



RIGHT TO BUY/
RIGHT TO
ACQUIRE
POLICY

DOCUMENT CONTROL

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Rochdale Boroughwide Housing Limited is a charitable community benefit society.

FCA register number 31452R.

Registered Office: Sandbrook House, Sandbrook Way, Rochdale OL11 1RY.

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1. Introduction

- 1.1 This policy aims to provide RBH with a transparent policy in relation to the statutory requirements and correct procedures which are required to be followed in respect of the Preserved Right to Buy and the Right to Acquire.
- 1.2 The policy will ensure that all applications are consistently administered within the legal framework and are completed using the statutory process which all Registered Providers must adhere to.
- 1.3 By providing a robust Preserved Right to Buy and Right to Acquire Policy RBH not only meets government and regulatory requirements but it also means that RBH tenants who purchase their homes receive a consistently fair and high quality service.

2. Methodology

- 2.1 Given that the Preserved Right to Buy and the Right to Acquire are statutory processes applicable to all Registered Providers there has been limited scope for a co-production approach. Customers that have gone through the RTB/RTA process have been consulted about the policy by way of satisfaction questionnaire sent via email even though they may not be able to influence it in any meaningful way.

3. Aims and Objectives

- 3.1 The key aim of this policy is to inform customers how we will deal with Preserved Right to Buy and Right to Acquire applications.
- 3.2 RBH aims to conduct its business in a manner which is open, transparent and accountable. The aims and objectives of this policy reflect some of the key mutual membership values developed by our Representative Body and adopted by the Society:
 - 3.2.1 **'Responsibility'** – Leaders will take responsibility for managing the Homeownership team in an effective way using this policy to support it and employees within the team will be responsible for ensuring that they follow the statutory guidance set out in the associated procedures;
 - 3.2.2 **'Equity'** – The Preserved Right to Buy, Right to Acquire and Deed of Postponement procedures will continue to be delivered in a fair and unbiased way giving due regard to the legislative requirements set out in the relevant legislation described in paragraph 7 below.

Customer Service will be in accordance with RBH'S Customer Service Standards to ensure that all tenants are treated equitably and fairly. Face to face interviews can be arranged for tenants who require additional support;

- 3.2.3 The preservation of tenants Right to Buy since the transfer of homes from the Council to RBH in March 2012 and the continued promotion of the Right to Acquire scheme for other non transferring tenants complements our mutual vision and mission by ensuring that people are helped to create inspiring communities. This is achieved by giving them the opportunity to take up home ownership in the communities where they have lived happily as a social rented tenant and wish to continue living there.

4. Scope of Policy

- 4.1 As a charitable community benefit society RBH is exempt from offering the Right to Buy to its tenants under the 1985 Housing Act, this being the route open to tenants of Council owned housing. However, those tenants who transferred from the Council to RBH under the transfer of homes in March 2012 retain the Right to Buy, known as the Preserved Right to Buy.
- 4.2 Non-transferring tenants have the Right to Acquire. With effect from 1st April 1997, tenants of all housing built or acquired with socially funded money have the Right to Acquire. The Right to Acquire allows non-transferring tenants to purchase their home after three years tenancy and with a maximum discount of £9,000.

Eligibility

- 4.3 A tenant will not be eligible for the Preserved Right to Buy or Right to Acquire if they are:
- An undischarged bankrupt, or have a bankruptcy petition pending against them;
 - The subject of a possession order served by the court, at the request of their landlord;
 - Subject to formal creditors agreement made under the Insolvency Acts;
 - Living in a property where a demolition notice has been served.

5. The Policy

- 5.1 The Preserved Right to Buy Process is administered in accordance with Section 171 of the 1985 Housing Act and any subsequent amendments, together with associated statutory instruments. The process will be administered within the guidelines set out in RBH's Preserved Right to Buy Procedure.
- 5.2 The Right to Acquire process is administered in accordance the statutory requirements of the 1986 Housing Act and any subsequent amendments, together with guidelines issued by the Homes and Communities Agency who are responsible for the scheme. The process will be administered within the guidelines set out in RBH's Right to Acquire Procedures.
- 5.3 RBH also incorporates the Deed of Postponement procedure into the Preserved Right to Buy and Right to Acquire Procedures.
- 5.4 This policy also incorporates any amendments relating to the Right to Acquire arising from the Housing and Regeneration Act 2008.
- 5.5 All applications or queries in relation to Preserved Right to Buy or Right to Acquire are specifically directed to RBH's Homeownership Team. If there is any conflict of interest, for example where the applicant is known to a member of the team, this will be declared and they will take no further part in the process. An annual declaration of interest is signed as part of the employees Performance & Development Agreement.
- 5.6 RBH will not complete any sale until all arrears/ rechargeable debts owed to RBH have been cleared.
- 5.7 Information on the Right to Buy and Right to Acquire is available by contacting the Homeownership Team by email at homeownership@rbh.org.uk or by telephone on 01706 274100 and on the RBH website www.rbhousing.org.uk

6. Definitions

6.1 The Right to Buy

The statutory Right to Buy was initially introduced on 3rd October 1980 as a result of the 1980 Housing Act. The legal rules that apply to the Right tot Buy are now part of Part V of the 1985 Housing Act (as amended) and any related statutory instruments or determinations made under the powers of this Act. The Right to Buy is the right of a secure tenant to purchase the freehold or long lease of the house or flat they reside in, subject to any exclusions and provisions stated in the 1985 Housing Act.

The tenant is entitled to buy the property after a qualifying period of either occupying public sector housing, armed forces accommodation or a mix of both, at a discount determined by the length of their qualifying period or the maximum discount allowed (£78,600 across England).

6.2 The Preserved Right to Buy

Section 171 of the 1985 Housing Act and subsequent amendments made allowances that became law for tenants to preserve their Right to Buy when they cease to be a secure tenant as they change landlord. The Preserved Right to Buy follows closely the same guidance and rules of the Right to Buy scheme.

6.3 The Right to Acquire

The Right to Acquire was introduced in April 1997 as a result of the 1996 Housing Act. It only applies to Registered Social Landlords who build or acquire housing with socially funded money after 1st April 1997. The scheme was introduced by the government to allow tenants without the Right to Buy to purchase. The guidelines and provisions closely follow the Right to Buy. However, the discount is fixed at £9000 for the Greater Manchester area and is not affected by the length of the qualifying period.

6.4 The Cost Floor

The cost floor is the cost of building or acquiring the property plus the cost of any works carried out to it in the previous 15 years. A property cannot be sold for less than the cost floor

7. Legal and Regulatory Requirements

Act/Law	Date	Sections
Housing Act	1985	Part V Schedule 5, Section 120 Schedule 6, Schedule 16 Section 92, Section 621a
Housing Act	1988	In particular Sections 5 and 17
The Housing (Preservation of The Right to Buy) (Amendment) Regulations	1999	S.1 1999 No. 1213
The Housing (Right to Buy) (Cost Floor) (England) Determination	1998	
Housing Act	1996	16&17
The Housing(Preservation of the Right to Buy) Regulations	1993	Schedule 3
Housing Act	2004	Part 6 – Section 180-194
Housing & Regeneration Act	2008	Chapter 17
Reinvigorating the Right to Buy and one for one replacement	2012	

8. Equality and Diversity

- 8.1 We will ensure that this policy is applied fairly and consistently to all of our customers and in accordance with our membership values set out in our Corporate Strategy and Equality and Diversity policy. This means that no person or group of persons will be treated less favourably than another person or group of persons on account of their age, religion and beliefs, disability, gender, race, sexual orientation, transgender status, marriage and civil partnership, pregnancy and maternity or any other issue that may cause potential discrimination in service delivery.
- 8.2 An Equality Impact Assessment has been completed in relation to this Policy and has a low impact.

9. Monitoring

- 9.1 This Right to Buy/Right to Acquire policy will continue to be monitored through the submission of monthly data reports to members of EMT.

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10. Review

- 10.1 All RBH strategies, policies and procedures are reviewed on a regular basis in order to ensure that they are 'fit for purpose' and comply with all relevant legislation and statutory regulations.
- 10.2 This policy, including any other related procedures will be reviewed annually in order to ensure its continued appropriateness and formally reviewed and submitted to the appropriate 'approving body' at least every three years.