

BCH Information Series No.7
Homeownership - Right to Buy & Leaseholders

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1. Right to Buy

The Right to Buy scheme was introduced by Government legislation in 1980 and Blackpool Coastal Housing will comply with that and any subsequent amendment legislation from the Government when administering the scheme.

You may buy your home if:

- You are a secure tenant;
- You have spent a total of at least five years as a tenant of Blackpool Council or another Right to Buy Landlord or similar public body or in accommodation provided by the Armed Forces. This is 2 years if your secure tenancy began before 18th January 2005;
- Your house or flat is a separate home and is your only or main home;
- **If your home is a flat or maisonette** you will remain a tenant with a long lease and will pay service charges. You will become a Leaseholder and will be charged twice yearly Service Charges **see Section 2 Leasehold**.
- Or meet any new requirements set by the Government.

You cannot buy your home if:

- It is sheltered housing
- It is particularly suitable for elderly people and was first let before 1st January 1990 to be lived in by someone aged 60 or more;
- It is being used as temporary housing by Blackpool Council;
- Or meet any new requirements set by the Government.

Note: You do not need to use an agent to apply for the Right to Buy your Home.

There are agencies who advertise or call at homes offering to help tenants buy their homes. Please be aware that Blackpool Coastal Housing and Blackpool Council **DO NOT** have any arrangements with any agents. **Such agents will charge for their services.**

Can you afford the initial costs of buying such as:

- Solicitors Fees
- Stamp Duty
- Mortgage valuation Fees, and other costs associated with taking out a mortgage
- Survey Fees
- Land Registry Fees

Can you afford the cost of homeownership?

Buying your home is a major financial commitment. You will need to decide if you can afford to buy and continue to maintain your home. You need to ask yourself if you can afford the costs of homeownership such as:

- Mortgage payments
- Life Insurance, Mortgage Protection insurance, Buildings & Contents insurance
- Council Tax
- Utility services such as water, gas & electricity
- On going repair, maintenance and upkeep of your home

Service Standards

Blackpool Coastal Housing is the managing agent for all Council owned housing stock including flats and maisonettes purchased by Leaseholders. BCH Homeownership provides a dedicated service to tenants applying for the Right to Buy, and a Leasehold Management service that is responsible for ensuring the conditions in the Lease and the statutory regulations and targets from Government are met.

Right to Buy Service Standards:

- We will deal with all Right to Buy applications from initial enquiry through to acceptance of a Right to Buy offer ensuring we meet the criteria and targets set by Government.
- We will offer a face to face interview to tenants at acceptance of the offer stage (or at any stage of the process when requested by a tenant) to ensure the full financial and future obligations of any purchase under Right to Buy are understood and any questions are answered.
- We will ensure tenants who wish to purchase under the Right to Buy the Lease of a flat or maisonette are aware they will become tenants with a Long Lease and Blackpool Council will remain their Landlord and the freeholder of the building in which the property is located.
- We will monitor our service monthly to ensure targets are met.
- We will review our Right to Buy procedures and Homeownership pages of the BCH web site annually, and introduce improvements and changes as required by Government or by the Service Improvement Panels.
- We will deal with tenants applying for the Right to Buy in accordance with the BCH service standards on customer care and access to service.

2. Leasehold

If your home is a flat or maisonette you will be buying the lease, or if you have bought the lease as a private sale (had the lease assigned to you) you are a Leaseholder.

A Leaseholders Handbook or the Government Guide to being a Leaseholder is available on request.

Lease and Leaseholder Information

- Blackpool Council holds the freehold of the building and will be your Landlord, with Blackpool Coastal Housing managing your lease on the Council's behalf.
- You will have bought the Lease and will be a tenant with a Long Lease.
- You will be a Leaseholder.
- The Lease gives you the right of possession but not ownership of the property for the period stated in the Lease.

The Lease is your legal agreement with the Landlord and sets out your rights and responsibilities for example:

- Your payment of Service Charges, Ground Rent, and Buildings Insurance Premium.
- Your obligations relating to consent to improvements you may wish to undertake.
- Allowing access for repairs and programmed works.
- Tenancy conditions connected with neighbourhood issues.
- The Lease also sets out the Landlords responsibilities.

Service Charges

You will be invoiced in April and October each year for Service Charges. This includes your share of the day to day (responsive) repairs to your block or your property and your share of any planned/programmed works to your block or your property. Your invoice will include information on the various payment methods available and enclosed will be a breakdown (schedule) of the various elements of the Service Charges.

Your April invoice will include your annual Ground Rent and Buildings Insurance Premium.

Major Improvements – Section 20 Consultation

If your building is included in any major external improvements works you will receive a statutory notice giving details of the work, its total cost and the share you will have to pay. You will also receive information on the statutory loans policy which may be able to help you towards the costs. The work will be undertaken by contractors who were awarded contracts following the OJEU regulations and therefore Leaseholders can not nominate their own contractors to undertake any work to the external parts of blocks of flats. You need to be aware that the cost of these works can run into many thousands of pounds for Leaseholders and will be included in the Service Charge invoice.

Service Standards

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Statutory & Legal Leasehold Service Standards:

- Send out an annual Notice of Ground Rent.
- Send out estimated service charge bills for each financial year in April, together with a schedule of how the charges have been calculated and the statutory Rights & Obligations.
- Send a finalised bill and schedule of the actual service charge costs for the previous financial year in October, together with the statutory Rights & Obligations.
- Consult with Leaseholders, as required by Government legislation, who live in a block, which is due to be included in planned improvements, and provide you with details of the improvement works and estimated costs.

Leasehold Management - BCH local Service Standards

We will:

- Quarterly record the Homeownership & Leasehold performance against our targets. These and value for money improvements will be reported to Leaseholders through:
 - Twice yearly Newsletters and
 - Quarterly Service Improvement Panel meetings.
- Invite all Leaseholders to the annual Tenant and Leaseholders Conference.
- Reserve one of the tenant Board Member seats for a Leaseholder. All Board Member seats are re-elected on a rolling basis for more details see the "The Board" information page on our web site.
- Provide Leaseholders with the same opportunity to help improve the BCH service as tenants through the BCH Customer Involvement engagement activities.
- Create new Leasehold accounts within 10 working days of receipt of Notice from the Landlord Blackpool Council.
- Review and update the BCH Homeownership pages of the web site and Handbook following any improvements or changes or annually. The Customer Involvement reading panel will review the Handbook prior to any reprints. The latest handbook and updates will be available on our website, or on request.
- Undertake a Satisfaction Survey every 3 years, or as required by legislation, and discuss the results and actions to be taken with the Service Improvement Panel. The report will be published on the BCH web site and results will appear in the Newsletter.
- We will deal with Leaseholders in accordance with the BCH service standards on customer care and access to service.

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3. Further Information and to Contact Us

For further information, copies of Government information booklets and for links to Government and independent organisations please visit our web site
<http://www.bch.co.uk/leaseholdersRIB/RighttoBuyLeasehold.htm>

insert up to date contact details