

PART I:**2. Purpose**

The purpose of these rules is to set out the principles applicable to and the process for the transfer of social housing stock or rights, as contemplated in regulation 13 of the Regulations, and the disposal of social housing stock, as contemplated in regulation 14 of the Regulations, and any matters ancillary thereto.

3. Applicable principles

3.1 Transfers of social housing stock or rights shall be guided by the following over-arching principles -

3.1.1 the need to retain social housing stock to meet the current needs and the reasonably foreseeable needs for social housing;

3.1.2 the rights and interests of the tenants must not be prejudiced by a transfer of social housing stock or rights and they should not be in a less favourable position as a result of the transfer;

3.1.3 a suitable social housing institution willing and able to take over the social housing stock must be identified;

3.2 Disposals of social housing stock which may result in the stock being lost to the social housing sector will only be permitted by the Regulatory Authority if -

3.2.1 there is sufficient alternative social housing stock within a reasonable distance from the social housing stock to be disposed to meet the needs of the community, including the qualifying tenants of the social housing stock proposed to be disposed;

3.2.2 the economic rationale for the proposed disposal is that it is no longer economically viable for the social housing stock to be retained and maintained as such. The economic sustainability and viability as contemplated in Chapter 5 of the Regulations shall be applied, *mutatis mutandis*, in determining fulfilment of this requirement.