



## **Right to Buy – statutory information**

Those who were a secure tenant of South Norfolk District Council and took part in the stock transfer to Saffron Housing Trust Limited in 2004, may be able to exercise the Preserved Right to Buy. For the purposes of this document, we have made reference to the Right to Buy and omitted the word Preserved. Section 121AA of the Housing Act 1985 says that landlords must provide their secure tenants with information about the Right to Buy.

This document gives you the required information. If you are not able to access the information provided in the online links included in this document, you can talk to a Right to Buy Agent: 0300 123 0913; or you can contact Saffron's Homeownership team by emailing [homeownership@saffronhousing.co.uk](mailto:homeownership@saffronhousing.co.uk) or calling 01508 502339.

## **When you can buy your home under the Right to Buy**

You can apply for the Right to Buy scheme if you were a secure tenant of South Norfolk District Council and took part in the stock transfer on 17 May 2004 to Saffron Housing Trust Limited (formerly South Norfolk Housing Partnership) and you:

- live in a house, bungalow, flat or maisonette which the council owns or on which it holds an appropriate lease
- are purchasing either in your sole name; or jointly with other people named on the secure tenancy. On a joint tenancy, the Right to Buy belongs to all tenants so you can either buy jointly; or individually where the other tenants agree to this
- occupy the property as your only or principal home
- have the minimum qualifying tenancy period of 3 years public sector tenancy. The 3-year period does not have to be consecutive and can include your current tenancy and any previous public sector tenancy

## **Reasons why you might not be able to buy the property**

- if you or someone you hold the tenancy with is subject to an order of the court for possession of the property
- if you or someone who is joining in the Right to Buy with you:
  - is subject to a bankruptcy order
  - has a bankruptcy petition pending
  - is an undischarged bankrupt
  - has arranged with a creditor the terms of which remain unfulfilled
  - benefits from a moratorium period under a debt relief order

- is subject to a suspension period under an order made under section 121A of the Housing Act 1985 due to anti-social behaviour

### **Other reasons why you might not be able to take up the Right to Buy**

The Right to Buy does not arise in certain circumstances, including:

- where the landlord is a trust or certain type of housing association
- where the landlord does not own the freehold and the remaining lease is:
  - a) 21 years or less if your home is a house/bungalow; or
  - b) 50 years or less if it is a flat/maisonette
- c) In both cases, this relates to the date when the tenant serves the RTB1 (application form)
  - where the property is within the boundaries of a building held by the landlord for purposes other than housing and was let to the tenant (or a predecessor) for the purposes of employment
  - where the property is let for the purpose of housing disabled persons or elderly persons or persons with a mental disorder; and has substantially different features to ordinary dwellings
  - where the property is held by the landlord on a tenancy from the Crown
  - where a final demolition notice is in place

You can find a full list of the exceptions to the Right to Buy in Schedule 5 of the Housing Act 1985, by [clicking here](#).

### **How to take up your Right to Buy**

In order to exercise your claim to buy your property under the Right to Buy, you will need to complete the application form (RTB1) and send it to Saffron Housing Trust Limited, Saffron Barn, Swan Lane, Long Stratton, Norfolk, NR15 2XP.

The application form and more information about applying can be found on the government website, by [clicking here](#). You can also get more details from the Right to Buy Agents, by [clicking here](#).

The date on which we receive your application is called the relevant date. This is the date the council will use to work out the value of your home and your discount entitlement.

If the value of your property changes while your application is being processed, for the purposes of the Right to Buy the value will remain the same as it was on the relevant date. Your discount entitlement will also be set at the relevant date and does not change during the application process.

You can cancel your application at any time. The council will not charge you for this, but your solicitor and your mortgage provider may charge you for any services they have provided up to the date that you let them know that you are not going ahead with the Right to Buy.

### **How the sale price is calculated**

The price you will pay for your home is based on:

- the market valuation of your property which we will arrange to be carried out free of charge
- how long you have been a tenant in your current home and any previous public sector tenancies you have claimed that can be confirmed
- the cost to the council of buying or building your property - if any work was done in the last 15 years, the cost of this work may reduce your discount
- previous Right to Buy purchases – you are only entitled to one Right to Buy discount in total so previous discounts given will be deducted from any discount you may currently be entitled to receive

### **If you delay the Right to Buy application process, the council can serve a formal notice where:**

- you have not responded to the formal offer letter within the 12-week notice period; or
- you have not taken steps to complete the purchase within a reasonable period of time – the reasonable period cannot be less than 3 months after the formal offer letter is sent to you.

If you do not meet the timescales set out in the formal notice, the council can end your Right to Buy application.

### **If the council delays your Right to Buy application, you can:**

- send an Initial Notice of Delay (RTB6) which requires the council to rectify the delay within a given response period – you cannot give the landlord less than a calendar month to respond.
- send an Operative Notice of Delay (RTB8) – you can only do this if the council does not rectify the delay within the response period allowed by the RTB6 or serve a counter-notice. You may be entitled to a reduced purchase price if a valid RTB8 is received by the council.

You can ask the council to provide you with the delay forms. You can also download the forms, by [clicking here](#).

You may want to send the delay notice by recorded delivery; or hand deliver it and obtain a receipt from the council as the notice is only effective once the council has received it.

You can only use the delay procedure while a delay is occurring. Once the delay has ended you cannot serve delay notices.

### **Costs of owning your home**

There will be initial costs for taking up your Right to Buy. These costs vary but may include:

- **Stamp Duty** - you can find out more about this via the government website [here](#). Stamp Duty is calculated on the actual purchase price of the home, so market value minus Right to Buy discount.
- **Legal fees** – a fee will be payable if you use a solicitor or other legal representative to help you with buying your home
- **Land registry fees** – you can find more information about this at: <https://www.gov.uk/guidance/hm-land-registry-registration-services-fees>
- **Mortgage fees** – these can include:
  - a fee if you use a broker to help you find a mortgage
  - an arrangement fee to fix a mortgage rate with your mortgage lender
  - a fee for your lender's assessment of the market value of your property
  - a survey fee for a professional inspection of your property (this is different from the assessment of market value undertaken by your mortgage lender). There are different types of survey with different costs depending on how detailed the survey is

As a homeowner you will also have regular ongoing costs. These can include payments for:

- a mortgage or loan on your property
- building insurance
- contents insurance
- life insurance
- mortgage payment protection insurance
- Council tax
- water, gas, electricity, broadband and other services
- repairing and maintaining your property
- service charges – you can find more information by clicking the link [here](#).

**Remember:**

- You will not be eligible for housing benefit if you become a homeowner.
- The value of your home can go down as well as up.
- If you do not keep up with your mortgage payments, your lender may take possession of your home.

If you want further information about the Right to Buy, you can contact a Right to Buy Agent by calling 0300 123 0913, visiting their website [here](#) or, you can contact Saffron's Homeownership team by emailing [homeownership@saffronhousing.co.uk](mailto:homeownership@saffronhousing.co.uk) or calling 01508 502339.

**Annex 1: Preserved Right to Buy**

Under the provisions of section 171A of the Act, the Right to Buy is also available to those housing association tenants who were living in their home at the time a local authority transferred it to a housing association or were a secure tenant of a non-charitable housing association with a tenancy that started before 15 January 1989. This is a Preserved Right to Buy and is intended to ensure that tenants who have the Right to Buy as council tenants do not lose this right when their homes are transferred to a housing association.

In addition, housing association tenants who have the Preserved Right to Buy keep this right for as long as they remain a tenant of the same housing association or one of its subsidiaries. The Preserved Right to Buy is lost if the tenant moves to a property owned by another housing association or where their tenancy is terminated or when the tenant moves to a property in the private sector.

Section 171B of the same Act provides that where a qualifying successor takes over or succeeds to the tenancy from the tenant who was eligible for the Preserved Right to Buy, they are also eligible to exercise the Preserved Right to Buy. The definition of a qualifying successor is provided in section 186 of the Act.

In the event of a tenant having to move from a local authority property to a housing association property because of demolition work (for example due to a regeneration scheme), then the Department expects the Preserved Right to Buy to apply. The Department's view is that a tenant who has the right to purchase their property, as set out in the legislation, should not lose this right through no fault of their own. However, whether the tenant retains the Preserved Right to Buy would depend on the agreement in place between the local authority and the housing association specifying the retention of the Preserved Right to Buy.

In the event of a secure tenant having to move from a local authority property to a housing association property (for instance, as part of a managed move) because of, for instance, anti-social behaviour or harassment, the Department's view is that the Preserved Right to



Buy would be retained at the discretion of the landlord. This could, for instance, be specified in an agreement between the local authority and the housing association or in the new tenancy agreement provided to the tenant when he/she moves to the new housing association property.