

Contact: Customer Contact Team
Telephone: 020 8080 6587
Email: TalkToUs@barnethomes.org
Reference: LHS/RTB/Enq

Dear tenant,

Right to Buy

Thank you for your Right to Buy enquiry. Please find enclosed an information pack which includes a RTB1 Right to Buy application form, an additional information form, an advice leaflet and a booklet explaining the process of buying your council home.

We can only accept the original completed application form through the post. Please do not return your completed application form via email as this will delay your application.

You should note that you must currently be a secure tenant and also have been a tenant in the public sector (council or housing association) for at least three years to qualify to buy your council home.

The maximum discount you may receive towards the value of your council home is now linked to the Consumer Price Index and is currently £127,900. The discount is calculated according to the following rates:

- 3 years - 35% discount for a house and 50% for a flat
- 4 years - 35% discount for a house and 50% for a flat
- 5 years - 35% discount for a house and 50% for a flat
- 6 years plus - 35% discount for a house and 50% for a flat **plus 1%** per annum for a house, and 2% per annum for flats (up to a maximum of 70% or the cash maximum – currently £127,900, whichever is lower)

As a guide to the possible value of your home, I have listed overleaf a range of recent Council property values in the borough of Barnet. These are listed by area, postcode, type of property and number of bedrooms. Please note that these values are based on 2019 figures available to us and that property prices have generally increased in all areas.

If you would like any further advice, please call 020 8080 6587 or email TalkToUs@barnethomes.org

barnethomes.org

Guideline Prices (updated May 2019)

(Please note: These prices are only a guide. Factors such as condition, age and the square footage of the property can lead to a considerable variance in the valuation)

Post code area	Property type	No. Beds	Ave market value
Barnet EN5	Flat	1	£240,000
Barnet EN5	Flat	2	£310,000
Barnet EN5	House	3	£400,000
Barnet EN4	House	2	£410,000
Barnet EN4	House	3	£545,000
Barnet EN4	Flat	2	£325,000
Muswell Hill N10	House	2	£500,000
Muswell Hill N10	House	3	£495,000
Muswell Hill N10	Flat	1	£275,000
Muswell Hill N10	Flat	2	£312,000
North Finchley N12	House	2	£455,000
North Finchley N12	House	3	£475,000
North Finchley N12	Flat	1	£350,000
North Finchley N12	Flat	2	£390,000
East Finchley N2	Flat	1	£250,000
East Finchley N2	Flat	2	£317,000
Hendon NW4	House	3	£415,000
Hendon NW4	Maisonette	3	£350,000
Hendon NW4	Flat	1	£245,000
Hendon NW4	Flat	2	£295,000
Childs Hill NW2	Flat	1	£244,000
Childs Hill NW2	Flat	2	£320,000
Whetstone N20	Flat	1	£230,000
Whetstone N20	Flat	2	£323,000
Whetstone N20	House	3	£550,000
Edgware HA8	House	2	£318,000
Mill Hill NW7	Flat	2	£380,000
Colindale NW9	Flat	1	£260,000
Colindale NW9	Maisonette	3	£343,000
Golders Green NW11	Flat	2	£385,000
New Southgate N11	Flat	1	£250,000
New Southgate N11	Flat	2	£350,000



Department for
Communities and
Local Government

Notice claiming the Right to Buy (RTB1 form)

Please use this form if you are a council or housing association tenant and wish to purchase your home under the Right to Buy or Preserved Right to Buy schemes.

You could be eligible for a Right to Buy discount if:

- ✓ You are a council tenant OR you were a council tenant and were living in your home when it was transferred to your current housing association landlord
- ✓ The property is your only or main home
- ✓ You have been a public sector tenant (usually a tenant of a council or a housing association) for at least 5 years
- ✓ You don't live in sheltered housing or other housing particularly suitable for elderly or disabled people
- ✓ Your home is not due to be demolished
- ✓ You don't have any legal problems with debt
- ✓ You don't have any outstanding possession orders

If you can answer 'yes' to these statements, you are probably eligible but your landlord will need to confirm this.

Remember, buying your home is a big decision. If you haven't done so already, you should get impartial financial and legal advice before buying. **You can get free information and advice from:**

- Your landlord
- The Government's Right to Buy website: www.communities.gov.uk/righttobuy and helpline: 0300 123 0913
- The Government's booklets – *Want to make your home your own?* and *Your Right to Buy your Home*
- For legal matters contact your local Citizens Advice Bureau: www.citizensadvice.org.uk
- For budgeting and financial advice, contact the Money Advice Service: 0300 500 5000; www.moneyadviceservice.org.uk

When you have completed this form, take it or send it by recorded delivery to your landlord. If you take it by hand, ask for a receipt. You should keep a copy of the completed form.

Part A: The property

Note:

You can only claim the Right to Buy discount if you are a tenant of this property.

Give the following details:

Address of the property you wish to buy
(including postcode)

Name of your landlord

--

Please turn the page

Part B: The tenant(s) and family member(s) wishing to share the Right to Buy

Notes:

Tenant

1. You have the right to be a tenant if your name appears on the tenancy agreement, rent book or rent card. If you are unsure whether you are a tenant, you should check with your landlord.
2. You can only claim the Right to Buy if the property is your 'only or main home'. If you are applying to buy jointly with other tenants, only one of you needs to live in the property as your 'only or main home'.
3. The agreement of any tenant who does not wish to buy must be obtained before you claim the Right to Buy. They should sign Part F of this notice. Their tenancy will end when you buy the property.

Family member

1. You may share the Right to Buy with up to three family members over the age of 18. They must be a spouse, civil partner or wider family member, but do not have to be tenants themselves. Wider family members must have also lived in the property as their main home for at least the last 12 months.
2. If you are unsure whether someone qualifies as a family member for this purpose, you should check with your landlord. You can ask your landlord to allow family members who haven't lived with you for 12 months to buy with you, but they do not have to agree to this.

Fill in the table below for each tenant of the property, and then for any family member(s) who are not tenants but wish to share the Right to Buy with you.

	Title	Full name	Do they wish to buy (Y/N)?	Only/ main home (Y/N)
Tenant 1				
Tenant 2				
Tenant 3				

	Title	Full name	Have they lived in this property for the last 12 months (Y/N)?	Do they wish to buy (Y/N)?	Relationship to tenant (son, etc)	Only/ main home (Y/N)
Family member 1						
Family member 2						
Family member 3						

Part C: Qualification and discount

Note:

You must have been a public sector tenant for at least five years to qualify to buy your home at a discount.

You do not need to have spent the full five years in your present home or with your present landlord. In some circumstances periods which another person (such as your husband, wife or civil partner) has spent as a public sector tenant or armed forces occupier can count towards your qualifying period.

The longer you have been a tenant, the bigger the discount you could be eligible for. Maximum discount levels apply. For details of the current discount levels, please go to www.communities.gov.uk/righttobuy.

Please give details of:

- Your current tenancy
- Previous tenancies
- Previous tenancies of your **spouse/civil partner**
- Previous tenancies of your spouse/civil partner's **ex-partner** (if they were married at the time or if they were living together at the time of death)
- If you are claiming a tenancy that was not in your name please tell us your relationship to the tenant of that address
- You should also sign the '**Authority to Disclose**' form if you are claiming a previous tenancy with a different landlord so that we can confirm the details.

Current tenancy

Property address (including postcode)		
Name of tenant 1		
Name of tenant 2		
Name of tenant 3		
Date tenancy started (MM/YYYY)		
Have you ever been known by any other name?	<div><input type="checkbox"/> Yes <input type="checkbox"/> No</div> <p>(Please circle)</p>	If 'yes' – give details

Previous tenancy details

Name of tenant	
Landlord of the property (e.g. name of council/housing association)	
Property address (including postcode)	
Enter date tenancy started (MM/YYYY)	
Enter date tenancy ended (MM/YYYY)	

Previous tenancy details

Name of tenant	
Landlord of the property (e.g. name of council/housing association)	
Property address (including postcode)	
Enter date tenancy started (MM/YYYY)	
Enter date tenancy ended (MM/YYYY)	

Previous tenancy details

Name of tenant	
Landlord of the property (e.g. name of council/housing association)	
Property address (including postcode)	
Enter date tenancy started (MM/YYYY)	
Enter date tenancy ended (MM/YYYY)	

Previous tenancy details

Name of tenant	
Landlord of the property (e.g. name of council/housing association)	
Property address (including postcode)	
Enter date tenancy started (MM/YYYY)	
Enter date tenancy ended (MM/YYYY)	

Previous tenancy details

Name of tenant	
Landlord of the property (e.g. name of council/housing association)	
Property address (including postcode)	
Enter date tenancy started (MM/YYYY)	
Enter date tenancy ended (MM/YYYY)	

Previous tenancy details

Name of tenant	
Landlord of the property (e.g. name of council/housing association)	
Property address (including postcode)	
Enter date tenancy started (MM/YYYY)	
Enter date tenancy ended (MM/YYYY)	

Please turn the page

Authority to disclose

Please complete this form if you have claimed any tenancy with another landlord. It will help us to process your application more quickly.

Name(s):

Address:

Postcode:

Date (DD/MM/YYYY):

I have provided details of all previous tenancies in my application form for the Right to Buy (RTB1) and I give consent for my landlord to request and receive any information relating to any previous tenancy I have claimed towards my qualification criteria and discount entitlement for the Right to Buy.

All tenants must sign this form, even if they aren't joining in the Right to Buy

Tenants' signatures:

Signed (Tenant 1):

Signed (Tenant 2):

Signed (Tenant 3):

Family members' signatures:

Signed (Family member 1):

Signed (Family member 2):

Signed (Family member 3):

Part D: Previous discount

Note:

You may get a lower discount if you purchased through Right to Buy on another home (or a different government scheme). The amount of your previous discount, less any amount repaid, will be taken into account when determining the discount value for your current purchase.

Give details below of any previous purchase, at a discount, from a public sector landlord (see the list of public sector landlords at the end of this form) which you or your husband, wife or civil partner, or deceased husband, wife or civil partner, have made. If you are making a joint application, provide details in relation to each purchaser.

Address of the property
(including postcode)

Name of your landlord

--

Date of purchase
(MM/YYYY)

--

Name of purchaser(s)

--

Have you ever repaid any of the discount given?

☐ Yes

☐ No

(Please circle)

If 'Yes', how much?

--

When?

--

Address of the property
(including postcode)

Name of your landlord

--

Date of purchase
(MM/YYYY)

--

Name of purchaser(s)

--

Have you ever repaid any of the discount given?

☐ Yes

☐ No

(Please circle)

If 'Yes', how much?

--

When?

--

Part E: Tenants' improvements

Note:

When the property is valued, any improvements which you have made will not be included in the valuation. You should use this application form to give details of any improvements you have made which you think may affect the valuation. This could include central heating, double glazing, a fitted kitchen or a new bathroom suite.

The value of improvements will also be ignored where they were carried out by either:

- your predecessor in the same tenancy (including an introductory tenancy at the start of the tenancy); or
- a family member who was a secure or introductory tenant of the property immediately before you under a different tenancy.

Give the following details of any tenants' improvements to the property (tick those that apply):

General decoration	<input type="checkbox"/>	Give details:
Flooring	<input type="checkbox"/>	Give details:
Kitchen fittings	<input type="checkbox"/>	Give details:
Bathroom fittings	<input type="checkbox"/>	Give details:
Garden landscaping	<input type="checkbox"/>	Give details:
Other?	<input type="checkbox"/>	Give details:

Part F: Signatures

To the best of my/our knowledge and belief the information that has been provided on this form is true, complete and correct. I/we understand it is used in determining my/our eligibility for the Right to Buy.

I/we understand that if I/we give false or misleading information or I/we omit information for the purpose of gaining the Right to Buy, it may be regarded as a criminal offence and action could be taken against me/us including court action and the recovery of property.

Tenant 1:

Signature

Full name

Date of birth

Date (DD/MM/YYYY)

Phone number

Email address (optional):

Tenant 2:

Signature

Full name

Date of birth

Date (DD/MM/YYYY)

Phone number

Email address (optional):

Tenant 3:

Signature

Full name

Date of birth

Date (DD/MM/YYYY)

Phone number

Email address (optional):

Tenant(s) not wishing to buy:

Note:
Your tenancy will end if the purchase goes ahead.

Signature

Full name

Date of birth

Date (DD/MM/YYYY)

Signature

Full name

Date of birth

Date (DD/MM/YYYY)

Family member 1 (who is not a tenant but is sharing the Right to Buy):

Signature

Full name

Date of birth

Date (DD/MM/YYYY)

Family member 2 (who is not a tenant but is sharing the Right to Buy):

Signature

Full name

Date of birth

Date (DD/MM/YYYY)

Family member 3 (who is not a tenant but is sharing the Right to Buy):

Signature

Full name

Date of birth

Date (DD/MM/YYYY)

Before you send your form to your landlord

Before you send this application form to your landlord, make a copy and check that you have completed the following:

☐ The full address of the property you want to buy (make sure you have included the area where you live and the full postcode).

☐ The name of your landlord e.g. Nottingham City Council.

☐ The full names of everyone listed on your tenancy agreement/rent book (e.g. RICK SMITH would probably be RICHARD JAMES SMITH). Make sure you tick the boxes to say whether the property is each tenant's only or principal property, and if they wish to buy. On joint tenancies, not all tenants may wish to buy.

☐ The full names of any family members who wish to share the Right to Buy with you. They must be a family member, spouse or civil partner. They must have lived in the property as their main home for at least the last 12 months. They must be over 18.

☐ Details of your current and previous public sector tenancies. Make sure you have completed dates, names of tenants, addresses and name of landlord for your tenancies, those of your spouse/civil partner, those of your former spouse/civil partner who you have divorced or who has died, parents who previously held the tenancy.

☐ Details of any discount previously received under the Right to Buy or other government home ownership schemes, for example Right to Acquire. You do not need to give details of applications, only purchases.

☐ Details of any improvements you have made to the property. The improvements may have increased the value of the property. If you disclose them in your application, the value of the improvements will not be included in the valuation of the property so you don't pay twice.

☐ Signatures of everyone listed on your tenancy agreement/rent book and any family members who wish to share the Right to Buy with you. Make sure all tenants sign in the correct place.

☐ **Have YOU signed the form (Part F)?**

STOP – HAVE YOU CHECKED YOU HAVE INCLUDED ALL THE INFORMATION on page 12?

What happens next?

Tear this section off and use to keep a note of important dates and information as you go through the process

Please fill this in as you go along:

1. **Now you have completed your application, make a copy and take or send it by recorded delivery to your landlord. If you take it in person, don't forget to get a receipt.**

Did you get a receipt? Receipt date and number:

2. **Landlord confirms if you are eligible (RTB 2 form) – your landlord has up to 4 weeks from receipt of your application to reply confirming whether you have the Right to Buy, or 8 weeks if you have been with your current landlord for less than 5 years. My landlord should confirm or deny my eligibility by:**

3. **Receive an offer – your landlord has to send your offer notice within a specific time from the date you receive your RTB2 confirming your eligibility. This is within 8 weeks where your home is freehold (usually houses or bungalows); or within 12 weeks where it is leasehold (usually flats or maisonettes).**

I should receive my offer notice by:

This offer notice, which is known as a s125 notice, sets out:

- The landlord's valuation of your property*, your discount, the price you'll pay.
- Any structural problems the landlord knows about.
- Any terms and conditions of the purchase.
- *For leasehold properties only*, the s125 offer notice will also include an estimate of the service charges that you will need to pay over the next 5 years.

* If you are not happy with your landlord's valuation you have the right to ask for an independent valuation by a District Valuer.

4. **Decide if you want to go ahead with your Right to Buy – you have up to 12 weeks to accept your landlord's offer. It's during this time that you'll need to arrange a mortgage or loan if you need one, get a survey and hire a solicitor. Get independent financial and legal advice (if you haven't already done so) and check you understand all the costs before you sign anything. I need to respond to my landlord's offer by:**

5. **Complete the purchase – Once you're happy with your landlord's terms and have arranged how you will pay for your home, carry on and complete your purchase.**

It's usually during this time that you pay your stamp duty (if applicable) and finalise and sign the paperwork. Your solicitor will advise you and help with arrangements for these final stages of the process.

I could be a homeowner on:



Public sector landlords (see Parts C and D)

Community councils
Local Authorities
New town corporations
Parish councils
Urban development corporations

Housing Action Trusts
Registered social landlords (but not co-operative housing associations)

Government departments
Ministers of the Crown
Secretary of State (in some circumstances)

Area electricity boards
Fire and rescue authorities
Internal drainage boards
National Health Service trusts and foundation trusts
Passenger transport executives
Police authorities
Water authorities

AFRC Institute for Grassland and Animal Production
Agricultural and Food Research Council
British Airports Authority
British Broadcasting Corporation
British Coal Corporation
British Gas Corporation
British Railways Board
British Steel Corporation
British Waterways Board
Central Electricity Generating Board
Church Commissioners
Civil Aviation Authority
Coal Authority
Electricity Council
English Sports Council
Environment Agency
Historic Buildings and Monuments Commission for England
Housing Corporation
Lake District Special Planning Board
Lee Valley Regional Park Authority
Medical Research Council
National Bus Company
Natural England (in some circumstances)
Natural Environment Research Council
Peak Park Joint Planning Board
Post Office
Science and Engineering Research Council
Sports Council
Transport for London

Trinity House (in some circumstances)
United Kingdom Atomic Energy Authority
United Kingdom Sports Council

In Wales:

Countryside Council for Wales
National Assembly for Wales (in some circumstances)
National Library of Wales
National Museum of Wales
Sports Council for Wales

In Scotland:

Councils
Development corporations
Housing associations (in some circumstances)
Water authorities
Commissioners of Northern Lighthouses
Highlands and Islands Enterprise
North of Scotland Hydro-Electric Board
Scottish Homes
Scottish Natural Heritage
Scottish Sports Council
South of Scotland Electricity Board

In Northern Ireland:

District councils
Education and Library Boards
Registered housing associations
Fire Authority for Northern Ireland
Northern Ireland Electricity Service
Northern Ireland Housing Executive
Northern Ireland Policing Board
Northern Ireland Transport Holding Company
Sports Council for Northern Ireland

In respect of housing co-operative agreements

In England and Wales, a local housing authority, new town corporation, or the Development Board for Rural Wales.

In Scotland, a local housing authority.

And any predecessor of these landlords.

Barnet Homes

www.barnethomes.org

Right to Buy Additional Information Form

This form should be completed in full and returned with your RTB1 Right to Buy application form.

Important: Please do not leave any section blank, if the question does not apply to you enter '*not applicable*' or '*n/a*'.

You could be eligible for the Right to Buy discount if: -

- ✓ You are a council tenant OR you were a housing association tenant and were living in your home when it was transferred to Barnet Council
- ✓ The property is your only and principal home
- ✓ You have been a public sector tenant (usually a tenant of a council or a housing association) for at least 3 years
- ✓ You do not live in sheltered housing or other housing that is particularly suitable or intended for elderly or disabled people
- ✓ You are not involved in any debt related legal matters
- ✓ You do not have any outstanding possession orders
- ✓ Your home is not part of a regeneration scheme where demolition notices have been served

If you can answer 'yes' to the above statements, you probably qualify for the right to buy your home but Barnet Homes will assess your application and confirm that this is the case.

Before returning this form to Barnet Homes please ensure that you have provided the following information in full (please enter '*not applicable*' or '*n/a*' in fields that do not apply): -

1. The address of the property you want to buy
2. The areas of the property you currently use and its location in relationship to the property
3. The full names of everyone listed on your tenancy agreement who wishes to share the Right to Buy with you
4. The full names of any family members who wish to share the Right to Buy with you (please note they must be over 18 years of age and have lived in the property as their only or principal residence for the past 12 months)
5. Details of any discount you or anyone wishing to share the Right to Buy with you has received previously under the Right to Buy or any other government home purchase scheme
6. Details of any property or land in the UK or abroad that you own or have a financial interest in
7. Details of how you intend to fund the purchase of the property
8. Details of any bankruptcy whether dissolved or not
9. Details of arrangements you have with creditors (people or companies that you owe money to)
10. Confirmation in the form of your signature that to the best of your knowledge: -
 - ✓ the information you have provided is complete and correct
 - ✓ that you understand it will be used to determine your eligibility for the right to buy
 - ✓ that you understand that if you give false or misleading information it may be regarded as a criminal offence and treated as such.

Failure to complete this form in full may delay your application

Part A: Property address and the details of the property you wish to buy

Please use this section to provide details of the property you wish to exercise the Right to Buy.

Property Address	
Address	
Post Code	

Property details					
Is your property a House/ Flat/ maisonette	House	Flat	Maisonette		
How bedrooms does your property have?					
If a flat/ maisonette on which floor is your front entrance door.					
If a flat/ maisonette what floor or floors is your property on?	Ground	First	Second	Other/ please specify	
If a flat/ maisonette where is your property located in the building?					
Do you have the use of a store?	Yes/No	If yes, please confirm how many stores/ sheds you use			
Please confirm the location of all stores/ sheds used.					
Do you have the use of a garden or gardens?	Yes/No	If yes, please confirm location of garden or gardens.			

Part B: Your details and the details of any other person wishing to share the application with you

Please use this section to provide details of each person wishing to share the Right to Buy.

Tenant 1			
Surname		Title	
First names (all)			
Gender (Male/ female)		Date of birth	
National insurance no.			
Your current address			
Day time phone no.		Mobile phone no.	
Email address			
Any other name you have ever been known by			

Tenant 2			
Surname		Title	
First names (all)			
Gender (Male/ female)		Date of birth	
National insurance no.			
Your current address			
Day time phone no.		Mobile phone no.	
Email address			
Any other name you have ever been known by			

Family member 1 (wishing to share the right to buy)			
Surname		Title	
First names (all)			
Gender (Male/ female)		Date of birth	
National insurance no.			
Your current address			
Day time phone no.		Mobile phone no.	
Email address			
Any other name you have ever been known by			
Relationship to main applicant			

Family member 2 (wishing to share the right to buy)			
Surname		Title	
First names (all)			
Gender (Male/ female)		Date of birth	
National insurance no.			
Your current address			
Day time phone no.		Mobile phone no.	
Email address			
Any other name you have ever been known by			
Relationship to main applicant			

Family member 3 (wishing to share the right to buy)			
Surname		Title	
First names (all)			
Gender (Male/ female)		Date of birth	
National insurance no.			
Your current address			
Day time phone no.		Mobile phone no.	
Email address			
Any other name you have ever been known by			
Relationship to main applicant			

Part C: Other properties and tenancies

1. Other properties

If any of the applicants own or have a financial interest in land or a residential property in the UK or abroad please complete this section

Name of applicant	Address of the property

2. Previous right to buy applications/purchases

If any of the applicants have ever purchased a local authority property through the right to buy scheme please complete this section

Name of applicant	Address of the property

3. Other tenancies or joint tenancies

If any of the applicants hold another tenancy or joint tenancy anywhere in the UK
please complete this section

Name of applicant	Address of the property

4. Please state briefly below how you intend to fund your purchase of the property (i.e. by obtaining a mortgage)

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5. Sub-letting

Please indicate if you intend to sub-let the property once you have purchased it.

(Delete as appropriate)

Yes. I intend to sub-let the property

No. I intend to live in the property

Part C: Debts and court orders

1. Bankruptcy

If any of the applicants are currently bankrupt, have a bankruptcy pending or have ever been declared bankrupt please give details below.

Name of applicant	
Details of bankruptcy	

2. Debts

If any of the applicants have arrangement with any creditors (people or companies to whom they owe money) please complete this section.

Name of applicant	Creditor Details

Part D: Applicants signatures

Signatures

All applicants to the Right to Buy must sign and date the section below to confirm that the information provided is true, complete and accurate.

I/We confirm that:

1. I/We grant Barnet Council permission to make any enquiries needed to confirm the information given on this form.
2. I/We have provided details of all previous tenancies in my application form for the Right to Buy and I/we give consent for Barnet Council to request and receive any information relating to any previous tenancy I/we have claimed towards my/our qualification criteria and discount entitlement for the Right to Buy.
3. To the best of my/our knowledge and belief the information that has been provided on this form is true, complete and correct. I/we understand it is used in determining my/our eligibility for the Right to Buy.
4. I/We also understand that if I/we give false or misleading information or I/we omit information for the purpose of gaining the Right to Buy, it may be regarded as a criminal offence and action could be taken against me/us including court action and the recovery of property.

Applicants name	Signature	Date

PROTECTING YOUR PERSONAL INFORMATION - The information supplied on this form will be stored on our computer systems and will be subject to the provisions of the Data Protection Act 1998. This authority is under a duty to protect the public funds in administers and to this end may use the information you have provided on this form within this authority for the prevention and detection of fraud. It may also share this information with other bodies administering public funds solely for this purpose.

RIGHT TO BUY – ADVICE TO APPLICANTS PLEASE READ AND KEEP THESE NOTES

1. What do I need to remember when I fill in the RTBI form?

- All sections should be completed as directed on the form. Please be sure that you just put yourself and any other tenants in Part B, not your spouse and family members.
- If you ask to share the right to buy with members of your family we will check whether they have the right to join in the purchase.
- Children under 18 cannot have a legal interest in property and should not be included.
- A daytime telephone number on your form will help us to resolve queries and make appointments.
- Include all public sector tenancies; especially tenancies with another landlord

2. What evidence of my tenancies will you need?

- We will confirm details of all tenancies you enter by checking our records and writing to other landlords, where necessary.
- We will ask you for evidence, if the records are incomplete.

3. What do Leasehold Services do after I send in my RTB1?

A. In the first 4 weeks

- We acknowledge receipt of your application.
- We send a blue RTB2 form stating whether or not you have the right to buy.
- If you have the right to buy and you live in a house, we ask the Valuer to contact you to value the property.
- If you have the right to buy and you live in a flat or maisonette we ask for a survey report on the building. We do not contact the Valuer until we have a survey report.

B. During the next 8 weeks (houses)

- When we receive the valuation, we send you a priced offer notice and other information.

C. During the next 12 weeks (flats & maisonettes)

- When we have the survey report, we send information to the Valuer, who arranges to call and value the property.
- When we have the valuation, we send you a priced offer notice with estimated service charges and other information

The Valuer and Surveyor are employed by either the Council or private firms working for Barnet Homes and should confirm their identity on request. Please give them prompt access.

4. What is the valuation based on?

By law Barnet Homes must take the following points into account when valuing your home -

- The value is the amount that a buyer would pay for your empty home on the open market, if it was sold on the day that your RTB1 application form was received.
- The valuation must assume that you and your family do not want to buy.
- The valuation must disregard any improvements that you or your family have made, and any failure on your part to keep your home in good internal repair.
- The value of a flat or maisonette must take account of estimated service charges for repairs and improvements that are listed in the offer notice.

5. Will I still get repairs done if I apply to buy?

- Only essential repairs will be carried out after we receive your RTB1 application.
- Your home is valued and sold as it is and houses will not be included in roof or window renewal schemes or redecoration contracts. Flats will be excluded from modernisation schemes.

6. Will rent arrears affect my purchase?

- Your mortgage lender will want a rent reference and may be influenced by a poor payment record.
- If a court grants a suspended Possession Order and you breach the terms, you are not a secure tenant and cannot buy.
- The period between breaking an Order and repaying all arrears does not qualify for discount.

7. How long does it take to complete a purchase?

- This varies enormously, from several months to a year or more.

8. Where do I return my form?

Leasehold Services
Barnet Homes
2 Bristol Avenue
Colindale
London
NW9 4EW



RIGHT TO BUY COULD OPEN THE DOOR



HM Government

April 2021

For council and housing
association tenants

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What discount could you get?



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Guide to application form



Useful contacts



WHY YOU MIGHT LIKE TO BUY

Now might be your best opportunity to become a homeowner. You may be eligible for a discount of up to £84,600, or up to £112,800 if you live in London. These amounts will increase every year on the 6th April in line with the Consumer Prices Index (CPI). Your home could be a valuable asset for you and your family and an investment for the future. This could be your first important step to owning your own home.

Home ownership provides a special sense of pride. It would give you more freedom to make the changes you want to your home, and to move when and where you want to – for example, to take up a new job in another area, or take the next step up the property ladder.

Buying your home is a big decision for you and your family. The responsibilities, costs and financial commitments that ownership brings need to be thought about carefully, so you should always seek impartial advice before buying.

However, with the opportunity for bigger discounts available now, this could be the perfect time to decide if it's the right choice for you.

This booklet sets out the main information you need to get you started, the questions you should ask, how to take the next steps, and useful contacts for free, unbiased advice and information.





DO YOU HAVE THE RIGHT TO BUY?



YOU DON'T HAVE TO DO IT ALONE

You can make a joint application. So if you're eligible, you might be able to buy your home with:

- Someone who shares your tenancy.
- Your spouse or civil partner.
- Up to 3 family members who've lived with you for the past 12 months. They don't have to be on your tenancy agreement, but it must be their main home.

YOU COULD BE ELIGIBLE FOR A RIGHT TO BUY DISCOUNT IF:

You are a council tenant



If you were living in your home when it was transferred from the council to another landlord, like a housing association, you may have a 'Preserved' Right to Buy.

OR

You were a council tenant when your home was transferred to your current landlord



If so, you could be eligible to buy your home in the same way as if you were still a council tenant. If not, you may still be able to buy your home at a discount.

You have been a public sector tenant for at least 3 years



If you have been a tenant for 3 or more years (it doesn't have to be 3 years in a row) you could qualify to buy the home you currently live in. It must be your only or main home.

You don't live in sheltered housing or other housing particularly suitable for elderly or disabled people



There are some homes that you may not be able to buy under the scheme.

OR

Your home is not due to be demolished



Check this out with your landlord if you are not sure.

You don't have any legal problems with debt



For example, if you are an un-discharged bankrupt, have a bankruptcy petition pending against you, or have obtained a debt relief order.

You don't have any outstanding possession orders



You cannot buy your home if a court has made a possession order which says that you must leave your home (usually made because you have not paid your rent, or have breached the terms of your tenancy agreement in some other way).

If you can answer **'YES'** to these statements, you are probably eligible but your landlord will need to confirm this.



YOU MAY QUALIFY

FOR AN EVEN BIGGER DISCOUNT

WHAT DISCOUNT COULD YOU GET?

The longer you have been a tenant, the bigger the discount you get off the market value of your home, up to a maximum discount of £84,600 (£112,800 if you live in London).

Discount levels for houses and flats start at 3 years of eligible tenancy, increasing to a maximum of 70% of the property value depending on how long you've been a tenant.

See our website for a handy **Right to Buy Calculator**. It'll help you work out the discount you could receive.

You could also check out **local estate agents** and property websites to get a rough idea of what your property could be worth.



The maximum cash discount will increase in April every year in line with inflation.

You might get a slightly lower discount if you previously purchased another home through Right to Buy, or if your landlord has spent some money on improving your home.

If you have made improvements to your home yourself, make sure you inform your landlord (as part of the application form) so that they can reflect this in the valuation.

HOUSE

Discounts start at 35% for 3 years' tenancy. This remains at 35% until you reach 5 years' tenancy. After 5 years add 1% for each extra year of tenancy up to 70% or the cash maximum, whichever is lower.

(e.g. 10 years tenancy = 40%,
20 years' = 50%)

BUYING A HOUSE

EXAMPLE 1

Current house value	£120,000
Years as a tenant	10 years
Eligible discount (35% + 1% for each year over 5 years)	40%
Discount value	£48,000
Price you pay for house (£120,000 less £48,000)	£72,000

BUYING A HOUSE

EXAMPLE 2 (LONDON)

Current house value	£430,000
Years as a tenant	20 years
Eligible discount (35% + 1% for each year over 5 years)	50%
Discount value 50% discount in this example is £215,000, which is above the cash maximum	£112,800
Price you pay for house £430,000 less £112,800	£317,200

FLAT

Discounts start at 50% for 3 years' tenancy. This remains at 50% until you reach 5 years' tenancy. After 5 years add 2% for each extra year of tenancy up to 70% or the cash maximum, whichever is lower.

(e.g. 10 years tenancy = 60%,
15 years' = 70%)

BUYING A FLAT

EXAMPLE 1

Current flat value	£100,000
Years as a tenant	10 years
Eligible discount (50% + 2% for each year over 5 years)	60%
Discount value	£60,000
Price you pay for flat (£100,000 less £60,000)	£40,000

BUYING A FLAT

EXAMPLE 2 (LONDON)

Current flat value	£270,000
Years as a tenant	10 years
Eligible discount (50% + 2% for each year over 5 years)	60%
Discount value 60% discount in this example is £162,000, which is above the cash maximum	£112,800
Price you pay for flat (£270,000 less £112,800)	£157,200

HOME OWNERSHIP

COMES A STEP CLOSER

For most people, buying a home is the biggest investment they will ever make. It's an exciting time, but there is a lot to think about.

You need to look at all the costs involved (not just mortgage payments) and work out if you can afford it not only now, but in the future too, when your circumstances may change. And bear in mind that house prices could go down as well as up.

It's a good idea to look into the costs of home ownership as early as possible, before you get too far into the Right to Buy process. You are responsible for how you finance your Right to Buy – your landlord can't arrange this for you.

This section provides an overview of the costs as well as where you can get more information and free, unbiased advice. There's a checklist on pages 14 and 15 that can help get you started.





CAN YOU AFFORD IT?



MORTGAGE OR LOAN?

You are likely to need a **loan** or **mortgage**, which you would pay back with interest, usually in monthly payments. The interest rate will be in the mortgage deal that you agree with your lender (usually a bank or building society) and can change over time.

Remember that interest rates could go up or down in the future, which will mean the money you will pay back each month could change significantly.

HOW MUCH CAN YOU BORROW?



This depends on **your personal circumstances**, such as your income, your outgoings, whether you're buying alone or with someone else.



You agree with the lender how long you need the mortgage for and whether you can afford the monthly payments.



When deciding the period your mortgage will be paid over, remember that when you retire this could affect how much you can afford for mortgage payments.



The **type of property** you live in can also affect whether you can get a mortgage – for example, some lenders won't lend money on a flat in a high-rise block.



Even if you don't need a mortgage yourself, it's worth checking whether lenders are willing to give mortgages on the type of property you are buying. You may want to sell in the future to someone who does need a mortgage.

THINGS TO CONSIDER BEFORE YOU BUY

FINDING THE BEST OPTION FOR YOU

There are different mortgage options available from different lenders. For example, some will treat your Right to Buy discount as your deposit, while others will not.

It's worth shopping around to compare the deals available to you, and get impartial advice before making up your mind. The Money and Pensions Service is a good place to start – they provide free, unbiased advice.

You could take a look at comparison sites and online calculators to help you get an idea of costs. You could also talk to a bank, building society, mortgage broker or an independent financial adviser (IFA). Some brokers and advisers charge for their services. So ask before appointing them,

and whoever you speak to, make sure they are regulated by the Financial Conduct Authority (FCA).

Many lenders will also charge a fee to set up a loan or mortgage. Make sure that you understand the terms and all the costs involved before you commit to anything.

Check out carefully any person or company offering to help you buy your home as some of them may charge a fee.

The company may be offering a deal which is far better for them than for you.

CHECKLIST

- ☒ Shop around
- ☒ Check out carefully anyone offering to help
- ☒ Get advice
- ☒ Check all the costs upfront *(the cheapest quote may not be the best one for you)*



OTHER COSTS OF BUYING A HOME

There are some one-off costs when buying your home, as well as ongoing costs. Costs below are correct at time of publication and are only provided as a guide. See our 'useful contacts' on [page 20](#) for more information.

→ ONE-OFF COSTS

MORTGAGE ADVICE

You may choose to get advice from an independent financial adviser or mortgage broker.

Costs vary and may be a set fee or percentage of the loan.

SURVEY

You may want to get an independent survey done. This will highlight any problems (such as repairs) you'll need to know about before you buy.

Costs can vary depending on the type of survey. Typically they start at around £300 for a basic valuation survey.

LEGAL FEES

You will need to hire a solicitor or other licensed conveyancer for the legal aspects of your purchase (searches, land registry fees, deeds, etc.). Costs can vary, typically £500-£750.

STAMP DUTY

This is a one-off tax you pay when you buy a property. The amount is based on a percentage of the purchase price and varies according to the property value. Stamp duty does not apply to properties under a certain value.





→ ONGOING COSTS

When you buy your home, you take on some ongoing costs and responsibilities that you might not have as a tenant.



MAINTENANCE AND REPAIRS

As a homeowner, your landlord will no longer organise repairs to your home. You will need to organise and pay for these yourself. This could include electrical and plumbing jobs through to more expensive repairs such as a new boiler or repairing your roof.

It's a good idea to set aside some money each month for maintenance and repairs. Be aware that you may need permission for some changes (such as planning permission for an extension) so check before you get started.



SERVICE CHARGES WHEN BUYING A FLAT OR LEASEHOLD HOUSE

Flats (and some houses) are leasehold properties. When you buy a leasehold property, the freeholder (your current landlord) will still be responsible for maintaining the building and the surrounding area (communal areas) – as defined in your lease.

As a leaseholder, you will pay your share of these costs – known as the 'service charge'. When major repairs and maintenance are needed in your block or estate, you'll have to pay a share of the costs too.

This can be several thousand pounds if, for example, a new lift or new windows are needed.

You are protected from unexpected costs for the first 5 years. When you buy, your landlord must give you an estimate of your service charges for this period (see **step 4 on page 17**). They can only increase this amount to take account of inflation – even if something unexpected needs doing.

After 5 years, the service charge can rise to reflect actual costs. Your landlord must consult with you before starting any major works. Before you buy, ask about any long-term plans for repairs, works or improvements to your block of flats or surrounding area.



HOME IMPROVEMENTS FOR LEASEHOLDERS

You may need permission from the freeholder (your current landlord) to make certain changes to your property. These should be set out in your lease – check it carefully with your solicitor before you sign it.

The same rules apply to all leases (whether it's a council or a private property).



WHERE TO GET HELP IF YOU'RE THINKING OF BUYING A LEASEHOLD PROPERTY

It's worth talking to local leaseholders to learn about their experience of service charges in your area.

Free information and advice is available from the **Leasehold Advisory Service**. You'll find their contact details on **page 20**.



INSURANCE

You may already have insurance for the contents of your home. As a homeowner you will also need to insure the building (if you are a leaseholder you will pay your share of this cost).

You may also want (or be required by your lender) to get income protection or life insurance in case anything happens to you while you're paying off your mortgage or loan.



OTHER CONSIDERATIONS

As a homeowner you will not be eligible for housing benefit.

Your home could be at risk if you aren't able to keep up your mortgage or loan payments.

CHECKLIST

- ☒ Check if you are buying a leasehold property and look into the costs.
- ☒ Work out your monthly outgoings. Don't forget to include all your living costs, such as food, clothes etc.
- ☒ Set aside some money each month for maintenance and repairs.
- ☒ Think about what you'll do if things change in the future.
- ☒ Fill out the table on **pages 14 and 15**.



SELLING OR TRANSFERRING YOUR HOME LATER

Once you buy your home through the Right to Buy, you can sell it whenever you want. But there are some things you need to know:

IF YOU SELL WITHIN 10 YEARS:

you first have to ask your former landlord if they want to buy your home back at market value. If they say 'no' then you can sell it on the open market.

In addition:

IF YOU SELL WITHIN 5 YEARS:

you will usually have to repay some or all of the Right to Buy discount – the amount depends on the price you sell at and how long you have been the owner.

This also applies if you agree to transfer ownership to somebody else.

IF YOU LIVE IN A RURAL AREA:

you may only be allowed to sell your home to somebody who lives or works locally. Ask your landlord about this.



WORKING OUT THE COSTS

Being a homeowner can bring many benefits, but it also brings important responsibilities. Use this section to help you work out the costs, benefits and drawbacks of home ownership for you. Fill out the table below to help you work out your current monthly outgoings as a tenant, and compare that with the costs of being a homeowner. When working out what you can afford, it's important to put in all of your outgoings, such as food, clothes, utility bills, phone, car, etc.

Compare your outgoings to your household income.

One-off costs when you buy (see page 11 for details)			
Legal fees	£	Stamp duty	£
Survey fees	£	Other costs	£
Total			

Income	Now (tenant)	Homeowner
Wages	£	£
Housing benefit	£	n/a
Other income (benefits, etc.)	£	£
Total	£	£

Ongoing costs (monthly)	Now (tenant)	Homeowner
Mortgage or loan payments	n/a	£
Rent	£	n/a
Council tax	£	£
Utility bills (water, electricity, gas, telephone, etc.)	£	£
Insurance (buildings and contents)	£ Contents only	£
Life assurance and illness cover (if applicable)	£	£
Internal upkeep/maintenance (repairs to heating system, DIY, etc. if applicable)	£	£
Major repairs/improvements (if applicable)	£	£
Service charges and ground rent (if applicable)	n/a	£
Other costs (general living expenses such as food, going out, clothes, etc.)	£	£
Total	£	£

	Now (tenant)	Homeowner
Total monthly income	£	£
Less monthly outgoings	£	£
Your money left over each month	£	£

ADVANTAGES OF RENTING

ADVANTAGES OF BUYING

POSSIBLE DRAWBACKS OF RENTING

POSSIBLE DRAWBACKS OF BUYING

SUMMARY

The **Money and Pensions Service** has a range of tips and tools to help you budget and work out what you can afford. See **page 20** for contact details.



RIGHT TO BUY – STEP BY STEP GUIDE

If you're eligible for the Right to Buy discount you could be on your way to owning your home. Here are the **six key steps** you need to follow.



1

CHECK ELIGIBILITY, WORK OUT THE COSTS AND GET ADVICE

Once you've checked your eligibility (shown in steps 3 and 4), it's a good idea to look into the costs of home ownership as early as possible, so you have an idea of what it might cost and what you can afford before you get too far into the process.

Go to **page 14** to get started.

You may also want to speak to a Right to Buy Adviser for free, impartial advice. See **page 20** for details.



2

FILL IN AN APPLICATION FORM

Ask your landlord for an application **form (RTB1)** or download one from our website at: **www.communities.gov.uk/righttobuy** Fill it in and send it to your landlord.*

**See pages 18 and 19 for the information you will need to have to hand before you fill in your application form*



3

CONFIRM ELIGIBILITY

Your landlord has up to **4 weeks** to reply confirming whether you have the Right to Buy (this is **8 weeks** if you have been with your current landlord for less than **3 years**).



4

RECEIVE AN OFFER

Your landlord then has up to 8 weeks to send you an offer notice for a house or up to 12 weeks for a flat. This offer notice, which is known as a **S125 notice**, sets out:

- their valuation of your property*, your discount, the price you'll pay
- any structural problems they know about
- any terms and conditions

For leasehold properties only, the S125 offer notice will also include an estimate of the service charges that you will need to pay over the next 5 years (see **page 12**).

5

OVER TO YOU – MORTGAGE, SURVEY ... AND GET ADVICE

You have up to 12 weeks to accept your landlord's offer. It's during this time that you'll need to arrange a mortgage or loan, get a survey and hire a solicitor for conveyancing, etc.

Get independent financial and legal advice (if you haven't already) and check you understand all the costs before you sign anything.

6

COMPLETE THE PURCHASE

Once you're happy with your landlord's terms and have arranged how you will pay for your home, carry on and complete your purchase.

It's usually during this time that you pay your stamp duty, etc., finalise the paperwork and sign the contract.

You are now a homeowner!



What to do if your landlord doesn't meet the timescales

Buying a home can be a long process and can take several months. Your landlord must process your Right to Buy application within certain timescales (shown in step 4). If they don't meet these timescales, or delay without reason, you could get a reduction in the sale price. Find out more about delay notices on

www.gov.uk/right-to-buy-buying-your-council-home/delays

**If you're not happy with the valuation you can appeal.*



GUIDE TO COMPLETING YOUR APPLICATION FORM (RTB1)

If you think you are eligible and feel ready to apply for the Right to Buy, you need to fill out the RTB1 application form.

You can create an application online at www.gov.uk/right-to-buy-buying-your-council-home/applying on the 'Completing your application form' page, or get one from your landlord. Make sure you have the following information to hand before you fill out your application form. Our Right to Buy advisers can help you complete the form. See **page 20** for their contact details.

Part **A**

THE PROPERTY

The full address of the property you want to buy

Remember to include the area where you live and the full postcode.

The name of your landlord

For example, Basildon Council.

Part **B**

THE TENANT(S) AND FAMILY MEMBER(S)

The full names of everyone listed on your tenancy agreement (or 'rent book')

For example RICK SMITH would probably be RICHARD JAMES SMITH. Remember to tick the boxes to say whether the property is each tenant's only or principal home, and if they wish to buy. On joint tenancies, not all tenants may wish to buy.

The full names of family members who wish to share the Right to Buy with you

They must be a spouse, civil partner or wider family member, and be over 18. Wider family members must have lived in the property as their only or main home for at least the last 12 months.

Part **C**

QUALIFICATION AND DISCOUNT

Details of your current and previous tenancies

You will need dates, names of tenants, addresses and names of landlords for your tenancies. This includes those of your spouse/civil partner, those of your former spouse/civil partner who you have separated from/divorced, or who has died, and parents who previously held the tenancy.

ONCE YOU'VE COMPLETED ALL SIX SECTIONS OF THE FORM AND SIGNED IT, SEND IT TO YOUR LANDLORD.

Part **D**

PREVIOUS DISCOUNT(S)

Details of any other properties you have bought under the Right to Buy scheme, or at a discount through any other government scheme (for example, Right to Acquire).

You do not need to give details of applications, only purchases.

You might get a slightly lower discount if you have purchased through any discounted government scheme on another home.

Include the full address of the property purchased.

Part **E**

TENANT IMPROVEMENTS

Details of any improvements you have made whilst living in the property

The improvements may have increased the value of the property. If you list them in your application, the value of the improvements will not be included in the valuation of the property so you don't pay twice.

Part **F**

SIGNATURES

Signatures of all tenants

Make sure all tenants sign in the correct place. The boxes on page 10 are for tenants who wish to buy. On page 11 the first set of boxes is for tenants who do not wish to share the Right to Buy. The second set of boxes on page 11 is for family members who are not tenants but want to share the Right to Buy.

5 QUESTIONS TO ASK YOURSELF BEFORE YOU BUY

Q DO I HAVE THE RIGHT TO BUY?

Before you start this process, use the checklist on page 5 to see if you might have the Right to Buy.

Q CAN I AFFORD IT?

Use the checklist on pages 14 and 15 to work out the costs, benefits and possible drawbacks of buying. It's worth doing this before you get too far into the process.

Q CAN I AFFORD IT IF THINGS CHANGE IN THE FUTURE?

Remember that your home could be at risk if you're not able to keep up your mortgage or loan payments. So work out your budget, don't over-extend yourself financially and make sure that you have some savings set aside for a rainy day.

Q WHAT ARE THE BENEFITS AND RISKS?

Owning a home can be a good investment for the future, and gives you more freedom to make your home your own. But make sure you've also considered the risks and responsibilities.

Q WHERE CAN I GET ADVICE?

See page 20 for contact details of organisations that can give free and unbiased advice on buying your home.

WHERE TO GET THE ADVICE YOU'LL NEED



USEFUL CONTACTS

Buying a home can be exciting, but there is a lot to think about. Your landlord can help you with part of the process, but you need to arrange other parts (such as finances) yourself.

The Government works with a number of organisations which provide free and unbiased advice and can help point you in the right direction.

To find out who your landlord is, look for contact details on a recent letter or newsletter.

RIGHT TO BUY AGENT SERVICE

The Government's **Right to Buy Agent service** offers free and impartial advice on Right to Buy and, if you decide home ownership is the right choice for you, can help you through the process of buying your home, including providing information on finding a mortgage, appointing a solicitor and arranging a survey. Right to Buy advisers are available from Monday to Friday, 9am to 6pm. You can phone or chat online with them.

0300 123 0913

<https://righttobuy.gov.uk/agent-service>

MONEY ADVICE

The Money and Pensions Service is an independent organisation set up by the Government.

They provide free, impartial advice on a range of financial matters. This includes tips and tools to help you budget, choose a mortgage and work out whether you can afford monthly repayments.

0115 965 9570

www.moneyandpensionsservice.org.uk

BUYING A LEASEHOLD PROPERTY

The Leasehold Advisory Service (LEASE) provides free, unbiased advice on leasehold properties, including guidance on service charges and ground rent.

0207 832 2500

www.lease-advice.org

STAMP DUTY

For information on stamp duty and the latest rates go to:

www.gov.uk/stamp-duty-land-tax-rates

GENERAL RIGHT TO BUY INFORMATION

Visit the Government's dedicated Right to Buy website, with online chat, eligibility quiz, discount calculator, application form and guidance, delay notices and more information.

www.gov.uk/right-to-buy-buying-your-council-home

NOT ELIGIBLE FOR RIGHT TO BUY?

For information about other government home ownership schemes, visit GOV.UK at:

www.gov.uk/affordable-home-ownership-schemes



Visit our website:

www.gov.uk/right-to-buy-buying-your-council-home

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Ministry of Housing,
Communities &
Local Government

Your Right to Buy Your Home:

A guide for tenants of councils, new towns and registered social landlords including housing associations

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Introduction – the Right to Buy

Under the Right to Buy scheme, you can buy your home at a price lower than the full market value. This is because the length of time you have spent as a tenant entitles you to a discount. This booklet describes the Right to Buy scheme as it works today. The information in it applies only to England. We have tried to make it easy to understand – but it is not a substitute for professional advice.

The booklet is a summary of the law relating to the Right to Buy. It is not intended to be comprehensive. If you are thinking of applying for your Right to Buy, you should get independent legal and financial advice about your individual circumstances and to help with the legal process of buying a home. You should also get independent financial advice about the different types of mortgage that are available.

The Right to Buy is available to secure tenants of local authorities and non-charitable housing associations, and to assured tenants of registered providers (housing associations) who moved with their homes from a local authority to a housing association as part of a stock transfer (see the section on the 'Preserved Right to Buy', page 6).

Things to consider before deciding to buy your home

Buying your home is a big decision for you and your family. Your home can be an asset for you and your family in future years, and home ownership can give you more freedom, such as being able to make some changes to your home without needing your landlord's permission.

But owning a home also brings some added responsibilities and you need to be sure this is the right choice for you and your family. For example, you may need to get a loan or mortgage to enable you to take up the Right to Buy. You will also become responsible for all the costs of maintaining your home, including routine repairs, major structural repairs, and improvements to it. If you become a leaseholder by buying your flat or leasehold house, you will have to pay service charges each year, and may also have to meet the costs of major repairs and refurbishment which can be substantial. The Leasehold Advisory Service (LEASE) provides free, independent information and advice on being a leaseholder - www.lease-advice.org.

As a tenant, you may be able to claim housing benefit to help with your rent. You cannot claim this to help with a mortgage. You may be entitled to Support for Mortgage Interest to help with your mortgage costs and service charges. You will need to satisfy the conditions of entitlement, and there are restrictions on the help available. There is more information on www.gov.uk.

If your circumstances change and you fail to keep up mortgage or loan payments, you could lose your home. You also need to think about what would happen if you buy your home with other people, such as family, and *their* circumstances change.

If you are elderly and own your home, its value may be taken into account in assessing whether you are eligible for financial help with the costs of residential care.

If you need advice on any aspect of the Right to Buy scheme, contact your landlord (the organisation you pay rent to or have a tenancy agreement with – for example, your council or housing association) first.

If you are approached by a person or company offering to help you buy your home, check out what's in it for them and talk to your landlord before signing up to any deal. Sometimes, tenants are asked to pay a lot of money for things that landlords will do for nothing – for example, Right to Buy application forms are available free from landlords or can be downloaded from <https://www.gov.uk/right-to-buy-buying-your-council-home/applying>.

Some companies offer tenants money up front in a deal under which the company ends up owning the property – this is known as a deferred resale agreement. This is good for the company, which can charge a higher rent than your landlord could when it let the property. But it is not always good for tenants, because the money they get may not be enough to buy another home. Some tenants have found themselves homeless after agreeing to such deals. Also, if you enter into a deferred resale agreement, you may have to repay your Right to Buy discount.

Before borrowing money to buy your home, take time to consider all the costs involved and the choices available. You should get independent financial advice to help you decide whether buying your home is the best option for you. The Money and Pensions Service is a free, impartial service, set up by the government, to help people make informed choices about managing their money. You can get useful information from their website, www.moneyandpensionsservice.org.uk or you can telephone them on 0115 965 9570.

Compare the loan deals on offer before making up your mind. Get independent information by reading publications such as *What Mortgage?* or *Your Mortgage*, or talk to an independent financial adviser.

Before agreeing to any offer or deal through a financial adviser, ask the adviser who they work for, whether they sell mortgages or other financial services, and whether he or she gets a commission for selling you a particular product.

Make absolutely sure that you understand what any deal means for you before signing. In particular:

- Do you fully understand the terms and conditions?
- What is the interest rate? And what happens to your mortgage payments when the interest rate changes – for example, does your payment change when your mortgage interest deal runs out?
- What happens if you miss any repayments?
- What would it cost to repay the loan early – and does the deal let you do that?
- What are the fees for setting up your mortgage or loan, e.g. arrangement and valuation fees?
- What happens if you sell your home?

Resist any pressure to agree on the spot. Go away and think before signing anything. Can you afford the loan, and the other costs of buying and looking after your home? What would happen if you lost your job, or fell ill? If you are buying a flat or leasehold house, consider the service

charges you will have to pay as a leaseholder (these are explained on page 9), which could be substantial.

It is worth checking if your local mortgage lenders will give mortgages on the type of house or flat you are buying. Some lenders don't like giving mortgages on (for example) flats in high-rise blocks or in blocks of non-traditional construction, or properties on large or run-down estates. Even if you don't need a mortgage yourself, you might find it difficult to move on later if people wanting to buy your home cannot get a mortgage.

Who has the Right to Buy?

You probably have the Right to Buy if you are a secure tenant of a Right to Buy landlord (see page 26). The word 'landlord' is used in this booklet to cover all these different bodies. A secure tenant has the Right to Buy when they have spent at least 3 years as a public sector tenant. A public sector tenant is a tenant whose landlord is either a 'Right to Buy landlord'; or one of the public bodies listed under 'Other public bodies' (see pages 27-29).

You will only be able to purchase under the scheme if your house or flat is your only or principal home and is self-contained.

You cannot buy your home if a court makes a possession order which says that you must leave your home. Neither can you buy your home if you are an undischarged bankrupt, have a bankruptcy petition pending against you, or have made an arrangement with creditors (people you owe money to) and you still owe them money.

You may be able to exercise the Right to Buy jointly with members of your family who have lived with you for the past 12 months, or with someone who is a joint tenant with you.

Any land let together with your home (for example, gardens and garages) will usually be treated as part of your home.

There are exceptions to the Right to Buy – see pages 22-24.

Preserved Right to Buy

If you are an assured tenant of a registered provider, such as a housing association, in normal circumstances you do not have the Right to Buy (although you may have the right to purchase your home under another scheme – ask your landlord if you are unsure).

However, if you were previously a secure tenant of a local authority and you became an assured tenant because ownership of your home was transferred to a registered provider, you may have what is known as the Preserved Right to Buy. This only applies if you were living in your home when it was transferred. It can also apply if you then move to another property owned by the new landlord. But it does not apply if you move to a property owned by a different landlord.

The Preserved Right to Buy operates in a similar way to the normal Right to Buy.

The discount rules

The Right to Buy scheme gives tenants a discount on the market value of their home. The longer you have been a tenant, the more discount you get. The maximum discount you can get is **£84,600**, unless your home is in London where the maximum discount is **£112,800**. The maximum discounts will increase on 6 April each year if the Consumer Price Index increases. If the Index does not increase, the discounts will remain the same.

Qualifying period

Subject to this limit, the amount of discount for which you are eligible depends on the time you have spent as a public sector tenant, with:

- your present landlord
- another 'Right to Buy landlord'
- any of the public bodies listed (see pages 27-29).

You must have been a public sector tenant for at least 3 years in order to qualify for the Right to Buy. If you live in a house, you can get a discount of 35 per cent after 3 years tenancy. You also get 35 per cent after 4 and 5 years tenancy. For each extra year after that, you get another 1 per cent for each year of tenancy up to a maximum of 70 per cent. If you live in a flat, you can get a discount of 50 per cent after 3 years as a tenant. You also get 50 per cent after 4 and 5 years tenancy. For each extra year after that, you get another 2 per cent for each year of tenancy, up to a maximum of 70 per cent.

But, whatever percentage you are eligible for, your discount cannot be greater than **£84,600**, unless your home is in London where the maximum **discount** is **£112,800**.

The qualifying period for discount can include time spent in different homes and with different landlords. This doesn't have to be continuous, so long as it was a public sector tenancy. You may also be able to count a period when your husband, wife or civil partner was a public sector tenant or lived in housing provided by the armed forces. If you lived with your parents after the age of 16 and you later became the tenant of the same house or flat, you may be able to count that time too.

If you are buying jointly with someone who has a qualifying period longer than yours, you will get their higher rate of discount (subject to the **£84,600 or £112,800** limit).

The table on the following page gives some examples of the discount you could receive on a home worth £120,000. But you should note that you may **not** get the full amount of discount shown in the table because of the cash limit.

Qualifying period in years	Houses (%)	Flats (%)
3	35% £42,000	50% £60,000
4	35% £42,000	50% £60,000
5	35% £42,000	50% £60,000
10	40% £48,000	60% £72,000
15	45% £54,000	70% £84,000
20	50% £60,000	70% £84,000
25	55% £66,000	70% £84,000
30	60% £72,000	70% £84,000
35	65% £78,000	70% £84,000
40	70% £84,000	70% £84,000
Over 40	70% £84,000	70% £84,000

Reduction of discount to take account of the cost of work carried out by your landlord on your home (cost floor)

Your discount may be reduced by a special rule called the cost floor. This may apply if your home has recently been purchased or built by your landlord or he has spent money on repairing or maintaining it. Under the cost floor, the discount you receive must not reduce the price you pay below what has been spent on building, buying, repairing or maintaining it.

If the cost of works carried out over the 10 year period is greater than the market value of your home, you will not receive any discount. This period is 15 years if your home was built or acquired by your landlord after 2 April 2012.

If you are buying under the Preserved Right to Buy, the cost floor period is 15 years regardless of when it was built or acquired.

Repayment of discount

If you have bought your home under the Right to Buy, you can sell it whenever you like. But if you wish to sell within the discount repayment period specified below you will usually have to repay some or all of the discount.

If you sell within the first year of purchase, the whole discount will have to be repaid. Four fifths must be repaid if you sell in the second year, three fifths in the third year, two fifths in the fourth year and one fifth in the fifth year. After 5 years, you can sell without repaying any discount.

In addition, the amount of discount to be repaid if you sell within 5 years of purchase will be a percentage of the resale value of the property, disregarding the value of any improvements. For example, if your home was valued at £120,000 at the time you bought it from your landlord, and you received a discount of £48,000, that means that your discount was 40 per cent.

If your home is valued at £160,000 when you wish to sell it, and you want to sell within the second year of purchase, you will have to repay $£160,000 \times 40 \text{ per cent discount} \times \frac{4}{5}$ i.e. £51,200.

Certain sales or transfers are exempt from the requirement to repay discount, e.g. transfers between certain family members. In addition, if you would face hardship by having to repay discount, and your circumstances justify it, your landlord can decide not to ask you to pay some or all of what you owe. If in advance of your purchase, or within the discount repayment period, you enter into an agreement to transfer your property to a third party in the future, then this will trigger repayment of your discount.

Discount repayment is triggered from the date that you enter into the agreement. So, for example, if you enter into such an agreement before you have bought the property or during the first year after buying, you will have to repay the full amount of discount you received.

What if I have purchased before?

If you have purchased under the Right to Buy scheme before, the amount of discount you got then will usually be deducted from your discount when you buy again.

Right of first refusal

If you purchase your home under the Right to Buy scheme and you wish to resell or dispose of it within 10 years, you will have to offer it to either your former landlord or to another social landlord in your area at full market value. The market value must be agreed between the parties or, if they are unable to agree, will be determined by the District Valuer (the government will pay the costs of employing a District Valuer). If your offer has not been accepted within 8 weeks, you will be free to sell the property on the open market.

Buying a flat or leasehold house

What are the differences from buying a freehold house?

In most cases if you buy a house, you will purchase the freehold and will own the property outright. If you buy a flat or leasehold house, you will usually purchase a long lease. This allows you to live in it for a fixed time, usually 125 years. The block will still be owned by a landlord, and he will be responsible for the upkeep of the building as a whole and of any communal areas and facilities.

As a leaseholder, you only have to pay the landlord a nominal rent (known as a 'ground rent') of £10 a year. But you and other leaseholders will also have to pay service charges (see page 10). These can be perhaps several hundred pounds each year, or much more if the block needs major repairs or maintenance, such as a new roof or new windows, and improvements.

Leaseholders can sell their properties at any point during the lifetime of the lease. The person who buys it pays to take over the remainder of the lease. So if you buy your home on a 125-year lease, and sell it after 15 years, the buyer will get a 110-year lease.

Under your lease:

- Your landlord will be responsible for repairing the structure and outside of your flat and the rest of the building. This includes routine repairs and maintenance, and also major maintenance and refurbishment works (for example, repairing the roof or replacing windows), which can be very expensive.
- Your landlord will usually provide services like communal lighting, and cleaning staircases and passageways, and perhaps supplying hot water to your flat.
- You will have to pay a reasonable share of the costs for these works and services. Your share is determined by the number of flats in the block.
- You will also usually have to pay a charge towards the landlord's costs of managing the block – often calculated as a percentage of the charges for services and maintenance.
- You will also be responsible for keeping the inside of your flat in good repair. You may need permission from your landlord before carrying out work on your home.

Service charges

Your share of the landlord's costs is known as a service charge. These vary considerably. Service charges for flats in tower blocks can be very high, especially when a block is quite old and needs a lot of refurbishment. There are two kinds of service charges: annual charges for day-to-day maintenance and 'major works' service charges (a lump sum, which can be £10,000 or even more) when a lot of repair or refurbishment work is needed. To get a rough idea of how high service charges are in your block, it is worth asking someone who has already bought a flat in it what charges they have had to pay. Or you could contact your local residents' or leaseholders' association.

If you decide you want to buy, your landlord must tell you how much the property will cost and he must also give you an estimate of any service charge you will have to pay during the first five years of your lease. If the lease says you must pay some of the costs of improvement, the estimate must cover these too. Once he has given you an estimate, the landlord is not allowed to charge you more than that figure during the first five years of your lease, except to take account of inflation.

There is no special limit on charges for repairs carried out after the first five years. You need to remember that you may have to pay 'major works' service charges whenever your block is repaired. There are several schemes to help pay your service charges – ask your landlord about them.

Some freeholders may also have to pay service charges for the repair and maintenance of shared communal areas on an estate – for example, pathways, play areas and gardens.

Other points on service charges:

- The estimate of service charges before you buy will also cover charges for building services such as caretaking or the provision of hot water. But charges of this kind can change, even during the first five years of a lease.
- You will be told about any known structural defects affecting the building. If your landlord wants you to pay for work to put them right during the first five years, the estimate of service charges for repairs must cover this. But you may also have to pay for some of the costs of work done after the first five years.

- You may have the right to a loan from your landlord to help pay a service charge for repairs during the first 10 years of your lease. The service charge bill will say if a loan is available.
- The law protects you from service charges that can be shown to be unreasonable. The Leasehold Advisory Service (LEASE) can provide free initial advice and information on leaseholders' rights. LEASE is a specialist body funded by the Ministry of Housing, Communities and Local Government to provide initial advice and information on a wide range of residential leasehold issues, including service charges. LEASE can be contacted at Fleetbank House, 2-6 Salisbury Square, London, EC4Y 8JX; telephone: 020 7832 2500 or by email at info@lease-advice.org and their website is www.lease-advice.org.
- Your rights are described in a booklet (Long Leaseholders) that is available free from the Ministry of Housing, Communities and Local Government. If you want a copy, this can be downloaded from: <https://www.gov.uk/government/publications/residential-long-leaseholders-a-guide-to-your-rights-and-responsibilities>; or you can obtain a hard copy by contacting this Department (see page 18).

The costs of buying

Buying your home is a major financial commitment. Apart from paying for it (upfront in cash or with a loan), you will then have to maintain it. As explained above, if you buy a flat or a leasehold house, you will also have to pay service charges.

Unless you are going to buy your home with cash, you will need a mortgage (i.e., a particular kind of loan). There are various kinds of mortgage which your bank or building society can tell you about. An independent adviser may also be able to help. The process you will go through to obtain a mortgage is regulated by the Financial Conduct Authority (FCA). You can use the following link to check that the bank, building society or mortgage broker you want to talk to is regulated by the FSA – www.fca.org.uk.

You will have to repay the mortgage, plus interest, by instalments (usually, monthly ones). Normally, mortgages have to be repaid over a period of 25 years, but the period can be longer or shorter. Flexible mortgages are available which allow you to vary your payments (subject to rules set by the lender). The lender may not be prepared to lend you the full amount that you need to purchase your home. If so, you will have to pay the rest from your savings. If you sell your home later, you can use the money from that sale to pay off the rest of your mortgage. But remember that the value of homes can go down as well as up and in some cases people find themselves in 'negative equity'. This is when the mortgage on your home is larger than the amount for which you are able to sell it.

If you can't keep up the repayments on your mortgage, the lender may go to court and ask to take over your home. The council does not have to give you another tenancy if you lose your home in this way.

If you lost your income through unemployment, you may be entitled to Support for Mortgage Interest to help with your mortgage costs and service charges. But there are restrictions on the help available and you will need to satisfy the conditions of entitlement. There is more information on www.gov.uk, and in leaflet IS8 which is available from Jobcentre Plus and The Money and Pensions Service.

The Money and Pensions Advice Service can also provide you with useful information on mortgages and the implications of buying your home: www.moneyandpensionservice.org.uk.

How much would I need to borrow?

The amount you need to borrow depends on:

- the full market value of your home

less

- any discount you may be entitled to

less

- any cash you can put towards the purchase.

Your landlord will tell you how much he thinks your home is worth when you apply to buy it. He will then calculate the price he thinks that you should pay.

Remember, your discount can be reduced by the cost floor rule and cannot be more than the maximum discount of **£112,800** in London and **£84,600** across the rest of England.

Other regular costs of home ownership

Water charges

You may pay water charges as part of your rent. But if you buy your home, you will have to pay these separately to the water services company. So to compare the weekly costs of buying with those of renting, you must deduct your landlord's charges for water from your rent.

Insurance

You will need to consider taking out insurance cover for your home and mortgage. There are four main types:

- Buildings insurance. This is essential. It is needed to cover the full cost of rebuilding your home if it were to be destroyed by fire or some other incident. In the case of flats, this insurance is often arranged for the whole block by the landlord, in which case the landlord will expect you to contribute towards the cost of the insurance. If you need a mortgage to help buy your home, the lender will insist that you have buildings insurance.
- Contents insurance. As well as buildings insurance, you should insure the contents of your home against theft and other risks.
- Life assurance. This may be needed to pay off your mortgage if you die before the end of the mortgage period. It means that your family is not left with the mortgage debt.
- Income protection insurance. You need to think seriously about how you would meet your mortgage repayments if you lost your income, say through unemployment or ill-health. Income protection products such as mortgage payment protection insurance may give you the security that you need.

There are various insurance policies which offer cover against these risks. The terms, level of cover, and costs vary. You should therefore shop around for policies that best suit your needs.

Repair and maintenance

If your home is a house and you buy it, you will be responsible for the costs of all repairs and maintenance, regardless of the condition of the property when you bought it. If you are buying a flat or leasehold house, you will have to pay the landlord's service charges. What this means is described earlier in this booklet. It is your responsibility to get advice on the condition of your home before you complete the purchase. It is therefore important that you have a survey done, as described later in the booklet.

One off costs of buying your home

You should employ a solicitor or a licensed conveyancer to look after the legal side of buying your home. Your landlord or a Citizens Advice Bureau can advise on local firms, and your local public library should have a list of the solicitors in your area and the type of work they do. Before employing anyone, always ask how much their advice will cost.

You should have a survey of your home done. This can cost between £300 and £600, or more if your home has any special problems. You should consider one of these surveys:

- An RICS Home Buyers' Survey and Valuation. This is a report and valuation in a standardised format, to tell the buyer of all significant defects, but not minor ones. It is likely to be adequate for most properties and provides a guide to value. It is likely to cost around £300-£600.
- A Building Survey. This involves a detailed examination of all the visible parts of the property. It is a good idea to have such a survey done if the property is old, or obviously in need of repair, or if you are considering making alterations. The cost of this may start at about £400, but it could be considerably more, and may not be available if your home is a flat.

You can get more information about both of these from the Royal Institute of Chartered Surveyors (RICS) at www.rics.org/usefulguides. Your lender may be able to arrange for its valuer to carry out the survey, which could save you paying for a separate valuation.

You should get a survey done after you receive your section 125 notice (the offer notice that has to be sent to you by your landlord if you apply to buy your home, which is described later in this booklet). You should ask how much it will cost before you ask anyone to go ahead with the survey. Some types of house have been officially designated as 'defective' under Part 16 of the Housing Act 1985. What this means is described on page 25. Your landlord is legally obliged to tell you if this designation applies to your home.

If you take out a mortgage loan, you may have to pay for the cost of arranging it. You will also have to pay a valuation fee which can start at about £300 but may be substantially more.

When a sale is completed, you must pay the Land Registry to register you as the new owner. You can get more information on this from <http://www.landregistryservices.com>.

You may have to pay Stamp Duty, which is a tax that people pay when they become homeowners. Stamp Duty is worked out as a percentage of the price you pay for a property. Information on Stamp Duty can be found at: <https://www.gov.uk/stamp-duty-land-tax/residential-property-rates>.

How do I apply? (A step by step guide)

This section aims to take you through each stage of the process of buying your home.

Step 1: Applying to buy

Start by asking your landlord for the Right to Buy claim form (Form RTB1). The RTB1 form can also be downloaded from the GOV.UK site at <https://www.gov.uk/right-to-buy-buying-your-council-home/applying>. (Be wary of other people offering you forms, especially if they ask you to pay them for this.) If you have trouble getting a form, contact the Ministry of Housing, Communities and Local Government. Their address and phone number are on page 18.

Fill the form in carefully. It is used to decide:

- whether you have the Right to Buy; and
- how much discount you will get.

When you have filled in the form, return it to your landlord. Because the form is an important legal document, it is a good idea to use recorded delivery or to deliver it by hand and get a receipt; otherwise you may be unable to prove that your landlord has received the form. You should keep a copy of the completed form for yourself.

Step 2: Your landlord's Response Notice

Having received your claim form, your landlord must send you a notice (Form RTB2) telling you whether or not you have the Right to Buy. You should get this within 4 weeks of the date on which your landlord received your RTB1 form (or within 8 weeks if you have been a tenant of your landlord for less than 3 years).

If your landlord says that you don't have the Right to Buy your home, he must explain why. The property may be one of the exceptions listed on pages 22-24. If you don't agree with his explanation, you can get advice from a Citizens Advice Bureau or from a solicitor. If you are still not satisfied, you can write to the Ministry of Housing, Communities and Local Government at the address given in this booklet.

Step 3: Your landlord's Section 125 Notice

If your landlord has agreed to sell your home to you, he must send you a separate offer notice (known as the Section 125 Notice) which tells you the price you have to pay and the terms and conditions of the sale. He must send this within a further 8 weeks after you have received your RTB2 form if your home is a house and you are buying a freehold, or within 12 weeks if your home is a flat or leasehold house.

The Section 125 Notice is an important document and you should read it very carefully. It will tell you five main things:

- It will describe the property which you have the Right to Buy.

- It will tell you the price the landlord thinks you should pay for it. To calculate this, your landlord must first work out how much your home was worth at the date on which you submitted your application form, and then take off your discount. If you have made improvements, these are not allowed to put the price up. If your discount is reduced by the discount limit or the cost floor, the notice must say so.
- It will give estimates of the service charges or improvement costs you will have to pay during the first 5 years after you buy your home, if it is a flat or leasehold house.
- It will describe any structural defects that the landlord knows about.
- It will contain the terms and conditions that your landlord thinks should be attached to the sale. These may be set out either in the form of a draft of the legal document for you to sign, or as part of the notice, or on a separate sheet.

Step 4: Appealing to the District Valuer

When you receive your Section 125 notice, you may feel that what your landlord thinks is the full market value of your home is too high. If so, you have a right to obtain an independent valuation from the District Valuer. Before doing so, you have to tell the landlord, within 3 months of receiving the Section 125 notice, that you want a 'determination of value' under Section 128 of the Housing Act 1985. You then have 4 weeks to put your case to the District Valuer. They will also need to inspect your home. The District Valuer's valuation will be the one that counts. Even if it is higher than the landlord's valuation, you will still have to accept it or withdraw your application to buy your home (unless you or your landlord meet the criteria to request a review of the District Valuer's determination. A review can only be requested if there has been a significant factual error in the determination or the District Valuer did not take into account representations made by the tenant or the landlord in relation to the determination).

Step 5: Resolving other questions about the Section 125 notice

If you want to question anything else in the Section 125 notice (the size of your discount, the effect of the cost floor, service charges, conditions of sale, your home's boundaries etc.), you should contact your landlord. If you and your landlord disagree about something, you have the right to go to the county court for a ruling. But this can be expensive, and you should get legal advice first.

Step 6: Enquiring about a mortgage

If you may need a mortgage, you should talk to an independent mortgage adviser or a mortgage lender such as a bank or building society. It's also a good time to get independent financial advice on the costs of buying and maintaining your home.

Step 7: Getting a Survey

Before you finally decide to buy, you should get an independent survey from a qualified surveyor. When you apply for a mortgage, the bank or building society will have a survey done, but this is only to value your home. It may not uncover any structural problems that may exist. Further information can be found on page 13.

Step 8: Getting legal advice

Before deciding whether to buy, you should get legal advice, particularly if you have worries about the terms of the sale. If you don't know a solicitor or a licensed conveyancer, you might ask your landlord, or your bank or building society to suggest one. Your local reference library should also

have a list of the solicitors in your area, and details about the type of work they do. You should always ask how much it will cost before you employ a solicitor or licensed conveyancer.

Step 9: Telling your landlord what you want to do next

You will see that you have a lot of choices at this stage. The information contained in your Section 125 notice may not be straightforward and easy to understand. You will now have to decide if you want to:

- buy your home outright for the full Right to Buy price, less any discount for which you are eligible;
- forget about buying, withdraw your application, and carry on paying rent.

When you have decided, you must tell your landlord in writing. You must let him know your decision within 12 weeks of receiving your Section 125 notice. If you have asked to have your house valued by the District Valuer, you must tell your landlord what you want to do within 12 weeks of getting that valuation. Alternatively if you meet the criteria to request a review of the district valuer's determination this must be done within 28 days of getting the determination.

If you do not let your landlord know what you intend to do in time, the landlord will send you a reminder. If you do not reply within 28 days, your landlord will think you don't want to buy, and your application will not be dealt with any further.

If for any reason you are not able to decide within the time limit what you want to do, you can ask the landlord to wait a bit longer for your reply. If you are unable to decide for a good reason (for example, if you were in hospital and you could not return the form in time), you should tell your landlord and your time limit will then be extended automatically.

You don't have to buy your home just because you have told your landlord you want to. You can still change your mind. But if you do not tell your landlord what you want to do, your landlord will think you don't want to buy, and you will have to start again. If the value of your home has gone up in the meantime, then you will have to pay the higher price.

Step 10: Arranging a mortgage

If you need a mortgage, this is when you should go back to your independent mortgage adviser or mortgage lender to make the formal arrangements.

Step 11: Completing your purchase

If you are happy with your landlord's terms for selling your home to you, and you have arranged to raise the money, you are ready to go ahead and buy. You should tell your landlord that you are ready, and ask your solicitor for advice on the legal documents and making your payment. It may take a couple of months before you become the owner of your home.

You can take the time you reasonably need to get a mortgage or legal advice. You can also take your time to discuss the terms of the sale with your landlord.

You should aim to let your landlord know as soon as you are ready to go ahead and buy. If your landlord doesn't hear from you for a long time, you may get a warning notice. This will ask you either to complete the purchase within 8 weeks or to write and tell your landlord that you

disagree with the terms of the sale. If you don't, your landlord may send you a second notice asking you to complete your purchase. If you then don't complete, your application will not be taken any further.

Your landlord cannot send you a warning notice until at least 3 months after they send your Section 125 notice. It will help things to go smoothly if, throughout the process, you or your solicitor keep the landlord informed on your circumstances, such as how you are progressing with raising the money or on any other issues that may delay the purchase.

Delays or problems with the sale

Most sales go through quickly, but sometimes there are problems or delays. If your landlord does not send you a Form RTB 2 (the notice telling you if you have the Right to Buy) or the Section 125 notice (offer notice) within the times mentioned in the step by step guide on pages 14 -17, or is otherwise delaying the sale, you may be allowed a reduction in the purchase price. To get this reduction, you first need to fill in an initial notice of delay (Form RTB 6) and send it to your landlord. You must give your landlord at least one month to take the next step in the sale process. Your landlord may send you a counter notice if he has already served you with a Response Notice or a Section 125 Notice, or if there is no action that can be taken by him to speed up the sale.

If your landlord does not send you a counter notice within the time allowed, you can send the landlord an operative notice of delay (Form RTB 8). The rent you pay while the delay goes on will then be taken off the price you have to pay for your home. If the landlord delays the sale again, you can repeat this procedure.

You can get the delay forms from <https://www.gov.uk/right-to-buy-buying-your-council-home/delays>, or from your landlord or from the Ministry of Housing, Communities and Local Government (see page 18 for contact details).

If there are any other problems with the sale and you cannot settle them with your landlord, you can get advice about your rights at a Citizens Advice Bureau or from a solicitor. You can also get information from the Ministry of Housing, Communities and Local Government.

Other booklets you may need

There are two other free booklets that may help you.

Before you apply to buy a flat or leasehold house, it is strongly recommended that you read our booklets, *Residential Long leaseholders – A guide to your rights and responsibilities* and *Thinking of buying a council flat*. They can be downloaded from:

<https://www.gov.uk/government/publications/residential-long-leaseholders-a-guide-to-your-rights-and-responsibilities>

<https://www.gov.uk/government/publications/thinking-of-buying-your-council-flat--2>

You can also get these booklets from the Ministry of Housing, Communities and Local Government.

Useful addresses

If you have difficulty getting a copy of the Right to Buy application form or require further information or advice, contact your landlord or:

Ministry of Housing, Communities and Local Government

Right to Buy

Fry Building

2 Marsham Street

London, SW1P 4DF

Email: RTB@communities.gov.uk

Telephone: 0303 123 0913

For free, impartial advice about money contact:

The Money and Pensions Service

Website: www.moneyandpensionsservice.org.uk

Telephone: 0115 965 9570

For free, impartial advice on leasehold law and rights (flats and leasehold houses), contact:

The Leasehold Advisory Service (LEASE)

Fleetbank House

2 – 6 Salisbury Square

London, EC4Y 8JX

Website: www.lease-advice.org

Email: info@lease-advice.org

Telephone: 020 7832 2500

For information on mortgage lenders contact:

The Financial Conduct Authority (FCA)

25 The North Colonnade

Canary Wharf

London, E14 5HS

Website: <http://www.fca.org.uk/>

Telephone: 0800 111 6768

If you want to know about your rights, you can ask a Citizens Advice Bureau or a solicitor. If you disagree with your landlord about buying your home, you can contact the Ministry of Housing, Communities and Local Government.

Chart to help you decide

You can use this chart to help you decide whether you can afford to buy your home or not.

Deciding whether to buy your home may be one of the biggest decisions you will ever make. Do not rush into it. Use this page to work out the costs, advantages and disadvantages of buying for you.

Costs of buying

Costs of your alternative option (for example, the costs of renting)

One-off costs

Legal fees
Survey fees
Valuation fees
Mortgage arrangement fees
Land Registry
Stamp Duty
Other costs

Future annual costs

Mortgage repayments
Council tax
Water charges
Insurance (buildings, contents and
illness/unemployment cover)
Life assurance
Internal upkeep
External repairs/improvements
Service charges (if applicable)
Other costs

Advantages of buying

Advantages of your alternative option

Disadvantages of buying

Disadvantages of your alternative option

Your decision

Frequently asked questions on Right to Buy

What is Right to Buy?

The Right to Buy was introduced in 1980. It means that secure tenants can buy their home at a discount to the full market value. Your discount is based on the number of years you have spent as a public sector tenant.

What discount am I eligible for?

You could get a discount of up to **£112,800** if your home is in London or **£84,600** across the rest of England, but this depends on how long you have been a public sector tenant. Page 7 will give you more information.

Are there any other limits on discount?

Yes:

- a special rule called the cost floor may apply. Your discount will be reduced to reflect what your landlord has spent on building, buying, repairing or improving your home over a specific period before you apply to buy; and
- if you have previously bought another council property, any discount that you got then will usually be deducted from the discount that you get when you buy again.

What is Preserved Right to Buy?

If you are a secure tenant of a local authority, and your home is transferred to a registered provider (for example, a housing association) and you become an assured tenant, you are very likely to still have the Right to Buy.

What is a leaseholder?

If you buy a house you will usually buy the freehold. This means you will be the outright owner. Flats are not usually sold freehold. They are usually sold on a long lease and you become a leaseholder – there are also some leasehold houses. Normally, this means that you will be responsible for the interior of your home whilst your landlord will be responsible for looking after the structure and the exterior of the block. He will ask you to pay for major repair and improvement works, through service charges. These can be high – sometimes as much as several hundred pounds each year, or even several thousand pounds if your block needs major repairs.

Can I resell my home after purchasing it under the Right to Buy?

You may sell your home whenever you like. However, if you sell within 5 years of buying it, you will have to repay some or all of the discount that you received. If you sell:

- during the first year, all of the discount will have to be repaid;
- during the second year, four fifths must be repaid;
- during the third year, three fifths must be repaid;
- during the fourth year, two fifths must be repaid; and
- during the fifth year, one fifth must be repaid.

The repayment of discount will be a percentage of the market value of the property when it is resold within the first 5 years of purchase (an example of how this works is provided on page 8). After 5 years, you can sell without having to repay any discount. But if you live in a rural area, you

may only be able to resell to a person who lives or works locally (see page 25). In addition to this, if you wish to sell your home within 10 years of buying, you must first offer it back to your landlord. Your landlord would have to pay you the full value of your property (see page 9).

What happens if my landlord delays the sale?

Landlords have to deal with Right to Buy applications within certain time limits. If there is a delay because (for example) your landlord hasn't sent you the right form or notice when he is supposed to, you may be able to get the purchase price reduced.

Who values my home if I want to buy it?

Landlords have to do this. If you think your landlord has valued your home too highly, you have a right to an independent valuation from the District Valuer. But you have to accept his valuation, even if it is higher than the landlord's.

Do I have to complete the purchase within a specified time?

You can take the time you reasonably need to get a mortgage or legal advice. You can also take your time to discuss the terms of sale with your landlord. But you should let your landlord know as soon as you are ready to go ahead and buy. If he doesn't hear from you for a few months, you may get a warning notice asking you to either complete the purchase or to discuss any problems.

If you don't respond to this, you may receive a second notice asking you to complete the purchase within a certain time. If you don't do this, your application will be withdrawn.

Can I apply to buy if I have rent arrears?

Yes. But your landlord is not bound to complete the sale if you have not paid all the rent or any other payment within 4 weeks from the date you were asked to pay it. Also you may lose your secure tenancy and no longer have the Right to Buy if your landlord has obtained a suspended possession order against your property, as a result of your rent arrears, which you subsequently breach.

What if I want to remortgage?

You can remortgage your home at any time. However, before doing this, you should talk to your landlord and obtain professional advice particularly if you are considering borrowing extra money.

Exceptions to the Right to Buy

Homes suitable for occupation by the elderly

Your landlord may refuse to let you buy on the grounds that your home is particularly suitable for occupation by elderly people (under paragraph 11 of Schedule 5 to the Housing Act 1985). If so, you can ask a Residential Property Tribunal to decide if your landlord is right. **But you must ask them within 56 days after the landlord has refused to sell your home.** If you don't ask in time, you lose this right of appeal.

What the law says

You do not have the Right to Buy if your home:

- is particularly suitable for occupation by elderly persons, 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
- was first let (to you or someone else) before 1 January 1990.

When considering if your home is 'particularly suitable', your landlord must ignore features that you have provided (for example, a central heating system).

How do I ask for a decision?

You will need to contact the Residential Property Tribunal office at 10 Alfred Place, London, WC1E 7LR, telephone number 020 7446 7700 to determine where your appeal should be sent. This is because the appeal will be dealt with by the panel for the region in which your home is located.

What happens then?

When both sides have had the chance to put their case and the facts have been established, the Residential Property Tribunal will decide whether or not your home is excluded from the Right to Buy.

What effect will the decision have?

If the Residential Property Tribunal decides that your home does fall within the criteria set out in paragraph 11 of Schedule 5 to the Housing Act 1985, you will not have the right to buy it. If the decision is that paragraph 11 does not apply to your home, you will be able to go ahead with your purchase unless there is some other reason why you do not have the Right to Buy (the landlord may have denied the Right to Buy for more than one reason).

On what basis will the decision be made?

The decision-maker will normally expect to be satisfied on the following:

- a) There should be easy access on foot to your home: access is unlikely to be regarded as easy if it is necessary to climb three or more steps (in addition to the threshold) and there is no handrail
- b) The accommodation should normally be on one level
- c) In the case of a flat above ground floor level there should be easy access by lift
- d) There should be no more than two bedrooms

- e) There should be heating arrangements which function reliably and provide heat to at least the living room and one bedroom
- f) Your home should be located reasonably conveniently for shops and public transport, having regard to the nature of the area.

The Residential Property Tribunal will also take into account any other relevant features of your home which are drawn to their attention.

Homes due to be demolished

If your landlord intends to demolish your home, he may serve you with an initial demolition notice, valid for up to 7 years. This notice suspends his obligation to complete a Right to Buy purchase. If you have already applied for the Right to Buy, you can still complete your purchase if demolition does not take place.

You can also make a new application while an initial demolition notice is in force, but your landlord does not have to complete the sale under those circumstances. However, if your landlord serves a final demolition notice, then any existing Right to Buy claims are ended and no new applications can be made. Your landlord can only serve such a notice if all other premises which are to be demolished within the relevant area have been acquired or are subject to binding agreements to acquire. This is to prevent tenants from being disadvantaged by unresolved compulsory purchase issues. A final demolition notice will be valid for 2 years, and can be extended on application to the Secretary of State.

If you have established a valid claim to exercise the Right to Buy before either an initial demolition notice or a final demolition notice is served, you have 3 months in which to claim compensation for expenditure connected with the conveyancing process, such as legal or survey fees. If your landlord subsequently decides not to demolish the property, he must serve a revocation notice on you as soon as is reasonably practicable. If it appears to the Secretary of State that a landlord has no intention of demolishing properties he may serve a notice revoking the initial or final demolition notice which has been served on you.

Other exceptions to the Right to Buy

a) Sheltered housing for the elderly, the physically disabled, the mentally ill or the mentally disabled. Special rules must be met in these cases. 'Sheltered housing' normally means that the property is one of a group of such dwellings, that a warden service is provided, and that there is a common room nearby.

'Housing for the disabled' means a property that is one of a group and has features that are substantially different from those of ordinary dwellings and with special facilities that are provided nearby.

b) Houses and flats on land which has been bought for development, and which are being used as temporary housing before the land is developed.

c) The tenancies of employees who have to live in homes owned by their employers so that they can be near their work.

- d) The tenancies of employees whose home is inside the boundaries of a school, a social service home, another type of operational building or a cemetery.
 - e) Certain tenancies held by members of a police force.
 - f) The tenancies of fire authority employees who have to live near to the station they work in and whose homes have been provided by the employer.
 - g) Temporary lettings (of up to 3 years) of homes usually let to the employees mentioned above*.
 - h) Some homes which are let as part of business or agricultural premises (for example public houses, farms, shops).
 - i) Homes which the landlord has leased from someone else and which have to be given up empty when the owner wants them.
 - j) Almshouses.
 - k) Homes which are let by a charitable registered provider, a charitable housing trust or association, by certain co-operative housing associations, or by a housing association or other registered provider which has not received grants from public funds.
 - l) Tenancies given to students so they can follow certain full-time courses at a university or college. This rule does not apply if the tenancy continues for more than 6 months after the tenant stops attending the course*.
 - m) The tenancies of people moving into the area from another district to take up a job and given a home temporarily while they look for a permanent home. This rule does not apply if tenants are still living there after one year*.
 - n) Tenancies for homeless people secured under section 193 of the Housing Act 1996.
 - o) The tenancies of people who used to be squatters but have now been given a licence to occupy a home.
 - p) Long fixed-term leases (of over 21 years).
 - q) Temporary lettings to people who were not secure tenants in their previous homes which are being improved or repaired.
- *For exclusions (g), (l) and (m) to count, the tenant must be notified before the start of any tenancy.

Rural restrictions

If your home is in one of the following areas:

- a National Park
- a designated Area of Outstanding Natural Beauty
- an area designated by the Secretary of State as rural for Right to Buy purposes

and you want to buy your home from your local council or a housing association under the Right to Buy (or under the Preserved Right to Buy from a registered provider, if your home was transferred), special rules apply. When you buy in these areas, the sale will be on the condition that you may only resell it to someone who has been living or working in the area for 3 years. Alternatively, your landlord may require you to offer your home to them if you want to resell within 10 years of buying (see the section on the 'Right of first refusal' on page 9 for further information). The landlord would then have to pay you the full value of the property.

It may be helpful to check with mortgage companies that they are happy to give mortgages on homes with a rural restriction.

Defective dwellings

Certain types of houses and flats have been designated as defective under Part 16 of the Housing Act 1985, because:

- they are defective by reason of their design or construction; and
- their value has been reduced substantially because their defects have become generally known.

If your home is one of these, your landlord must tell you before you buy. You should then consider very carefully whether it is wise to buy. You might have difficulty in selling later, because anyone thinking of buying your home from you might be unable to get a mortgage. If you do decide to buy, it is very important to find out the structural condition of your home. You should make sure that the price you pay for it reflects the structural problems and the fact that you may find it difficult to re-sell it later.

Right to Buy landlords

To have the Right to Buy your home you must be a secure tenant of one of the following bodies:

- A district council
- A county council or county borough council
- A London borough council
- The Common Council of the City of London
- The Council of the Isles of Scilly

- A metropolitan county police authority
- The Northumbria Police Authority
- A metropolitan county fire and civil defence authority
- The London Fire and Civil Defence Authority
- A metropolitan county passenger authority
- The London Waste Regulation Authority
- The West London, North London, East London and Western Riverside Waste Disposal Authorities
- The Merseyside and Greater Manchester Waste Disposal Authorities
- A registered provider such as a housing association which is registered with the Homes England. This only applies if you are a secure tenant; or a former secure tenant of a local authority or another Right to Buy landlord and your home was transferred to a registered provider (see *Preserved Right to Buy* – page 6).

You may not buy your home if you are the tenant of a registered provider which is:

- A charity
- A landlord which has not received public subsidy
- A co-operative association
- Homes England

Other public bodies

When working out whether you qualify to buy and the amount of discount to which you are entitled, you may count any periods of tenancy of a house or flat with any of the bodies listed below. You can't buy your home from most of the bodies listed below, but you can count the time you were a tenant with any of them towards your qualifying period and discount:

- Community councils
- Local authorities
- New town corporations
- Parish councils
- Urban Development Corporations

- Housing Action Trusts
- Registered providers (but not co-operative housing associations)

- Government departments
- Ministers of the Crown
- Secretary of State (in some circumstances)
- Area electricity boards
- Fire and rescue authorities
- Internal drainage boards

- National Health Service trusts and foundation trusts
- Passenger transport executives
- Police authorities
- Water authorities

- AFRC Institute for Grassland and Animal Production
- Agricultural and Food Research Council
- British Airports Authority
- British Broadcasting Corporation
- British Coal Corporation
- British Gas Corporation
- British Railways Board
- British Steel Corporation
- British Waterways Board
- Central Electricity Generating Board
- Church Commissioners
- Civil Aviation Authority
- Coal Authority
- Electricity Council
- English Sports Council
- Environment Agency
- Historic Buildings and Monuments Commission for England

- Housing Corporation
- Lake District Special Planning Board
- Lee Valley Regional Park Authority
- Medical Research Council
- National Bus Company
- Natural England (in some circumstances)
- Natural Environment Research Council
- Peak Park Joint Planning Board
- Post Office
- Science and Engineering Research Council
- Sports Council
- Transport for London
- Trinity House (in some circumstances)
- United Kingdom Atomic Energy Authority
- United Kingdom Sports Council

In Wales

- Countryside Council for Wales
- National Library of Wales
- National Museum of Wales
- Sports Council for Wales
- Welsh Assembly Government

In Scotland

- Councils
- Development Corporations
- Housing Associations (in some circumstances)
- Water authorities
- Commissioners of Northern Lighthouses
- Highlands and Islands Enterprise
- North of Scotland Hydro-Electric Board
- Scottish Homes
- Scottish Natural Heritage
- Scottish Sports Council
- South of Scotland Electricity Board

In Northern Ireland

- District Councils
- Education and Library Boards
- Registered housing associations
- Fire Authority for Northern Ireland
- Northern Ireland Electricity Service
- Northern Ireland Housing Executive
- Northern Ireland Policing Board
- Northern Ireland Transport Holding Company

- Sports Council for Northern Ireland

In respect of housing co-operative agreements

- In England and Wales, a local housing authority, new town corporation or the Development Board for Rural Wales. In Scotland, a local housing authority.
- And any predecessor of these landlords.

