



YOUR RIGHT TO BUY YOUR HOME FROM BLACKPOOL COUNCIL

WHY WE ARE SENDING YOU THIS BOOKLET

Blackpool Coastal Housing Ltd. on behalf of Blackpool Council is sending this booklet to all its secure tenants. It explains the legal right that many council tenants have to buy their home at a discount, which means that the price will be lower than the market value. It outlines some important information that we are required to give you by the Government.

This information is only a brief outline of some of the key points. More details are given in the Government booklet, Your Right to Buy Your Home, available from the address below.

WHAT WE WANT YOU TO KNOW

If you are a secure tenant you can apply for the right to buy directly free of charge to The Homeownership Section, Blackpool Coastal Housing Ltd., Progress House, Clifton Road, Blackpool, FY4 4US.

Phone: 01253 477984 Fax: 01253 477950 Email: homeownership@bch.co.uk

There are various Agencies, which offer to help tenants buy their homes. Please be aware that Blackpool Coastal Housing and Blackpool Council does not have any arrangements with any agents, such agents may charge you for their services.

**DO NOT ALLOW ANYONE INTO YOUR HOME WITHOUT FIRST CHECKING THEIR IDENTIFICATION.
DO NOT SIGN ANY DOCUMENTS WITHOUT FIRST TAKING ADVICE.
FOR IMPARTIAL ADVICE AND PRACTICAL HELP PLEASE CONTACT US ON 01253 477894 OR
CITIZENS ADVICE ON 0870 126 4090**

Please note that once you apply to buy your home it will not be included in any planned improvement works. Only emergency repairs or repairs required by law will be undertaken.

It is our advice that you do not apply for a mortgage until you have received the offer notice.

WHO IS ELIGIBLE FOR THE RIGHT TO BUY?

You need to be a secure tenant

Most council tenants have the right to buy. You will have the right to buy your home if you are a secure tenant, unless one of the special rules listed below applies.

The council has an introductory tenancy scheme that means for a probationary period a new tenant is not secure, and cannot buy. After the initial 12 months (or 18 months if probation is extended), you will have a secure tenancy with us, provided that you are not in shared, tied or temporary accommodation for example. To keep the right to buy, you need to occupy the property as your main home, not at any time sub-let the whole of it.

Anti-social behaviour

If a tenant is taken to court for anti-social behaviour the court may make an order that demotes the secure tenancy. In that case the tenant will be a demoted tenant with fewer rights for a probationary period of 12 months, and during that time the tenant will not have the right to buy.

You need a qualifying period of public sector or armed forces occupation

To have the right to buy you need a qualifying period of public sector and/or armed forces occupation. If you have a joint tenancy, only one tenant needs to have the full qualifying period.

You will need a qualifying period of at least 5 complete years, except in the cases below.

You will need a qualifying period of at least 2 complete years if:

- you already had a tenancy with the council by 18th January 2005, and you have not had a break in your tenancy since then
- you currently hold a secure tenancy that you took over, for example by succession on death of the tenant, and that tenancy originally started before 18th January 2005, or
- you had a public sector tenancy by 18th January 2005, and you were a tenant of a public sector landlord¹ continuously (without a break) until you made your right to buy application as a secure tenant with us.

You work out your qualifying period broadly by adding up the periods of time when you have been a tenant with a public sector landlord, or an armed forces occupier.

Costs and charges

Blackpool Coastal Housing Ltd and the council will not charge you for dealing with your right to buy application, and will value and inspect your home free, but if you buy the home you rent there will be costs and charges that you will have to pay in connection with the purchase, as well as the normal costs of home ownership after the sale goes through. Examples are given below.

¹ A public sector landlord includes in this case not only the council, but any council or registered social landlord, or any of the landlords listed on the RTB1 application form.

CASES WHERE A SECURE TENANT DOES NOT HAVE THE RIGHT TO BUY

You cannot buy your home under the right to buy for the time being in some circumstances personal to you. These are:

- Bankruptcy and insolvency
- Where we have a court eviction order in respect of your tenancy
- The court makes an order suspending the right to buy because of anti-social behaviour.

TYPES OF PROPERTY WHERE THE RIGHT TO BUY IS NOT ALLOWED

There are some types of property that are excluded from the right to buy. You will not be able to buy the home you rent from the council if you occupy any of these:

- The council holds the property that includes your home on a short lease
- Your home is (or in some cases was) connected with your job
- Your home is part of a group of supported or sheltered housing
- Your home is a property particularly suitable for elderly people (subject to a right of appeal in this case)
- We lease the property from the Crown
- Your home is scheduled for demolition and a notice of this has been served.

If we are taking you to court

If we have taken you to court for one of the orders below, and we are waiting for a hearing, you will be able to apply to apply to buy, but we will not actually sell the property to you until the case is decided. If the order is made in our favour you will not be able to go ahead and your right to buy will be withdrawn. The orders are:

- a demotion order
- a right to buy suspension order
- a possession order on the grounds of nuisance or criminal conviction.

If our claim for an order is dismissed or withdrawn you will be able to go ahead and complete the purchase.

RIGHT TO BUY PROCEDURE

Making an application

The first step is to give notice in writing to Blackpool Coastal Housing Ltd on behalf of Blackpool Council. You must use the application form (RTB1) that you can get from us. Before you apply make sure you have filled in all the information and that it is correct. If you realise later that you have made a mistake, you must tell us in writing straight away.

You can withdraw your application at any time without charge, up until the sale goes through. If you wish to withdraw your right to buy application you must tell us in writing.

Make sure that if you post the application or any notices to us you get a certificate of posting. If you deliver it by hand get a receipt and keep it in case you need it later.

When we receive your application

When we receive your application we will register your interest. We will then check to see if you, and any other family members included as joint applicants, are eligible for the right to buy, and whether the property is excluded for any reason.

If you have been a tenant with Blackpool for at least 2 years (5 years for new tenants) we will send you our response notice, Form RTB2, to admit or deny your right to buy within 4 weeks. If you have not been our tenant for the full period, we have 8 weeks to do this, as we need extra time to check your previous tenancies or armed forces occupation.

If we admit the right to buy

If we admit your right to buy, we arrange an inspection of your home by our own Property Maintenance Surveyors. We will arrange and pay for a valuation by an independent company. We then prepare information about the terms of sale, known as the "S. 125 notice", or "the offer notice".

This notice includes:

- the property you are entitled to buy
- whether the property is a house or flat
- whether we will sell it to you outright or grant you a long lease
- the price you will have to pay and how it is calculated
- any structural defects we know about
- estimates of service charges, if any.

We will also explain what steps you should take next.

We will send this information to you within 8 weeks of admitting your right to buy if the home you rent from us is a house and we are selling the freehold to you. Otherwise we will send the information within 12 weeks.

Valuation and price

The price we quote is based on the open market value of the home you rent from us, valued at the time of your right to buy application. A discount is deducted from the value of your home to work out the price as explained below.

To value the property, the benefit of any improvements you have made to it, or the result of failure by you to look after it properly, are not taken into account.

If you think the value we have put on the property is too high, you can notify us that you would like the value to be decided by the District Valuer. You should think very carefully before doing this, because the District Valuer's decision is final and binding. The value could be higher or lower.

Government rules limit the discount that can be deducted from the value for the right to buy in the Blackpool area to £26,000. For example, if your home is valued at £100,000 for the purposes of the right to buy, the price normally will be £74,000.

The discount will be less than this if your home has a low value and/or you do not have enough qualifying years for a full discount. Please ask us if you would like details.

Reductions in discount

If you have bought a home at a discount from a public sector landlord in the past, the discount you will be given when you buy your home from us will be reduced by that amount.

In some cases the council has spent a lot of money on the property in the last 10 years. If that is the case the council may have to reduce the discount given to you, to cover its costs. This is called "the cost floor".

What you have to do

When you receive the offer notice from us you need to decide whether you are happy with the price and other terms of sale and whether you wish to go ahead with the purchase of your home. **Note that the price and terms are set by legislation and we do not have discretion to vary them.**

If you want to buy you also need to arrange the finance for payment of the price.

If you wish to have the value of the home you rent from us decided by the District Valuer you must notify us in writing within 3 months of receiving the offer notice.

You have 12 weeks from the offer notice (or, if the value of your home has been decided by the District Valuer, from the revised offer) to decide in principle whether you intend to go ahead with the sale. You have to give the council notice in writing of this, so that we can prepare for completion of the purchase. If you intend to go ahead you can still withdraw later.

If you do not notify us within 12 weeks, we can give you 4 weeks notice that you must do so. If you do not then give us notice that you do or do not intend to go ahead, unless you have a good reason why this is not possible, your right to buy will be treated as withdrawn. You are expected to be ready to complete the purchase within 3 months of the offer, provided there are no outstanding matters, such as the valuation, that have not yet been decided.

We do not have to sell the property to you for the time being if the home you rent from us is subject to an initial demolition notice, or if you are in arrears with your rent. If the demolition notice is withdrawn or the arrears are paid the purchase can go ahead.

If We Delay

If you believe that we are not dealing with your right to buy application as quickly as we should, you can contact us, and we will do our best to resolve your complaint. Please note that the legislation governing the right to buy gives us specific times to deal with your application and you cannot require us to reply more quickly.

Also, before you complain or take action against us for delay, please check that it is in fact our delay that is causing the problem. Sometimes right to buy applications can be delayed by things beyond our control, for example waiting for District Valuer valuation or a reply from buyer's own solicitor or representative.

There is a special delay procedure you can use in the following situations:

- If we do not admit or deny your application within 4 weeks (8 weeks if you have not been our tenant for the full qualifying period)

- If we do not send you the offer notice within 8 weeks of admitting your right to buy (or 12 weeks if we are going to grant you a long lease, normally because the property is a flat)
- If delay by us is in some other way preventing you from exercising your right to buy in a reasonably prompt way.

If you wish to use this procedure you must first complete and send to us an initial notice of delay, Form RTB6, and you must give us at least a month to reply.

If you serve the initial delay notice on us, we must reply to you within the time you gave us.

If we do not respond and, if we are at fault, put right the delay, you can then serve an operative notice of delay, Form RTB8, on us. If you do this, rent you pay during the time we are in default will be deducted from the price you pay when you buy your home.

If there is further delay you can use this procedure more than once.

Full details of how to use the delay procedure and forms are available from us.

If You Delay

Once all matters concerning the sale have been agreed or established, and provided the valuation is not under appeal, you must arrange to complete the purchase. If you do not do so within 3 months of the offer notice we can serve notices on you to finalise the sale. We will give you a preliminary warning notice, giving you an opportunity to tell us if there is some aspect of the terms of sale that has not yet been finalised or is under dispute. Unless there is something preventing completion that has to be resolved, we will then serve a final notice on you requiring you to complete the purchase. In each case we will give you at least 8 weeks to reply.

If you still do not complete the purchase once both notices have expired, we will treat your right to buy application as withdrawn.

IF YOU ARE ON BENEFITS

IMPORTANT: Note that if you buy your home housing benefit will stop and you will have to pay your mortgage or other finance costs yourself.

INITIAL COSTS OF BUYING

Although Blackpool Coastal Housing Ltd. on behalf of the council will do the administration of the right to buy without charge to you, it will cost you money to buy your home, and you must think carefully if you can afford the costs.

These include:

- Stamp duty
- Mortgage valuation fees
- Other costs associated with taking out a mortgage
- Survey fees
- Land registry fees

- Legal and conveyancing fees

COSTS OF HOME OWNERSHIP

Before you go ahead with the purchase you must ask yourself if you can afford the general costs of home ownership. These include for example regular outgoings as follows:

- Mortgage payments
- Life insurance
- Mortgage payment protection insurance
- Building and contents insurance
- Council tax
- Water, sewerage, gas, electricity, or other utility services.

Also, you will be responsible for the repair, maintenance and upkeep of your home.

Buying a flat

If your home is a flat, the structural and exterior maintenance will be done by the council, but you will be responsible for paying for this. In particular, charges for major works to the building or grounds can be very expensive.

Apart from charges for major works you will also have to pay charges to the council every year to cover ground rent and services such as maintenance of grounds and communal areas and caretaking. You will also have to pay the council for buildings insurance and management costs.

Risk of losing your home

You must think carefully about whether you have enough money coming in to pay all these costs. If a relative is offering to help you buy will they be able to keep up the payments? What will happen if you lose your job or fall ill?

If you go through the right to buy and cannot afford the outgoings you are at risk of losing your home, and of becoming homeless. If you cannot pay your mortgage the lender may repossess the property.

If you buy a flat and cannot pay your service and major works charges to the council we may forfeit the lease and repossess the property.

Are you aware your home may be taken into account if you ever have to move to a Nursing or Residential home?

This information is provided as required by the Housing (Right to Buy)(Information to Secure Tenants)(England) Order 2005.