

Right to Buy information for tenants

The Government has asked public sector landlords to provide information to tenants, concerning the Right to Buy. Information is to be given to tenants about the following matters:-

1a) The circumstances in which the Right to Buy can & cannot be exercised

You can exercise the Right to Buy if you are a former tenant of Wycombe District Council who transferred on 12 December 2011, are now an assured tenant of Red Kite Community Housing Limited (Red Kite), and have been a public sector tenant for three years or more, subject to:-

- You may only exercise the Right to Buy if your home is your only or main home and is self-contained.
- You cannot buy your home if the 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 and still owe them money. Your rent account must be clear before you complete the purchase of your home.

Spouses and other family members who are not tenants may be included in a Right to Buy application, subject to certain conditions.

If you were a secure tenant of Wycombe District Council at the time of the transfer of the housing stock to Red Kite on 12 December 2011 and became an assured tenant on that date, you may still apply for the Right to Buy. This is called the Preserved Right to Buy.

Specific exceptions to the Right to Buy are shown below.

1b) Specific exceptions to the Right to Buy

Exceptions to the Right to Buy, as listed in Schedule 5 to the Housing Act 1985, include the following (other exceptions may apply) –

i) Homes which are let by:

- a charitable registered provider, charitable housing trust or association.
- certain co-operative housing associations.
- a housing association or other registered provider which has not received grants from public funds.

ii) The home is due to be demolished within 24 months, or if a final demolition notice is in force.

iii) Homes where the landlord does not own the freehold of the property.

iv) Tenancies of employees of the landlord, where they are required to live in the home so that they can be near their work, such as caretakers.

v) Tenancies of employees whose homes are inside the boundaries of operational buildings, for example a community or sports centre, school, social service home, or cemetery.

vi) Sheltered housing for the elderly and housing for the physically disabled, the mentally ill or the mentally disabled. Special rules must be met in these cases:

- Sheltered housing normally means that the home 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 physically and mentally disabled means the home is one of a group and has features that make it substantially different from those of ordinary properties. Special facilities must also be provided nearby.

vii) Individual homes particularly suitable for elderly people – typically bungalows and ground floor flats.

Red Kite may refuse to let you buy if your home is particularly suitable for occupation by elderly people, under paragraph 11 of Schedule 5 to the Housing Act 1985.

If Red Kite informs you that this exemption applies to your home, you can ask a Residential Property Tribunal to decide if Red Kite is right. You must ask them within 56 days after Red Kite has refused to sell your home to you. If you don't ask in time, you lose this right of appeal.

The law says that 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.
- was let to you or the previous tenant for occupation by a person aged 60 or over, whether they were the tenant or not.
- was first let (to you or to someone else) before 1 January 1990.

1c) The procedure for claiming to exercise the Right to Buy

The procedure for claiming to exercise the Right to Buy is as follows –

- Begin by asking Red Kite for a Right to Buy application form RTB1. This form is contained in the Right to Buy information pack which is available free of charge to our tenants. Form RTB1 and the contents of the Right to Buy Information pack may be downloaded from our website. The Folder may be obtained by using any of the contact points listed on page 4.
- Complete form RTB1 carefully, ensuring that all applicants have signed it. Return form RTB1 to Red Kite – the date Red Kite receives form RTB1 will be your application date.
- After receiving form RTB1, Red Kite must send you a notice (form RTB2) telling you whether or not you have the Right to Buy. Red Kite should send you the form RTB2 within four weeks of your application date or within eight weeks if you have been our tenant for less than two years.

1d) The procedure for advising the price payable for your home

The procedure for advising you of the price payable for your home is as follows –

- At the same time as sending form RTB2 confirming that you have the Right to Buy, Red Kite will instruct a firm of professional valuers to inspect your home by appointment.
- After receiving the valuer's report, Red Kite will send you a formal sale offer, known as a Section 125 Notice.
- The Section 125 Notice will describe your home and tell you the valuation figure, the amount of discount to which you are entitled and the price you should pay to buy it. Additionally, the Section 125 Notice will describe any structural defects that Red Kite knows about, contain the terms and conditions attached to the sale and, if you live in a flat, provide estimates of the service charges and improvements you will have to pay for in the first five years after you buy your home.
- Red Kite should send you the Section 125 Notice within eight weeks of the date on form RTB2, or within 12 weeks if your home is a flat or maisonette.
- When you receive the S125 Notice, if you disagree with the valuation of your home, you have the right to obtain an independent valuation from the District Valuer. To do so, you must tell Red Kite in writing within three months of receiving your S125 Notice that you want a determination of value. You do not have to pay for this.
- The District Valuer will inspect your home and issue his determination of value. Red Kite will then send you a revised S125 Notice. The District Valuer's valuation will be the one that counts. Even if it is higher than the original valuation, you will still have to accept it or withdraw your application to buy your home.

1e) The delay notice procedures for landlords and tenants

The delay notice procedures for landlords and tenants are as follows –

- If Red Kite does not send you the form RTB2 or the Section 125 Notice within the timescales shown above, or is otherwise delaying the sale, you may start the delay procedure.
- You first need to complete an Initial Notice of Delay, form RTB6 and send it to Red Kite.
- You must give Red Kite at least one month to take the next step in the sale process.
- Red Kite must send you a counter notice, if it has already sent you form RTB2 or a Section 125 Notice, or if there is no action that Red Kite can take to speed up the sale.
- If Red Kite does not send you a counter notice within the time allowed, you can send Red Kite an Operative Notice of Delay, form RTB8.
- The rent you pay while the delay goes on will then be deducted from the price you have to pay for your home. If Red Kite delays the sale again, you can repeat the procedure.

- Forms RTB6 and RTB8 are available on request from Red Kite's offices at the address shown on page 4. The forms are also available from the Department for Communities and Local Government, Home Ownership for Social Tenants, Eland House, Bressenden Place, London, SW1E 5DU – telephone 0303 444 3799 and the Tenant Services Authority, 149 Tottenham Court Road, London W1T 7BN – telephone 0330 1234 500.

2. The fact that initial costs are likely to be incurred by a tenant exercising the RTB

The Right to Buy service provided by Red Kite is free to tenants. However, if you decide to proceed with your purchase, it is likely that you will incur initial costs including –

- survey fees
- valuation fees, arrangement fees & costs associated with taking out a mortgage
- legal fees, including Land Registry fees
- Other costs

Upon completion of your purchase, stamp duty land tax may be payable.

3. The fact that a tenant or leaseholder will be likely to have to make regular payments as the owner of their home

Once you have completed your purchase, it is likely that you will have to make regular payments as the owner of your home, including -

- Mortgage repayments
- Buildings insurance, life assurance and mortgage payment protection insurance
- Council tax
- Water, sewerage, gas, electricity, and other utility services
- Internal upkeep and external repairs and improvements
- Other costs

4. The risk of repossession of your home if regular mortgage payments are not made

It is very important to keep up regular mortgage payments, and any other payments secured by a charge on your home. If you do not, you run the risk of having your home repossessed.

5. The fact that in order to keep the home maintained and in good repair, a homeowner will be likely to have to incur expenditure which may include payment of service charges in respect of major works

It is likely that you will have to incur expenditure to keep your home maintained and in good repair. If you have purchased the lease of a flat, this expenditure may include charges in respect of services provided, landlord's management charges and provision for repairs and major works.

Contact Points

Red Kite Community Housing
Windsor Court
Kingsmead Business Park
Frederick Place
High Wycombe
Bucks
HP11 1JU

Telephone: 01494 476100

Email: righttobuy@redkitehousing.org.uk

Website: www.redkitehousing.org.uk

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