

RIGHT TO ACQUIRE POLICY

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Date effective from:	Click to enter a date.
Policy approved by:	Sandra Coleing
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EIA Required?	<input type="checkbox"/>
EIA Completed?	<input type="checkbox"/>
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1 INTRODUCTION

1.1 The 'Right to Acquire' is a Government initiative designed to help housing association tenants to purchase the property in which they live, providing both they and the property are eligible.

1.2 Stockport Homes Group (SHG) has built or bought a number of properties using funds from a social housing grant or provided by the Housing Corporation or local council. Under legislation, these properties may be eligible to be sold under the 'Right to Acquire' scheme¹.

2 STRATEGIC LINKS

2.1 The Right to Acquire Policy links to legislation and guidance set out to govern the scheme. These include:

- Capital Funding Guide
- 2008 Housing and Regeneration Act sections 180-185 (as amended by section 165 of the Localism Act 2011) and sections 304 to 310
- 2004 Housing Act sections 180-189 and 192-193
- 1996 Housing Act sections 16 and 17, 20,21,24,25,26
- 1985 Housing Act part V
- The Housing (Right to Acquire) Regulations 1997 (Statutory Instrument No. 619)
- The Housing (Right to Acquire) (Discount) (Amended) Order 2002 – SI 1091

2.2 This policy also has links to internal procedures:

- Stockport Homes Right to Acquire Procedure

3 KEY FEATURES OF THE POLICY

3.1 The policy sets out SHG's approach to the Right to Acquire scheme taking account of:

- The statutory obligations of both parties;
- The duty of SHG to manage its resources efficiently and protect the public purse from fraud.

3.2 SHG will apply the requirements and conditions set out in statute strictly.

3.3 Tenants will usually be eligible to purchase their home under the Right to Acquire if they meet the following requirements:

¹ As opposed to the Right to Buy scheme which applies to Council tenants with secure tenancies.

- They have had a public sector landlord for a **minimum of three years**;
- They use the property as their **only and principle home**;
- They **do not** pay rent type: 'intermediate rent'.

3.4 Any tenant or applicant subject to the following orders will not be allowed to join in the Right to Acquire:

- Possession Order including Suspended Possession Order
- Ground 2 Criminal Nuisance Order
- Right to Acquire Suspension Order
- Bankruptcy order – undischarged bankrupts, have a Bankruptcy petition pending or where an agreement has been made with a creditor terms have not been fulfilled.

3.5 Tenants may apply jointly with up to three family members. Family members must be eligible able to prove to SHG's satisfaction that they:

- Occupy the property as their only or main home;
- Have been living at the property for the 12 consecutive months prior to the application being submitted. Note: SHG may use discretion in relation to the length of time a family member has resided at the property but will not do so unless there are exceptional circumstances.

3.6 If only one tenant applies to buy the property, all parties to the tenancy must signify their agreement to the purchase taking place. Therefore, all applicants (and any parties to the tenancy not involved in the Right to Acquire) will need to attend a Housing Fraud appointment to prove their identity/eligibility. This is a mandatory step of the process and if not completed within the timescales on the invitation letter their application will be denied.

3.7 SHG will carry out full credit/fraud checks on all applicants and will be asked to fill in an Anti-Money Laundering Form. They will also be required to show proof of funds, e.g. bank statements, mortgage offer in principle, proof of gift from family/friends etc. both at application and completion stage. Applicants' Council Tax payments should also be up to date when they apply for the scheme.

3.8 To be eligible for the scheme the property must have been built or bought by registered provider after 31 March 1997 and funded through a social housing grant provided by the Housing Corporation or local council or have been transferred from a local council to a housing association after 31 March 1997.

3.9 The property must have remained in the social rented sector since it was built with grant funding. This has the effect of excluding properties that have been previously sold under the Right to Buy scheme and subsequently 'bought back' by SHG.

3.10 If a tenant's Right to Acquire application is admitted, SHG will only carry out emergency repairs and repairs to keep the property weather tight during the Right to Acquire process and until the purchase completes.

4 DISCOUNT

4.1 Discounts for the Right to Acquire scheme are set by the Government and are based on the geographical area in which a property is situated. The current discount level in Stockport is £11,000. This figure can be verified at www.gov.uk.

4.2 The amount of discount a tenant is entitled to may be reduced if they have received a Government subsidy in the past, for example if they have been through the Right to Acquire or Right to Buy previously.

5 EQUALITY IMPACT ASSESSMENT

5.1 The EIA screening form has been completed. A full equality impact assessment is not required as the RTA policy has to follow a process set out in legislation.

6 OWNERSHIP, MONITORING & REVIEW

6.1 This policy is owned by the Home Ownership Team.

6.2 This policy will be reviewed every three years to ensure that it remains fit for purpose.

6.3 The policy will be updated more frequently should new guidance or legislation be published.