


<p><b>Contractual Right To Buy Policy</b></p> <p><b>Policy Owner:</b> Director of Operations <b>Approved by:</b> Executive Team <b>Approval date:</b> 25 November 2020 <b>Current version number:</b> V2 <b>Next review date:</b> November 2022</p>	
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## 1. Statement of Intent

- 1.1. HFL Homes Limited (“**HFL Homes**”) is committed to upholding the commitments set out by London Borough of Lambeth (“**LB Lambeth**”) in its Key Guarantees to secure tenants.
- 1.2. The primary objective of this policy is to set out the basis on which former secure tenants of LB Lambeth whose homes were demolished as part of a re-building programme and who are now a HFL Homes Lifetime Assured tenant can exercise the Right to Buy based on the transfer of their rights from one property to the other. This ‘retained’ Right to Buy is referred in this policy as a “contractual Right to Buy”.
- 1.3. To achieve these objectives, this policy sets out:
  - Which HFL Homes tenants have a contractual Right to Buy;
  - The required occupancy periods to qualify; and
  - The discounts to be applied at the point of purchase
- 1.4. Where a Managing Agent is engaged to manage properties on behalf of HFL Homes;
  - The Managing Agents will apply all aspects of the Contractual Right to Buy Policy on our behalf, and ensure their staff are trained on the policy;
  - The Managing Agents will consult HFL Homes on all significant activities undertaken in fulfilment of the policy where required; and
  - The word “staff” in this policy refers to the staff of the Managing Agent with regard to all operational matters.

## 2. Scope of Policy

- 2.1 The contractual Right to Buy applies only to former LB Lambeth secure tenants whose homes were rebuilt as part of LB Lambeth’s estate regeneration programme and who were re-provided with a new HFL Homes home on the same estate in fulfilment of LB Lambeth’s Key Guarantees.
- 2.2 This policy does not apply to those tenants who move to a new HFL Homes property:

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- Via a local lettings plan agreed as part of the estate regeneration programme;
  - Via another Choice Based Lettings route (e.g. Lambeth Home Connections); or
  - Where the tenant did not have the statutory Right to Buy when they were a LB Lambeth tenant - for example non-secure tenants, tenants with legal issues related to debt or tenants with outstanding possession orders).
- 2.3. Provided a tenant qualified for the Statutory Right to Buy when they were a LB Lambeth tenant and provided all the necessary conditions applying to the statutory Right to Buy are satisfied as an HFL Homes tenant, the tenant will be entitled to exercise his/her Right to Buy under this policy.
- 2.4. Full details of the current provisions relating to the Right to Buy are set out by the Ministry of Housing, Communities and Local Government (“MHCLG”) in the document “Your Right to Buy Your Home: a guide”.
- 2.5. Under the terms of this contractual Right To Buy Policy, HFL Homes Ltd adopt and agree to follow these provisions. The provisions may vary from time to time and HFL Homes may agree to apply the statutory and other provisions relating to the right to buy as they would apply to a secure tenant who retained the statutory right.

## Policy

### 3. Period of Occupation

- 3.1. In accordance with the Housing Act 1985, the tenant’s occupation of their home will count towards the necessary qualifying period of occupation and towards the discount on the purchase price of the property.
- 3.2. The current qualifying period for contractual Right to Buy for former secure council tenants is three years. The three years do not have to be continuous and tenants may add together any spent as a public sector tenant, so long as they were a secure LB Lambeth Council tenant before they moved to a re-provided HFL Homes property on the same estate.
- 3.3. Where a secure tenant has been resident for less time than the qualifying period at the point where their home is vacated, their period of residence will be transferred to their new property and they will qualify for the contractual Right To Buy when the aggregate of their periods of residence in both properties (and any other period spent as a public sector tenant) reaches three years.

### 4. Discounts

- 4.1. HFL Homes tenants with contractual Right to Buy will qualify for the same level of discount level as tenants with statutory Right to Buy. These values are set by government and change from time to time. Currently, discounts range from 35% to

70% of the purchase price (i.e. the home value if sold on the open market on the date of the Right to Buy application) up to a maximum of £112,300 in London. The current position can be established by checking the government guidance at [righttobuy.gov.uk](http://righttobuy.gov.uk).

- 4.2. Discounts vary according to whether the tenant occupies a house or flat and depend on the period of occupation of the property or a previous qualifying property.
- 4.3. In addition, the “cost floor rules” restrict the amount of the discount due to building, maintenance and repairs costs.
- 4.4. Tenants may enquire with HFL Homes or use the government’s Right to Buy calculator for an estimate of their discount. Tenants will not know their exact discount until a valuation on their property is undertaken as part of their Right to Buy application.

## **5. Complaints**

- 5.1. Any complaints about this policy or its implementation in individual cases will be dealt with through the Homes for Lambeth Complaints Policy. A copy of this can be obtained from the HFL Homes website or by writing to HFL Homes.

## **6. Equalities and Diversity**

- 6.1. We adhere to the provisions of the Equality Act 2010. HFL Homes does not discriminate against tenants or residents on account of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.
- 6.2. We work in accordance with our Equality and Diversity Policy, ensuring that appropriate advice and assistance is given to those disadvantaged in the community, and that adequate translation and interpretation facilities, large print material, Mincom, induction loops etc. are available.

## **7. Training and Promotion**

- 7.1. We will publicise this policy to our staff, managing agents and tenants through:
  - Our website; and
  - Policy briefings and training.

## **8. Policy Review**

- 8.1. This policy will be reviewed as required or at least every two years to incorporate any changes in legislation or good practice. For instance, a pilot for the Voluntary Right to Buy for housing association tenants is currently running in the Midlands. The pilot will be evaluated after it finishes in 2020 and future policy decisions will be taken following the evaluation. HFL Homes will consider these outcomes when next reviewing this policy.

- 8.2. HFL Homes is committed to working with residents to refine its policies so they are fit for purpose. HFL Homes will proactively monitor customer feedback on the policy and its implementation and invite tenants in future to contribute to the review and amendment of the policy through Residents' Forums, online surveys and other mechanisms to maximise the input of residents into our services.

## 9. Definitions

*This section enables the author to explain any acronyms or particular words or terms used in the policy that may require a clear description of their meaning.*

**We follow plain English guidelines. Specified words or terms within this policy are explained here.**

<b>Word or Term</b>	<b>Meaning of Word or Term</b>
Managing Agent	The provider of housing management services to HFL Homes
HFL Homes	Homes for Lambeth's registered provider of social homes
LB Lambeth	London Borough of Lambeth
Key Guarantees	The commitments made by LB Lambeth to residents living on estates that will be rebuilt

## 10. Legal & Regulatory Framework

<b>List relevant legislation or regulation, such as social housing regulation</b>
Ministry of Housing, Communities and Local Government ("MHCLG")

## 11. Related HFL Policies

**This policy links to the following HFL policies:**

- Complaints Policy
- Equality and Diversity Policy

## 12. Related HFL Procedures

**This policy links to the following HFL procedures:**

- None

## 13. Version Control

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<b>Version Number</b>	<b>Revision Date</b>	<b>Summary of Changes</b>	<b>Author</b>
V2		Approved by Executive Team November 2020	Paul Simpson