

1 Scope

- 1.1 Right to Buy (RTB) allows tenants who transferred to Aster as part of a Local Stock Voluntary Transfer (LSVT) from a local authority to buy their home. These tenants have what is known as a preserved RTB which allows them to buy their home at a discounted rate.
- 1.2 The Right to Acquire (RTA) is a similar arrangement for Housing Association tenants to enable them to buy their own home, also at a discount. The amount varies depending on the Local Authority area and a tenant must have been a customer for at least 3 years. They must have lived in public-sector housing, military forces accommodation, or a combination of the 2.
- 1.3 The Right to Shared Ownership (RTSO) will give social tenants access to the new Shared Ownership model. The Right to Shared Ownership will apply to all new rented homes delivered through the Affordable Homes Programme 2021-26, with limited exceptions.
- 1.4 Some properties are ineligible from RTB/RTA as they have been adapted or are designated for older people. Additionally, some properties are exempt due to their rural location and Section 106 requirements. Customers who hold Enham tenancies are not eligible for RTB/RTA.
- 1.5 Aster will not sell properties through Voluntary Right to Buy or Voluntary Right to Shared Ownership that have been delivered under a Community Land Trust (CLT) development or where a CLT owns the freehold.
- 1.6 This policy is designed to ensure:
 - RTB/RTA applications are processed fairly, accurately, in line with consumer standards and relevant legislation.
 - That a robust approach is taken to identifying potential RTB/RTA fraud.
 - Aster makes it clear to customers if they are eligible for RTB/RTA as soon as relevant checks have been made.
- 1.7 This policy applies to all customers who hold an Assured Tenancy.
- 1.8 This policy does not cover the Voluntary Right to Buy (VRTB) pilot for Housing Association customers. The Policy will be updated if the scheme becomes legislation in the future.

2 Policy Statement

- 2.1 We will provide tenants interested in RTB or RTA with relevant information about the schemes. The tables below give reference to the potential discounts available to tenants. This is only a guide and as all tenant's circumstances are different, we would recommend they enquire with our Home Ownership Team for further information.
- 2.2 We will follow Government rules on discounts, including the repayment of discounts.

	RTB	
Length of residence	3-5 years	5+ years
Maximum Discount	50% for flats, 35% for houses	Increases by 1% or 2% p.a. for houses or flats respectively up to 70%, or £96,000, whichever is lower.
Eligible properties	Customer lived in a property at the time of its ownership being transferred from Local Authority to Housing Association (an 'Ex- Council home') and have lived in public-sector housing since.	
Ineligible properties	Housing for older people, such as bungalows or sheltered accommodation. Rural properties may be exempt, or may require the buyer to have a local connection to the parish the property is in.	

	RTA
Length of residence	3 years
Maximum Discount	Between £9,000 - £16,000
Eligible properties	Home was built, bought, or transferred into Housing Association ownership after 31/3/1997.
Ineligible properties	Housing for older people, such as bungalows or sheltered accommodation. Rural properties may be exempt, or may require the buyer to have a local connection to the parish the property is in.

More information is available on the GOV.UK website:

RTB - <https://www.gov.uk/right-to-buy-buying-your-council-home>

RTA - <https://www.gov.uk/right-to-acquire-buying-housing-association-home>

RTSO - [Right to Shared Ownership: initial guidance for registered providers - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/right-to-shared-ownership)

- 2.3 We recommend that tenants seek independent legal and financial advice to gain a comprehensive understanding of the responsibilities associated with home ownership.
- 2.4 We will charge the maximum amounts allowed when administering the purchase of a tenant's home to ensure that revenue generated can be put back into building as many new homes as possible.
- 2.5 We will assess eligibility based on information given by the tenant on the application form. The tenant will be told if they are eligible within the prescribed time limit, as set out in the procedure.
- 2.6 We will carry out checks to confirm that the applicant is the beneficial owner of the property and make use of any electronic facilities, such as an Experian check or other similar online tool to ensure no fraud is taking place.
- 2.7 We will require evidence of the sources of cash if it is used for purchase or mortgage deposits. This is to combat fraud and/or money laundering. Fraud will not be tolerated under

any circumstances, and we will report any suspicious activities around applications in line with the Anti-Money Laundering Policy and Procedure.

- 2.8 Our solicitors will carry out further money laundering checks and we will keep evidence of these checks in line with our data retention processes.
- 2.9 We will liaise and share information with third party organisations where necessary to prevent or detect potential fraud; these agencies may include: the police, Local Authorities, Department of Work & Pensions (DWP), HM Revenue & Customs (HMRC). This will be done in accordance with our statutory obligation to do so and in line with our Honesty Policy.
- 2.10 Once an application has been accepted only essential repairs (those with health and safety implications)/or repairs Aster are statutorily liable for will be carried out.
- 2.11 The number of complete years, and as a result the eligible discount for each application, will be calculated as at the date we receive the application and will not be increased if the discount amount changes before completion of the purchase. After 5 years, the eligible discount increases by 1% or 2% per year for houses or flats respectively for RTB.
- 2.12 We will liaise with our Repairs & Maintenance and/or Development Teams, as appropriate, to establish costs of repairs and major works/land and construction going back 15 years. This calculation will determine the 'cost floor' and we will not sell properties below this amount.
- 2.13 We will meet the timescales specified in legislation. This means responding to an application within 4 weeks (8 if the customer has been a tenant for less than 3 years), and make an offer to an eligible customer within either 8 or 12 weeks from this, depending on if the property is freehold or leasehold respectively.
- 2.14 We will ensure sales receipts are treated in accordance with agreements in place with the relevant Local Authority and the Homes England capital funding guide.
- 2.15 We will reserve the right to place a provision on any sale of properties in designated areas in order that future sales of that property may only be to local people. This is legislated by section 157 of the Housing Act 1985.
- 2.16 We will complete CORE data for each sale. CORE refers to the 'Continuous Recording of lettings and sales in social housing in England' and is a national information source that records information on Local Authority and Social Landlord lettings, sales, tenants and buyers.

Roles and responsibilities

- 2.17 The Home Ownership Manager/ East Boro Housing Trust (EBHT) Director of Housing Services is responsible for ensuring this policy is implemented.
- 2.18 The relevant Head of Housing and Regional Director who have the portfolio lead are responsible for ensuring the service complies with the requirements of this policy.
- 2.19 All colleagues who are involved in providing information to the Right to Buy Advisor or assistance to customers are responsible for ensuring they comply with the requirements of this policy.

3 Monitoring and Review

- 3.1 We will monitor our performance on Right to Buy/Right to Acquire including:
- Compliance - Measuring against statutory timescales as set out in procedure, including:
 - Responding to initial application within 7 days of receipt
 - Completing checks and confirming or denying application within 4 weeks of receipt of completed application.
 - Sending out offer letter (S125) within 8 weeks for houses, or 12 weeks for flats, of confirmation of application.
 - If no response after 3 months, notice to complete issued to customer then offer withdrawn after 28 days of no further response.
 - If property not sold within 3 months of S125 then a 'preliminary notice to complete' sent to customer giving a further 56 days, then a subsequent 'final notice to complete' giving additional 56 days.
 - Sales Values, discounts and costs:
 - Valuation of property
 - Discount amount for each sale
 - Cost of EPC & Valuation
 - Disposals recorded on property asset register (Clarity Dashboard)
 - Sales data for each sale uploaded to CORE
 - All future resale activity is reviewed to ensure full entitlement of discount at the point of purchase.
 - Number of refusals linked to fraud
- 3.2 Colleagues with direct responsibility for this policy will be trained as part of the implementation of this policy. This will involve attending a policy overview session, confirmation of having read and understood the policy, and any further training deemed necessary.
- 3.3 This policy will be reviewed every 3 years as a minimum; sooner if any legislative, regulatory, or organisational changes prompt a review.

4 Related Policies and Procedures

- 4.1 Right to Buy / Right to Acquire Procedure
- 4.2 Anti-Money laundering Policy
- 4.3 Repairs and Maintenance Policy
- 4.4 Honesty Policy
- 4.5 Diversity & Inclusion Policy

5 Governance

Effective From:	24/01/2024	Expires:	31/03/2027
Policy Owner:	Lorraine Adams – Regional Director		

Policy Author:	Paul Helms - Policy Officer		
Approved by:	<i>Customer Services Leadership Team</i>		
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