



SCOTTISH OFFICE
WHITEHALL LONDON SW1A 2AU

repm

The Rt Hon Nicholas Ridley AMICE MP
Secretary of State for the Environment
2 Marsham Street
LONDON
SW1P 3EB

24 May 1989

Dear Sir

LOCAL GOVERNMENT AND HOUSING BILL

I am writing to seek your agreement to the inclusion in the Bill, if possible at Commons Report Stage, of amendments to the Right to Buy provisions contained in Part III of the Housing (Scotland) Act 1987. The amendments which I propose relate to the calculation of discount entitlement.

The first concerns the position of persons who succeed to a relative's tenancy. At present, section 61(10)(a)(iv) provides that the time spent in the house by a child (or child-in-law) who has succeeded counts towards the child's discount entitlement if he subsequently exercises his Right to Buy. But under section 61(10)(a)(v), time spent likewise in the house by other members of the tenant's family who eventually succeed to the tenancy count towards discount only at the selling authority's discretion. Many authorities who are opposed to the Right to Buy are not exercising that discretion, and the consequent restriction of discount available is proving a continuing obstacle to tenants wishing to buy their homes. I propose therefore a simple amendment to remove authorities' discretion in this matter.

The second relates to the position where a member of the family enters - often with the best of intentions - into a joint tenancy with an elderly relative, who had until that time been the sole tenant of the house and then, on the death of the elderly relative, becomes the sole tenant. Local authorities have taken the view that, in any subsequent application to purchase, discount entitlement flows only from the date the joint tenancy arrangements were instituted. I propose that an amendment should be brought forward to provide that a discount entitlement should be calculated on the basis of the time the purchaser spent in the family home from age 16 (subject to the normal rules on continuity of that occupation), and not simply from the date of the joint tenancy. This would prevent loss of discount where, for example, a son or daughter has, by entering into a joint tenancy, accepted responsibility for sharing housing costs with his or her parent. In a number of cases I have been


struck by the fact that caring members of the family have in effect been penalised for taking on such responsibilities.

These two amendments may provoke some opposition from local authorities who continue to oppose the Right to Buy in principle; but they will be welcomed by the many individuals who have felt unreasonably disadvantaged by the present arrangements, and they would be consistent with the Government's policy to remove barriers which may discourage tenants from exercising their Right to Buy. I understand that you may have it in mind to bring forward similar amendments relating to England and Wales at a later stage of the Bill.

I am advised that amendments relating to the Right to Buy would be within the scope of the Bill, but that the Long Title may need to be extended. The first amendment would be extremely brief; the second should not be lengthy.

I would welcome your agreement to my proceeding as proposed.

Copies of this letter go to members of E(LF) and L Committies seeking agreement to my tabling appropriate amendments to the Bill as soon as possible; and to Sir Robin Butler.



MALCOLM RIFKIND