

Right to Buy



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Harlow Council
Civic Centre, The Water Gardens,
Harlow, Essex CM20 1WG

Tel: 01279 446655
www.harlow.gov.uk

Harlow
Council
Working together for Harlow

Can I buy my home?

If you are a secure tenant of Harlow Council you may be able to apply to the Council to buy your home if all of the following conditions are met:

Your tenancy must comprise of a house or flat, which is let as a separate dwelling.

You must be occupying the house or flat as your only or main home.

When the Right to Buy cannot be exercised

There are certain circumstances in which the right to buy your home cannot be exercised. These are:

- If you are obliged (or will be so obliged at a later specified date) to give up possession of your home as a result of a possession order granted by the court.
- If you have a bankruptcy petition pending against you or are an undischarged bankrupt (or any person with whom you share the right to buy has such a petition pending against them or is an undischarged bankrupt).
- If you have made a composition or arrangement with creditors, the terms of which remain to be fulfilled (or any person with whom you share the right to buy has done so, the terms of which remain to be fulfilled).

Exceptions to the Right to Buy

There are certain exceptions to the Right to Buy that relate to the property, some examples of these are:

- a) Properties part of a sheltered-housing scheme for the elderly, the physically disabled, and the mentally ill or mentally disabled. Sheltered housing normally means that the property is part of a group of properties where a scheme manager service is provided, and where there is a common room for residents to use.
- b) Temporary houses and flats on land due to be developed
- c) Properties let on service tenancies
- d) Homes due to be demolished

Also any other category set out in Schedule 5 to the Housing Act 1985 (If you are in any doubt please contact us and we can advise if your property is excluded.)

Qualifying period for exercising the Right to Buy

The tenant applying (or in the case of a joint application, at least one of the tenants) must have a qualifying period of public sector tenancy which amounts to at least three years.

Where can I go for help or advice?

For friendly, impartial advice contact the Government's Right to Buy Agent service. Their advisers are available Monday to Friday, 8am to 6pm.

You can contact them by telephone on **0300 123 0913** or email them at **enquiry@righttobuyagent.co.uk**. For more information you can go to their website at **www.righttobuyagent.co.uk**

The procedure for claiming to exercise the Right to Buy

Getting a right to buy form

At first you will need to obtain a right to buy claim form. These are available from the Civic Centre (the address is at the end of this leaflet). If you are unable to get to the Civic Centre you can telephone the Council's Home Ownership Section on **01279 446424** and a form will be sent to you. If you have Internet access you can download a form from the Council's website on **www.harlow.gov.uk**

Help with completing your form

If you require any help completing the form or would like some guidance, please telephone the Home Ownership Section on **01279 446424**, who will be happy to help you over the telephone or make an appointment for you if you prefer to see someone personally.

If after reading the form and the information provided with it you would like to proceed, you must return the form to the Civic Centre reception where a receipt will be given (address at the end of this leaflet). Alternatively you can return it by post to Harlow Council, Home Ownership Section (address at the end of this leaflet).

Notice telling you whether you have the right to buy

We must respond to your claim with an RTB2. This is a notice telling you whether you have the right to buy (admission or denial). If we deny your claim, the reasons will be given on the form. The time limits that we must respond to you within are:

- Four weeks if your qualifying three year period is with Harlow Council
- Eight weeks if part of your qualifying three year period is with another landlord

How much discount will I get?

Houses start at 35 percent for 3-5 years tenancy and increase by 1 percent for every additional year over five years up to a maximum of 70 per cent.

Flats start at 50 percent for 3-5 years tenancy and increase by 2 percent for every additional year over five years up to a maximum of 70 per cent.

Please note: There is a maximum monetary amount of discount that you can receive irrespective of the number of years that you have been a tenant which is based on regions. For the Eastern region which Harlow comes under the maximum amount is £34,000.

Your discount will be less if the Council has spent money building or maintaining your home. We cannot sell it to you for less money than we have spent on it in the last 30 years. We will notify you in your Offer Notice if this is the case.

The Valuation

Once it has been established that you have the right to buy, we will arrange for your property to be valued. This will be carried out by an independent valuer. The property will be valued in its current condition and the valuation will be based on its market value at the date that we received your application.

Please note: We are unable to give informal valuations. If you wish to know what the valuation is likely to be you can check with local estate agents in the local press or on the internet. You can also check with the District Valuers Office by telephoning **01245 541256** or on their website at **www.voa.gov.uk**

It is your responsibility and decision as to whether to obtain a structural survey of your home before you purchase. If you are getting a mortgage, your lender will normally insist on this

Notice of purchase price (Section 125 Notice)

If it has been established that you have the right to buy and your property has been valued, we must send you a section 125 Offer Notice. This is the Notice that tells you the amount that you can purchase your property for, how much discount you are entitled to and whether there are any structural defects affecting your property or the block of which it forms part of. If your property is a flat, the notice will also give you an estimate of any service charge that will be payable to Harlow Council. It will also include sums for Council services that you must pay before you purchase. These items are landscaping within your estate and in small number of cases the road where you live if Essex County Council does not maintain it.

The timescales that we must respond to you with this notice are:

- 8 weeks from the date that we admit your claim (RTB2) if your property is a house (in the event that your claim is admitted) and
- 12 weeks from the date that we admit your claim (RTB2) if the property is a flat (in the event that the claim is admitted)

If you need to borrow the money to finance the purchase of your home, it is advisable to approach lenders before you proceed to accepting the offer of the property.

Your response (accepting or withdrawing)

Once you receive the Section 125 Notice you have twelve weeks to reply with your Notice of Intent to either:-

- Request a re-determination of the valuation
- Accept the offer given
- Withdraw your right to buy

What happens if I do not agree with the valuation?

If you do not agree with the valuation that the Council has given for your home, you can ask the District Valuer to give a determination of the valuation. You can do this by writing to the Council and requesting that the District Valuer determine the valuation of your home. You must write and request this within twelve weeks of the date on your Section 125 Notice.

The Council will write to the District Valuer and ask them to determine the valuation of your home. The District Valuer will ask the Council and you for evidence. The District Valuer will also make an appointment with you to look at your home. When the District Valuer has inspected your home and looked at all of the evidence that has been supplied, they will make a decision. They will write to you and the Council with the amount that they determine the value to be. You can appeal if you do not agree with their decision. The Council will then write and confirm the new valuation and amount that you can purchase the property for. You must then decide whether you want to proceed and accept or withdraw your right to buy.

What happens if I wish to withdraw?

If you do not wish to proceed at this point, you can withdraw your right to buy claim. This can be done in writing or if you do not respond within the twelve weeks with a Notice of Intention, we will send you a Landlords Notice in Default which will allow you a further twenty eight days. If you do not respond by the end of those twenty eight days, your right to buy will be withdrawn.

What happens if I accept?

If you accept the Council's Offer, it is recommended that you instruct a solicitor or licensed conveyancer to act on your behalf in the purchase (If the purchase is to be assisted by a mortgage, the Lender will normally be legally represented and frequently one legal representative acts for both purchaser and lender). You will need to ensure that appropriate arrangements are made. The Council will instruct its Legal Services Department to act on its behalf in the preparation and completion of the sale documents.

You will normally have at least three months from the date that you accept in which to complete the purchase. If you do not complete within three months, the Council will send you a First Notice to Complete, which will allow you a further fifty six days to complete your purchase.

If you do not respond within the fifty six days, the Council will send a Second Notice to Complete, allowing you a further fifty six days.

If you do not complete your purchase within this second fifty six days, your right to buy will be withdrawn.

What happens if I do not accept or withdraw?

If the Council does not hear anything from you within twelve weeks of you receiving the notice telling you the purchase price, a Landlords Notice of Default will be sent to you giving you twenty eight days to confirm in writing what your intentions are. If you do not respond to the Landlords Notice of Default, then your right to buy will be withdrawn.

What happens if there is a delay?

If you do not receive any of the paperwork within the time allowed or you think your right to buy is being delayed, you can serve an Initial Notice of Delay on the Council. This allows the Council one-month to send the paperwork to you.

An initial notice of delay form is called an RTB6 and can be obtained from the Civic Centre reception or the Council's Home Ownership Section.

If you do not receive the paperwork after the month and you have not received a notice from the Council explaining why your right to buy is being delayed, then you can serve an Operative Notice of Delay. This may allow you to have some rent deducted from the purchase price for the period of the delay. An Operative Notice of Delay is called an RTB8 and can be obtained from the Civic Centre or Home Ownership Section.

What happens when I sell my property?

If you are selling within ten years from when you purchased your property, you must offer the Council the first refusal to purchase your property back at a full open market value price.

You will have to repay some or all of the discount that you received if you sell within five years of purchasing your property. The amount of discount repayable will be based on the increase in the sale value of the property since the right to buy sale and will take into consideration any improvements you have made from when you purchased.

If you sell within the first year, you will have to repay the whole of the amount of the discount calculation.

If you sell within the second year, you will have to repay four fifths of the discount calculation.

If you sell within the third year, you will have to repay three fifths of the discount calculation.

If you sell within the fourth year, you will have to repay two fifths of the discount calculation.

If you sell within the fifth year, you will have repay one fifth of the discount calculation.

If you have carried out any improvements to your home within the five years, the amount of the improvements will be taken into consideration.

Making a decision whether to buy your home

You must make a decision before you purchase your home on whether you can afford your mortgage payments plus any other expenses that you have to pay in order to live.

Before you decide to go ahead and purchase your home you should be aware that initial costs are likely to be incurred. Some examples of these are:

- **Stamp duty** – This is a land tax that is paid when the price of the property is over a certain amount. You can obtain more information and the current rate at www.gov.uk/stampduty-land-tax/overview
- The fees and disbursements of the solicitor or licensed conveyancer acting on your behalf. These will include costs such as local authority searches and land registry searches.
- The fees and disbursements of any surveyor instructed by you (or any Lender) to carry out a survey of the property.
- Valuation fees and costs associated with taking out a mortgage (including the Lender's legal fees). Most lenders charge an administration fee.
- The Council will make a charge for a copy of any plans supplied.

You will also have to make regular payments when you become an owner. Some examples of these costs are:

- Mortgage or charge repayments on the property
- Buildings insurance, life assurance and mortgage protection cover
- Council tax
- Water, sewerage, gas, electricity, or other utility services
- Service charges and major works (if you are buying a flat)

It is important that you understand that failure to keep up your regular mortgage payments can result in you losing your home through repossession.

When you become a homeowner you are responsible for maintaining your home. This includes small repairs, major structural repairs and improvements. From the day that you complete your purchase the Council will no longer carry out repairs for you if the property you are buying is freehold.

Most houses are sold on a freehold basis, but if the home you live in is a maisonette or flat then they will generally be sold as leasehold.

If the property you are buying is a flat, the Lease will require you to pay service charges each year for the up keep of the block and pay a proportion of the cost of maintaining the block. The Council will carry out the maintenance to the block and structure, but recharge you for your proportion. In addition, you will normally be responsible for carrying out repairs within your flat.

The costs involved with major repairs to flat blocks can be very expensive. It is important to consider this before you go ahead, as these costs will be additional to any of the other costs already mentioned.

This leaflet is for information purposes only and further details can be obtained from the Home Ownership section on **01279 446424** or by writing to:

Contact Harlow

Civic Centre
The Water Gardens
Harlow, Essex
CM20 1WG
Tel. **01279 446655**

Contact Harlow
Opening times
9am to 4.45pm Monday to Friday
Closed Saturday and Sunday

Home Ownership Section

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The Water Gardens
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