act.

When the document must be published

4.—(1) A landlord shall publish the document within two months of this Order coming into force.

(2) Where a landlord revises the document under section 121AA(4) of the Act it shall publish the document in its revised form within one month of the revision.

(**a**) 1985 c.68. Sections 121AA and 121B are inserted by section 189 of the Housing Act 2004 (c.34). By section 270(3) of that Act section 189 came into force on 18 January 2005. By section 267 of the Housing Act 2004 references to the Housing Act 1985 are to be treated as references to that Act as amended by virtue of the Housing Act 2004.

(**b**) The functions of the Secretary of State under section 121AA are, so far as exercisable in relation to Wales, transferred to the National Assembly for Wales by article 2 of, and Schedule 1 to, the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672, to which there are amendments not relevant to this Order).

[ODPM 3025]

When the document must be supplied

5.—(1) Following publication of the document in accordance with article 4(1) or (2) a landlord shall supply a copy of the document—

(a) as soon as is reasonably practicable to each of its secure tenants at that time; and

(b) to each subsequent new secure tenant at the time he signs his tenancy.

(2) A landlord shall supply each of its secure tenants with a copy of the current version of the document at least once in every period of 5 years beginning with the date on which the document was supplied pursuant to article 5(1)(a).

SCHEDULE

Article 3

Matters about which information shall be given to secure tenants

1. An outline of the effect of the provisions of Part 5 of the Act relating to—

(a) the circumstances in which the right to buy can and cannot be exercised;

(b) the exceptions to the right to buy set out in Schedule 5 to the Act;

(c) the procedure for claiming to exercise the right to buy;

(d) the price payable for the dwelling-house by a tenant exercising the right to buy; and

(e) the delay notice procedures for landlords and tenants set out in section 140, 141, 153A and 153B of the Act.

2.—(1) The fact that initial costs are likely to be incurred by a secure tenant exercising the right to buy.

(2) The reference in paragraph (1) to initial costs includes costs in respect of—

(a) stamp duty;

(b) legal and survey fees;

(c) valuation fees and costs associated with taking out a mortgage.

3.—(1) The fact that a secure tenant will be likely to have to make regular payments as an owner of a dwelling-house.

(2) The reference in paragraph (1) to regular payments includes payments in respect of—

(a) any mortgage or charge on the dwelling-house;

(b) building insurance, life assurance, and mortgage payment protection insurance;

(c) council tax;

(d) water, sewerage, gas, electricity, or other utility services.

4. The risk of repossession of the dwelling-house if regular mortgage payments are not made.

5. The fact that in order to keep the property maintained and in good repair an owner of a dwelling-house will be likely to have to incur expenditure which may include payment of service charges in respect of major works.

Signed by authority of the First Secretary of State

Yvette Cooper
Minister of State
Office of the Deputy Prime Minister

29th June 2005

EXPLANATORY NOTE

(This note is not part of the Regulations)

Part 5 of the Housing Act 1985 ("the Act") confers on the secure tenants of certain landlords a right to buy their homes, subject to specific exceptions. Section 189 of the Housing Act 2004 inserts new sections 121AA and 121B in Part 5 of the Act, replacing the duty in section 104(1)(b) of the Act regarding provision by landlords of information in connection with the right to buy. Under these new sections a landlord of secure tenants must now supply those tenants with a document containing information on the matters (and restricted to those matters) specified by the Secretary of State in an order. Landlords may provide information in the form that they consider appropriate, so long as it covers the specified matters. The document must be available at the landlord's principal offices and at such other places it considers appropriate, and a copy of the current version of the document must be supplied free of charge to any person requesting it.

Article 3 provides that the matters set out in the Schedule are specified as those on which information must be provided. Article 4 specifies when the document must be published. Article 5 gives details of when the document must be supplied to secure tenants. Tenants must be sent the document as soon as practicable after it is first published, whenever it is revised, and in any case at least once in every 5 years. Each new tenant must be given a copy of the document at the time of signing the tenancy.

Sections 121AA and 121B of the Act refer only to secure tenants exercising the right to buy or the right to acquire on rent to mortgage terms. Information on the right to acquire on rent to mortgage terms is not specified because section 190 of the Housing Act 2004 provides that from 18 July 2005 it will no longer be possible to exercise that right. Applications made before that date will continue to be valid.

By section 171C(1) of the Act and section 17(2) of the Housing Act 1996, Part 5 of the Act applies also to those tenants who have the preserved right to buy or the right to acquire. Accordingly sections 121AA and 121B, and this Order also apply to those tenants.

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