

CLYDE VALLEY HOUSING ASSOCIATION

Right To Buy Policy

Policy Number HM 13

• Policy Prepared by	Stewart MacKenzie Head of Housing Services
• Reviewed by Committee	August 2008
• Approved by Board of Management	October 2008
• Date of Next Review	October 2011
COMPATIBLE WITH:	
• Legislation	Yes
• Equality Policy	Yes
• Business Plan	Yes
• Performance Standards	Yes
• Tenant Participation Strategy	Yes
• Risk Strategy	Yes
• Statement on Openness and Confidentiality	Yes

Please Note

On request, the Association will provide translations of all our documents, policies and procedures in various languages and other formats such as computer disc, tape, large print, Braille, etc. This can be arranged by contacting the Association's offices.

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1. Introduction

- 1.1. Clyde Valley Housing Association is committed to administering Right to Buy (RTB) applications in accordance with legislative requirements and seeking to include Right to Buy owners where appropriate in the provision of services and execution of works aimed at maintaining high quality housing and housing estates.

2. Context

- 2.1. Tenants have been able to exercise the Right to Buy their home since 1980. However the Housing (Scotland) Act 2001, introduced some important changes to the Right to Buy.
- 2.2. When the 2001 Act was enacted, Clyde Valley Housing Association was a non-charitable Registered Social Landlord (RSL) and therefore tenants on the whole have either the 'preserved Right to Buy' or 'modernised Right to Buy' which in broad terms restricts discounts available to new tenants. However under current rules, non-charitable RSLs were granted a 10-year exemption to the modernised Right to Buy, effective from 30 September 2002.
- 2.3. In 2008 the Scottish Government stated its intention to consider further revisions to Right to Buy legislation, including ceasing the Right to Buy for new build properties as well as possible further exemptions or restrictions.

3. Legislative & regulatory framework

- 3.1. We will comply with all relevant legislation, standards and targets set down by the Scottish Government in terms of the processing of Right to Buy applications.

4. Aim

- 4.1. Our aim is to ensure that all Right to Buy applications are processed efficiently and in a manner that effectively protects the interests of Clyde Valley Housing Association.

5. Objectives

- 5.1. Our objective is to provide an efficient service to tenants exercising their Right to Buy based upon relevant legislation and timescales, encouraging tenants to seek independent advice and assistance so that they are fully aware of their future responsibilities as an owner.

6. Corporate Fit

6.1. Legislation and Best Practice

6.1.1. Our Right to Buy Policy complies with all legislation, guidance and good practice including:

- The Housing (Scotland) Act 1987;
- The Housing (Scotland) Act 2001;
- 'Your Right to Buy Your Home' (Scottish Government Publication);
- 'Thinking About Buying – A Guide to House Purchase in Scotland' (Scottish Government Publication);
- Data Protection Act 1998;
- Performance Standards for Registered Social Landlords (AS5.1); and
- Raising Standards in Housing (Chapter 5).

6.1.2. Our Right To Buy Policy complies with the Association's Equality Policy. Clyde Valley Housing Association is committed to the elimination of all forms of unlawful or unfair discrimination and to promoting equality in all our functions. The Association is committed to equality for all people irrespective of their gender, marital status, family circumstances, disability, race, ethnic or national origins, age, religion or belief, political or sexual orientation.

6.2. Business Plan & Risk Management

6.2.1. The Association's Business Plan anticipates capital receipts from a predicted number of Right to Buy sales every year. While the actual level of Right to Buy sales achieved is determined by factors outwith the Association's control, the operation of the Right to Buy policy and associated procedures seeks to ensure the efficient and effective processing of Right to Buy applications and minimise any risks associated with the process.

7. Different Categories of Tenancy

7.1. With the exception of a very small number of tenancies that may from time to time be let as Short Scottish Secure Tenancies (SSSTs), all of the Association's tenancy agreements are Scottish Secure Tenancies (SSTs). However, within this, there are different 'tenancy categories' in relation to Right to Buy and these are explained more fully in this section.

7.2. It should be noted, however that the following sections are, by necessity, generalised. Anyone wishing a definitive statement on their specific status with regard to RTB can of course, request this from the Association.

Modernised Right to Buy (former Assured Tenants)

- 7.3. If a tenant was previously an assured tenant of Clyde Valley Housing Association, under the Housing (Scotland) Act 2001 the tenant now has an SST and has the 'modernised Right to Buy'.
- 7.4. However under current rules, non-charitable RSLs were granted a 10-year exemption to the modernised Right to Buy, effective from 30 September 2002.
- 7.5. This part of the legislation can be complex and all tenants in this category are advised to discuss their individual RTB position with the Association.

Preserved Right to Buy (Stock Transfer Tenant)

- 7.6. If a tenant was previously a tenant of the Local Authority or Scottish Homes and transferred to the Association under the terms of a stock transfer or transferred to the Association under Tenant's Choice, the tenant now has an SST has the 'preserved Right to Buy' if their tenancy commenced prior to 30 September 2002 and has been continuous.
- 7.7. This part of the legislation can be complex and all tenants in this category are advised to discuss their individual RTB position with the Association.

Short Scottish Secure Tenants

- 7.8. Those who have a Short SST do not have the Right to Buy.

Pressured Area Status

- 7.9. The local authority may seek to apply to the Scottish Government for 'pressured area status' if the demand for social rented housing in a specific geographic area far outstrips the supply. If the Scottish Government awards such status, from its date of introduction for an initial period of five years, the Right to Buy will be suspended for all tenants of social landlords within the designated geographic area – this would include Clyde Valley Housing Association tenants, irrespective of their tenancy category.
- 7.10. During 2008, North Lanarkshire Council has been consulting with stakeholders on proposals to seek pressured area status in relation to their Cumbernauld and Moodiesburn letting areas. If these proposals progressed and were approved by the Scottish Government, this would affect tenants in Clyde Valley Housing Association tenancies at Chryston, Stepps or any other locations within the designated geographic area.

Adapted Properties

- 7.11. Where specific properties have been significantly adapted to meet particular housing needs, the Association can seek exemption from the Scottish Government to the Right to Buy. Where an exemption has been granted, the tenants of these specific properties do not have the Right to Buy.

Discount Entitlement, etc.

- 7.12. Appendix 1 sets out current discount entitlements under the Right to Buy legislation. However it should be noted that the Scottish Government can

amend the rules relating to discount entitlement from time to time. In addition the Scottish Government may alter other aspects of the Right to Buy, such as 'cost floor' rules that can limit the discount available on properties where there has been significant capital investment.

8. Use of Discretion by Clyde Valley Housing Association

8.1. The Right to Buy legislation allows for limited landlord discretion. The Association's Board of Management has previously agreed to exercise discretion in the following circumstances.

8.1.1. The Association will permit 'portability' of discount to internal transfer tenants, who have the preserved Right to Buy.

8.1.2. The Association will permit tenants' sons or daughters who may succeed to a tenancy or be assigned the tenancy of a property (which has always been their home) the ability to exercise their RTB under the modernised terms.

8.2. Further details are available on request from the Association.

9. Arrears of Rent, Council Tax and Water / Sewerage Charges

9.1. The Association is concerned that tenants who are in debt and considering the purchase of their home under the Right to Buy could potentially experience financial difficulties in fulfilling their future responsibilities as a property owner.

9.2. The Association will not process a Right to Buy application if an applicant has any arrears of rent (current or former tenancy), Council Tax and / or water or sewerage charges. Rent accounts will be checked internally. The applicant will be asked to provide a certificate from the local authority confirming that there are no arrears of council tax and / or water / sewerage charges (the local authority must provide this free of charge within 21 days of any request).

9.3. As soon as any arrears have been cleared and evidence provided to support this, the application will be processed in the usual manner.

10. Complaints

10.1. If a tenant is dissatisfied with the way in which an application has been processed, then they should be advised to use the Complaints Policy.

10.2. However if the complaint relates to the terms of any offer made they may prefer to refer their case to the Lands Tribunal for Scotland. Prior to this occurring staff will review the terms of the offer to ensure that it is correct, seeking legal advice if appropriate.

11. Measuring Outcomes

- 11.1. We will publish our Right to Buy Policy via the Association's publications and website. We will monitor and reviewing:
- processing times against targets; and
 - complaints and customer feedback.

12. Role of Committee

- 12.1. The Association's Board of Management is responsible for approving the Right to Buy Policy. The Housing & Technical Services Committee has responsibility for monitoring the implementation of the policy and considering any proposed revisions to policy. The Housing & Technical Services Committee also has responsibility for approving the terms of agent's contracts, based upon the recommendations of the Head of Housing Services.

13. Policy Review

- 13.1. We will report performance results through our newsletter and website, to members through our Annual Report and to employees through routine performance reports.
- 13.2. The Board will review our Right to Buy Policy and associated procedures every three years, or sooner if required.

Right to Buy Discount Levels

Years spent as tenant	RTB entitlement commenced before 30 Sep 2002		RTB entitlement commenced on or after 30 Sep 2002 ⁽¹⁾
	Houses	Flats	All Properties
2-4	32%-34%	44%-48%	cannot buy
5-9	35%-39%	50%-58%	20%-24%
10-14	40%-44%	60%-68%	25%-29%
15-19	45%-49%	70%	30%-34%
20-24	50%-54%	70%	35%
25-29	55%-59%	70%	35%
30+	60%	70%	35%

Notes:

(1) Discount is currently subject to a maximum of £15,000.

(2) The Scottish Government may seek to change rules on discount entitlement, discount levels, etc.