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WELSH STATUTORY INSTRUMENTS

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**2006 No. 950 (W.99)**

**HOUSING, WALES**

**The Housing (Right to Buy) (Priority of Charges) (Wales) Order 2006**

*Made* - - - - 28 March 2006

*Coming into force* - - 31 March 2006

The National Assembly for Wales makes the following Order in exercise of the powers conferred upon the Secretary of State by section 156(4) of the Housing Act 1985<sup>(1)</sup> which are now vested in the National Assembly for Wales so far as exercisable in Wales<sup>(2)</sup>:

**Title, commencement and application**

1.—(1) The title of this Order is the Housing (Right to Buy) (Priority of Charges) (Wales) Order 2006 and it comes into force on 31 March 2006.

(2) This Order applies in relation to Wales.

**Specified body**

2. Church House Trust plc (Company No. 0980698) is specified as an approved lending institution for the purposes of section 156 of the Housing Act 1985 (priority of charges)<sup>(3)</sup>.

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(1) 1985 c. 68; section 156(4) was amended by paragraph 106 of Schedule 17 to the Housing Act 1988 (c. 50), by paragraph 22(1)(c) of Schedule 18 and Part XIII of Schedule 19 to the Housing Act 1996 (c. 52), by section 140 of and paragraph 5 of Schedule 16 to the Government of Wales Act 1998 (c. 38) and by the Financial Services and Markets Act 2000 (Consequential Amendments and Repeals) Order 2001 (S.I.2001/3649).

(2) See The National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672).

(3) Section 156 was also amended by section 24(1) of and paragraph 1(2) and (5) of Schedule 5 to the Housing and Planning Act 1986 (c. 63), by section 120(3) and (4) of the Leasehold Reform, Housing and Urban Development Act 1993 (c. 28) and by section 135 of and Schedule 13 to the Land Registration Act 2002 (c. 9).

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**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

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Signed on behalf of the National Assembly for Wales under section 66(1) of the Government of Wales Act 1998(4)

28 March 2006

*D. Elis-Thomas*  
The Presiding Officer of the National Assembly

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## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order specifies Church House Trust plc (Company No. 0980698) as an approved lending institution for the purposes of section 156 of the Housing Act 1985 (priority of charges on disposals under the right to buy) in addition to the bodies specified in that section or in previous Orders under that section.

Section 156 provides that the liability to repay discount that may arise under a covenant by the tenant which is required by section 155 of the 1985 Act constitutes a legal charge on the dwelling-house but that a legal charge securing an amount advanced to the tenant by an approved lending institution for the purpose of enabling the tenant to exercise the right to buy has priority over it.

Such bodies also become approved lending institutions for the purposes of section 36 of the 1985 Act (priority of charges on voluntary disposals by local authorities) and section 12 of the Housing Act 1996 (priority of charges on voluntary disposals by registered social landlords).

In addition, as section 156 of the Housing Act 1985 is applied by section 171A of that Act to cases in which a tenant's right to buy is preserved and by section 17 of the Housing Act 1996 to cases in which a tenant has the right to acquire under section 16 of that Act, the specified bodies become approved lending institutions for the purposes of those rights.