

Preserved Right to Buy/Right to Acquire Policy

1. Aim

- 1.1 Onward recognises its legislative obligations to offer qualifying tenants the opportunity to purchase the freehold or leasehold of their home via the preserved right to buy (PRTB) or right to acquire (RTA) schemes. This policy sets out our approach to managing applications from tenants to ensure that this is done fairly and in line with legislation.

2. Scope

- 2.1 This policy applies to:
- Onward tenants
 - Onward colleagues involved in processing right to buy/acquire applications

3. Managing Right to Buy/Acquire Applications

3.1 Applications

- 3.1.1 Applications must be made using the prescribed application form. In addition, we require that all applicants complete a Fraud and Funding Declaration Form.
- 3.1.2 On receipt of an application, we will check the contents thoroughly and will request clarification, verification and/or evidence of the information provided where relevant. We will carry out checks and share information with other agencies, as necessary, to detect and prevent fraud. We may request a face-to-face meeting with an applicant to discuss their application.
- 3.1.3 A tenant may withdraw their application at any time.

3.2 Eligibility

- 3.2.1 We will assess the eligibility of both the property and the applicant(s) to confirm whether the application is accepted or refused. This will be done in accordance with legislation and the terms of the tenancy agreement.
- 3.2.2 Where both the property and the applicant(s) meet the necessary eligibility criteria, the application will be accepted.
- 3.2.3 Where any of the criteria is not met, the application will be refused, and we will provide the applicant with an explanation for the refusal.

3.3 Family Members Sharing the Right to Buy/Acquire

- 3.3.1 If a family member who is not a joint tenant wishes to share the purchase, we will require proof of their relationship to the tenant and evidence that they have occupied the property as their only or principal home for the 12 months before

the application was made. If suitable evidence cannot be provided, we will refuse the request to include the family member on the application.

3.4 Succession

- 3.4.1 Where a tenant has obtained their tenancy by way of succession, they are permitted by legislation to count all years spent in the property since the age of 16 towards their discount. We will require all such applicants to prove they have occupied the subject property continuously as their only or principal home.
- 3.4.2 In all cases, any proof provided must be in original documents showing the applicant's full name and the address of the subject property. All documents must be dated. We will apply the relevant discount for all years that the applicant can successfully prove.

3.5 Valuation

- 3.5.1 We will arrange a valuation by an independent RICS (Royal Institute of Chartered Surveyors) qualified surveyor.
- 3.5.2 We will instruct the valuer to disregard any improvements made by the tenant, where stated on the application and verified, if necessary, when determining the value.
- 3.5.3 Applicants have the right to appeal the valuation if they disagree with it. In this situation the District Valuer from HM Revenues & Customs will determine the value and their decision will be final.

3.6 Discount

- 3.6.1 We will calculate the discount entitlement in accordance with Right to Buy/Acquire legislation.
- 3.6.2 Where an applicant wishes to count previous social tenancies towards their discount entitlement, we will require evidence of these. Although we will attempt to make contact with previous landlords in order to verify tenancies, it is the applicant's responsibility to provide the evidence required if they want previous tenancies to be taken into account. Where a previous tenancy cannot be evidenced, it will not be included and will not count toward any discount.
- 3.6.3 If an applicant has purchased a property previously via Right to Buy/Acquire, we will reduce the discount accordingly.
- 3.6.4 If we have spent money building or maintaining your home, we will reduce the discount accordingly in line with the Cost Floor rules.
- 3.6.5 We will require any outstanding rent payments or other amounts due to us to be paid in full prior to completion

3.7 Offer Notice

We will issue an offer notice confirming the purchase price, discount, details of any structural defects and any service charge estimates on completion of the purchase, or any offer of alternative accommodation.

3.8 Timescales

- 3.8.1 We aim to process all applications in accordance with the timescales prescribed in Right to Buy/Acquire legislation. For purchases under the PRTB, the

appeal/delay process is specified in legislation. Any notices served under the PRTB appeal process will be handled in line with legislation.

3.8.2 For purchases under the RTA there are no such appeals or delay procedures, and we will act fairly in processing applications so as not to unduly delay or hinder the application

3.8.3 We expect applicants to meet their prescribed deadlines and applications/offer notices will be withdrawn where not met.

3.9 Post Sale

3.9.1 In the event of a resale, we will enforce the legislative obligations on the purchaser to offer us first refusal and to repay the discount. Where we do not want to exercise our right of first refusal, we will issue a certificate of compliance and lift any restrictions to allow the sale to take place.

3.9.2 We will only waive repayment of discount in exceptional circumstances and such requests will require approval from the Executive Director of Operations.

3.10 Deeds or letters or postponement

We will agree to deeds or letters of postponement where the additional borrowing is for an approved purpose and meets the requirements of the Housing Act 1985. In all cases the applicant will be required to provide proof of what the additional borrowing is for.

3.11 Fraud

3.11.1 Onward is committed to the prevention and detection of fraud and will use and share information with other registered housing providers, the Benefits Agency and other agencies that may help us to identify potential fraud. Information sharing will be carried out in accordance with our Data Protection Policy

3.11.2 We require that all applicants provide proof of identification and occupancy before we approve an application. We will comply with money laundering regulations as part of the conveyancing process in relation to the funding of the purchase.

3.12 Appeals and Complaints

3.12.1 Any complaints or queries relating to the application of internal procedures, staff conduct, or discretionary processes must be put in writing and will be dealt with through the Onward Complaints Policy.

3.12.2 Complaints about legislation will not be heard unless the applicant can demonstrate that the legislation has been incorrectly or unfairly applied

3.13 Legislation, Regulation and Guidance

Government legislation has an impact on how Onward can implement its Right to Buy/Acquire policy. Listed below are the key Acts that have been acknowledged.

- Housing Act 1985
- Housing Act 2004
- Housing and Regeneration Act 2008
- Housing (Preservation of Right to Buy) Regulations 1993 (Statutory Instrument 2241), Schedule 6.
- Housing (Right to Acquire) Regulations 1997
- Housing (Right to Acquire) (Discount) Order 2002

4. Responsibility and Monitoring

- 4.1 Head of Home Ownership and Regional Director will be responsible for ensuring the policy is complied with, monitoring and updating the policy.
- 4.2 The number of sales and performance against legislative timescales will be reported to Onward Senior Leadership Team monthly.

Linked Documents:	Onward's Data Protection Policy Onward's Money Laundering and Anti-Fraud policies Onward's Complaints Policy
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Date implemented:	19 December 2021
Policy lead:	Natalie Lewis, Head of Home Ownership
Approved by:	Senior Leadership Team
Approved on:	13 December 2021
Next review date:	December 2023 (or changes in regulation, legislation)

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