

Right to Buy - Information for Secure, Introductory and Non-secure Tenants

You probably have the Right to Buy your home if:

- You are a secure tenant of the council, and
You have been a public sector tenant (usually a tenant of a council or a housing association) for at least 3 years.

In addition:

- The property needs to be your only or main home
- You can't have any legal problems with debt
- You can't have any outstanding possession orders

You don't have the Right to Buy if your home

- is in a sheltered housing scheme for people who are elderly or physically or mentally disabled housing or other housing particularly suitable for elderly or disabled people
- is particularly suitable for occupation by elderly people taking into account its location, size, design, heating system and other features, and was let to you for occupation by a person aged 60 or over, whether they were the tenant or not; and it was first let (to you or someone else) before 1 January 1990.
- if you have been served with an initial demolition notice. In this situation you can apply to buy but the council will not complete the sale
- if you have been served with a final demolition notice .
- is being used as temporary housing before land is developed
- is provided as part of your employment, to allow you to be near or at your place of work
- is leased by the council and the lease has less than 21 years to run (if a house) or less than 50 years (if a flat).

For more information about eligibility see the government's booklet "Your Right to Buy Your Home: A guide for tenants of councils, new towns and registered social landlords including housing associations". You can download a copy from the publications section of www.gov.uk if you search for Right to Buy

Introductory and non-secure tenants

If you have an introductory tenancy or a non-secure tenancy (for example, if you have been given a tenancy as a key worker) you do not qualify for the Right to Buy.

How to apply

Stage 1

You must fill in and return the application form Notice claiming the Right to Buy, which is called an RTB1. You can download a form from the council's website or at www.gov.uk/government/publications/notice-claiming-the-right-to-buy--2

Stage 2

When we have received and checked your form, we will send you a formal notice known as a RTB 2. This will tell you if we accept your application to buy or not. We will send this to you within 4 weeks if you have been our tenant for the whole of the qualifying period or 8 weeks if we have to check information with other landlords.

Stage 3

We will ask our valuer to inspect your property to see how much it is worth. We will then send you a notice called the 'Landlords Offer Notice'. This is also known as a Section 125 notice. We will send this within 8 weeks of receiving your RTB2 if you are buying a house, or within 12 weeks if you are buying a flat or maisonette.

Stage 4

You must write to us within 12 weeks of receiving your section 125 notice, telling us if you are going ahead with the Right to Buy or not. If we do not hear from you, your application will be withdrawn. You can however submit a fresh application at any time.

Stage 5

If you accept the offer we will get plans drawn up and then pass your application to the legal department. If we are ready to complete and you are delaying this (but no earlier than 12 months from the date of your Landlord's Offer), we will send you a notice giving you 56 days to complete. If you are still delaying after this we will send a final notice giving you a further 56 days, after which your application will be withdrawn. You cannot complete your purchase if you have rent arrears.

If at any step in the process you believe the council is causing delays in the sale of your property, you can serve a delay notice on the council. This notice is called an RTB6. You must give us at least one month to take the next step in the process. We must respond within this period and serve you a counter notice. If this isn't sent, you can serve an operative notice of delay form (RTB8). The rent you pay while the delay goes on will then be taken off the price you have to pay for your home. You can get a copy of the initial (RTB6) or operative (RTB8) notices of delay from www.gov.uk/government/publications Search for initial notice of delay or operative notice of delay

Purchase price

The price you pay for your home will be its market value as at the date of your application. You are entitled to a discount based on the number of years' public sector tenancy time you have. There is a maximum cash limit on the discount you can be given.

One-off costs of buying your home

These costs include:

Stamp duty

This is a tax payable to the government when you buy a property and is based on its value. Your solicitor or financial adviser will be able to tell you how much stamp duty you need to pay.

Legal costs and land registry fees

You will have to pay your solicitor's or licensed conveyancer's fees as well as any costs they incur on your behalf in connection with buying your home. You may also need to pay your mortgage provider's legal costs. You will also need to pay a fee to the Land Registry to register your ownership of your home once you've bought it.

Valuation and mortgage fees

We won't charge you when we carry out the valuation of your property, but if you are buying it with a mortgage, the mortgage provider will probably want to carry out their own valuation and will charge you a fee for this. There is also usually an administration or arrangement fee to pay when you apply for a mortgage.

Survey costs

We do not carry out a structural survey when you apply to buy your home. But we strongly recommend that you consider getting a survey done yourself by a qualified surveyor. There are various types of survey available and the price you will have to pay depends on how detailed the survey is.

Regular and on-going costs of owning your home

Mortgage repayments

Mortgage interest rates are currently at low levels, but rates can go up or down. You should consider very carefully what the impact might be if your repayments increase because interest rates go up – if you are already on a variable repayment rate or if your fixed rate ends. Increased mortgage repayments could reduce the amount you have available for paying other bills. The effect of any interest rate increase would be likely to be greater if your household income hasn't gone up.

You are at risk of losing your home if you do not keep up regular monthly payments on your mortgage.

Buildings and other types of insurance

Your home needs to be insured to cover the full cost of rebuilding it if it's damaged or destroyed by fire, storm, flood, or another type of incident. If your home is a flat or maisonette, the council will arrange buildings insurance cover and you will be charged through your annual service charge. You cannot opt out of buildings insurance. An "excess" applies to the buildings insurance. This is the amount towards the cost of a claim you have to pay yourself.

You are responsible for arranging your own contents insurance to protect your belongings from theft or other risks.

You should also consider life insurance which would pay off your mortgage if you die, or mortgage repayment protection or critical illness insurance, which would cover your mortgage if you lost your job, or were unable to work through illness. You should take your own professional advice on whether these or other types of insurance are appropriate for you.

Water rates, utility bills and council tax

As a tenant the council collects your water rates alongside your rent. If you buy your home, you will have to pay the water company direct. You will also have to continue to pay your gas, electricity and council tax.

Repairs and maintenance

You will be responsible for repairing and decorating the inside of your home. Repairs and improvements that the council might have done for you while you were a tenant, such as an annual servicing of an individual gas boiler, or rewiring, or upgrading the kitchen units, will be your responsibility.

Annual service charges

If you live in a flat or maisonette, you will have to pay a service charge for the services and repairs to your building and/or the estate that the council will continue to provide to you. These services are not covered by your council tax, and you cannot opt out of paying the service charge.

The service charge includes day to day services such as caretaking, grounds maintenance, block lighting and routine communal repairs and maintenance. Charges can vary according to the type of property you live in and the number of services provided. Costs can vary from year to year, particularly for communal repairs.

If your home is served by a communal heating and /or hot water system, you will pay for this through your service charge.

Major works charges

Living in a flat or maisonette means that major repairs or renewals to the building and/or estate happen periodically. Things like lifts, roof coverings, electrical wiring and window frames have a lifespan and external decorations are carried out at regular intervals. These works are unavoidable and can be expensive. Estimates of both day to day and major works service charges will be given to you in your Landlord's Offer Notice when you are given the valuation and purchase price of your home. You should look at these carefully and consider if you will be able to afford your contribution.

Buying a house

If your home is a house that is on a council estate, in most cases you will be sold the freehold rather than buying a lease. You will be responsible for insuring the building and the contents. You will also have to pay a service charge for the upkeep of the estate, including estate lighting and grounds maintenance. If your home is connected to a communal heating/hot water system, you will have to pay a service charge for this service, and you will not be able to disconnect your home from the service.

This information is published to comply with Section 189 of the Housing Act 2004