Solihull Metropolitan Borough Council

Solihull Community Housing
Shaping our neighbourhoods

Right to Buy & Right to Acquire Policy

2025

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Date for Review	**March 2027 (or when legislation/good practice changes)**
Status	**Final**
Tenant Consultation	**Not Required**
Legal Advice Sought	**Not Required**
Author	**Darren Smith – Housing Services Manager**
Head of Service	**Carol Trappett – Head of Housing and Communities**
Accountable Director	**Darren Baggs – Director of Operations**

1 Policy Statement

1.1 The statutory Right to Buy scheme provides our customers with an opportunity to purchase their existing or another home with a discount after they have been a tenant for a certain period. The aim of this policy is to ensure that applications are assessed fairly, and homes are sold to qualifying customers within prescribed timescales according to the rules set out in the relevant legislation and/or guidance.

1.2 This policy has been developed to adhere to requirements as laid down by regulations and legislation in relation to the sale of property under Right to Buy and Right to Acquire.

2 Scope

2.1 Solihull Community Housing (SCH) manages and maintains council homes and delivers housing services on behalf of Solihull Metropolitan Borough Council (SMBC). Although SCH provides day-to-day housing services, the Council remains the owner of the housing stock and is your landlord. The Council retains the responsibility for ensuring your home is managed in line with the Consumer Standards.

2.2 This Policy applies to all customers who currently rent a home owned by Solihull Metropolitan Borough Council (SMBC) and managed by Solihull Community Housing (SCH)

2.3 This policy does not apply to those properties sold under Shared Ownership (subject to exception referred to in 2.2 above) and Rent to Buy.

2.4 Solihull Metropolitan Borough Council do not charge to apply for the Right to Buy in accordance with Right to Buy legislation. We will never contact an applicant requesting money or a deposit relating to their RTB application

3 Definitions

3.1 The generic term Right to Buy (RTB) is used in this policy document where the specific provisions apply to the Preserved Right to Buy (PRTB) and Right to Acquire (RTA).

3.2 The sale of property, to our existing customers under Right to Buy falls under one of the following three categories:

3.3 PRTB - enables qualifying tenants to buy their home at a discount. The scheme applies to most tenants who have held a secure public sector tenancy for at least three years. For this purpose, ‘public sector’ includes a council, housing association or other public sector tenancy. A customer who is eligible for the PRTB would not qualify for RTA.

3.4 The activities and responsibilities for administering the RTB scheme are detailed in the Service Level Agreement (SLA) for RTB and Leasehold Management between SMBC and SCH.

3.5 RTA - allows most housing association tenants to buy their home at a discount. A customer who moved into an eligible property after 10 December 2007 may qualify for the RTA once they have held the tenancy for at least three years and applies to the following eligible properties:

- Built or bought by a housing association after 31 March 1997 and funded through social housing grant (SHG) provided by the HCA (or Housing Corporation) or a local council.
- Transferred from a local council to a housing association after 31 March 1997

3.6 SMBC legal services will act for the Council in the processing of RTB sales once a s125 offer has been accepted. Tenants must appoint their own solicitor or a licensed conveyancer to look after the legal side of buying a property and it is also the tenant's responsibility to seek specialist advice/arranging surveys for purchasing their home. Further details are provided within the SLA for RTB and Leasehold Management.

4 Policy Principles Eligibility criteria

4.1 These are general eligibility requirements for RTB which are as follows:

- The property is the customers only or principal home.
- The property is a self-contained accommodation with no shared facilities, for example kitchen and/or bathroom.
- There is no court order which requires the customer to vacate their home for breach of tenancy conditions.
- The customer is not an undischarged bankrupt or is not being declared bankrupt.
- The customer does not owe money to us or other specified creditors.
- They hold a joint tenancy with someone who is eligible.
- They have succeeded to or have been assigned a tenancy held by a member of their family who were eligible.
- They were granted the tenancy under family law and/or matrimonial legislation and the person who previously help the tenancy was eligible.
- They are one of up to three qualifying family members that can join he tenant in buying their home, subject to being able to provide proof that they have lived at the property for at least 12 months prior to the application.

4.2 Joint tenant applications

- Where the tenancy is in joint names, both tenants must be named and sign the RTB application form regardless of whether they wish to join in the purchase or not.

  If you have not joined the purchase when the Right to Buy is completed, your tenancy will end so you will lose all rights to the property. You should seek legal advice before this happens.

4.4 **Non-tenant applications**

Certain family members have the right to join an application to buy the property, even if they are not a tenant.

All non-tenant applicants must:

- be either the tenant's spouse, civil partner, parent, grandparent, child, grandchild, brother, sister, uncle, aunt, nephew or niece
- live at the property as their only or main home
- provide proof that they have been living at the property for 12 months before the date of the application

Local Sales policy – exclusions

4.5 Under PRTB and RTA the following homes are excluded from sale under statutory provisions:

Exclusions, subject to the property meeting the criteria set out in Government legislation.

Elderly person dwellings
Dwelling houses for persons of a pensionable age
Dwelling for disabled persons
Dwelling for people suffering mental disorders
Defective dwellings
Property scheduled for demolition
Properties with rural restrictions

Discount applicable

4.6 The amount of discount will depend on the market value of the home and how long a qualifying customer has been a customer. Where a joint application is made the qualifying period for discount purposes will be based on the customer who has the longer period of tenancy. The discounts published below are accurate at the time of policy publication. Subsequent changes by Government are available by visiting the gov.uk website at: Right to Buy: buying your council home: Discounts - GOV.UK

4.7 For the PRTB the discount will be prescribed by legislation and/or Government regulations.

4.8 Under the RTA a fixed discount or grant, with the actual amount being prescribed by the relevant legislation will be deducted from the open market value. The maximum grant under the RTA is dependent on the geographical area where the property is located.

4.9 Any discount that a customer may have received in buying a home under any RTB scheme in the past will be deducted from the current discount entitlement when applying to buy their current home.

Houses

You get a 35% discount if you've been a public sector tenant for between 3 and 5 years.

After 5 years, the discount goes up 1% for every extra year you've been a public sector tenant up to the maximum discount amount.

Flats

You get a 50% discount if you've been a public sector tenant for between 3 and 5 years.

After 5 years, the discount goes up 2% for every extra year you've been a public sector tenant, up to the maximum discount amount.

Maximum discount

The maximum discount you can get is whichever is lower:

70% of the value of your property

The maximum discount for your region:

Region	Maximum discount	Exceptions
North East	£22,000	Not applicable
North West	£26,000	Not applicable
Yorkshire and the Humber	£24,000	Not applicable
East Midlands	£24,000	Not applicable
West Midlands	£26,000	Not applicable
Eastern	£34,000	£16,000 in the district of Watford

South East	£38,000	£16,000 in the areas of Reading Borough and West Berkshire, Hart District, Oxford and Vale of the White
		Horse District, the boroughs of Tonbridge and Malling, Epsom and Ewell, and Reigate and Banstead
South West	£30,000	Not applicable
London	£16,000	£38,000 in the boroughs of Barking and Dagenham and Havering

If you applied to buy your home before **21 November 2024**

The maximum discount you can get is whichever of the following is lower:

- 70% of the value of your property
- £136,400 if your home is in a London borough
- £102,400 if your home is outside London

If we have spent money on your home

Your discount will be less if we have spent money building or maintaining your home:

- in the last 10 years - if your landlord built or acquired your home before 2 April 2012
- in the last 15 years - if you're buying your home through Preserved Right to Buy, or if your landlord acquired your home after 2 April 2012

Repayment of discount

4.10 If a home purchased under the RTB is sold within the first five years, there will be a liability to repay a percentage of the discount received as set out in the following table:

Year	% discount
1	100
2	80
3	60
4	40
5	20

Postponement of charge

4.11 A legal charge protecting Solihull MBC right to repayment of discount on an early sale, will be registered at the Land Registry on completion of the sale. Any mortgage taken out by the customer will take priority as the first charge as long as this is obtained from an Approved Lending Institution – this is known as 'Postponement of Charge'.

4.12 An approved lender is a bank, building society, insurance company or other lender that is regulated by the Financial Conduct Authority (FCA).

Right of first refusal

4.13 If a property is sold under the RTB within the first ten years after it was purchased it must first be offered to SMBC before it can be sold on the open market. There is a period of eight weeks in which to accept the offer. Each individual request to 'buy-back' a property which was previously sold under the RTB will be dealt with on a case-by-case basis. SCH will act on behalf of SMBC in dealing with any request for buy-back.

Repairs and maintenance

4.14 SCH will only carry out essential repairs and maintenance to a house or bungalow where there is a 'live' RTB application. For this purpose, 'essential repairs' are defined as those which are necessary to maintain the health and safety of the customer, their family, neighbours, or visitors. The property would also be excluded from certain planned works and/or improvement programmes.

4.15 Where a RTB application has been submitted in respect of a flat, the block in which it is located may still be included in any repairs or improvements programme, typically to the external structure or communal areas, whilst it remains 'live'. If the flat is purchased before completion of any planned works, the customer as the new homeowner would be liable for an apportioned cost of the works. Details of such repairs and improvements with a breakdown of associated costs over the next five years to be provided to the customer in the Offer Notice.

As with houses and bungalows, we would exclude flats from certain other types of repairs and/or improvement programmes, typically where these involve works to the inside of the home.

4.16 If a RTB application is withdrawn then the normal repairs and maintenance service will resume.

5. Performance Standards

The performance standards that SCH aim to achieve for processing RTB applications are:

To issue the RTB2 form (notifying tenants whether their application has been accepted, denied, or partly denied) within 4 weeks of receiving the RTB1 form (eight weeks if the two-year qualifying period needs to be confirmed by another Public Sector Landlord).

To issue offer notices within 8 weeks of issuing form RTB2 for a house (12 weeks for a flat or maisonette).

To submit a counter notice within 4 weeks of receipt of form RTB6 (from tenant giving initial notice of delay) explaining the reasons for the delay.

If no reply has been received to the offer letter after 12 weeks a reminder will be sent to tenants by SCH giving them another 28 days to respond. If there is still no response, the application will be cancelled, and a letter sent confirming that the case has been cancelled advising the tenant they may re-apply in the future.

Following the acceptance of a S125 offer SCH will send the RTB application to Solihull MBC Audit Services to conduct obligatory Anti-Money Laundering checks prior to the Council's Legal Services team being instructed for the final stages of completion.

(a) when 12 weeks have elapsed from the original date of offer, or
(b) when 16 weeks have elapsed from the original date of offer if SCH have served a 28-day reminder letter.

This notice gives the applicant's solicitor 56 days to make contact and complete the RTB purchase.

If there is no reply, a second final notice is sent giving a further 56 days after which the offer will be withdrawn.

For extenuating circumstances an additional period of 28 days will be allowed at any stage of the process.

To protect tenants from unreliable finance companies, SCH forward all RTB documentation directly to the tenants address only. There is no charge for the RTB service provided by SCH.

6. Discount Waiver

Certain sales may be exempt from the repayment of the discount depending upon the circumstances. Any request made to waiver RTB discount will be subject to Solihull MBC's Use of Discretionary Powers on Repayment of Discount Policy.

7. Redress

Any tenant who has a complaint about the services provided by SCH under RTB should navigate to the following government website.
https://www.ownyourhome.gov.uk/scheme/right-to-buy/applying/dealing-with-delays/
RTB complaints fall outside of the SCH Complaints Procedure.

8. Equality and Diversity

There are no specific quality and diversity implications for this policy, although SCH will monitor the effectiveness and implications of this policy to ensure that statutory requirements are met and that all RTB/RTA applicants are treated equitably and fairly.

We are committed to equality and to ensuring that our services are accessible, appropriate, and fair.

Our commitment is underlined by a concordat (agreement) between several partner organisations and us. We hope the agreement will promote equality and quality of life within the borough of Solihull.

We use phone interpretation services and use Type Talk. These services help us to communicate with customers who do not speak English as a first language or who have hearing or speech difficulties.

If you need information in another language or format, please contact us.

9. Review

9.1 This Policy will be reviewed every three years or in line with changes in legislation, whichever is the sooner, updates or recommendations for changes will be presented to the Board/Council/Cabinet for approval.

Associated Policies	Associated Procedures
Fraud Prevention	RTB procedure
Tenancy Fraud Policy	Use of Discretionary Powers on Repayment of Discount Policy
Use of Discretionary Powers on Repayment of Discount Policy	
Complaint Policy	

Legislation

- The Right to Buy scheme is governed by the Housing Act 1985 as amended (Sections 121AA and 121B of the Act, and Statutory Instrument 2005/1735)

- The Housing (Right to Acquire) Regulations 1997

Policy updated March 20