

# PRESERVED RIGHT TO BUY POLICY

<b>Board/EG Approval:</b>	November 2019	<b>Responsible Board:</b>	Ocean Housing Ltd
<b>Next Review:</b>	November 2021	<b>Responsible Executive:</b>	Managing Director of Ocean Housing Ltd

## 1.0 RETENTION OF RIGHTS FOR EXISTING TENANTS

- 1.1 Under Section 171A of the Housing Act 1985, tenants who were secure tenants of Restormel Borough Council at the time of transfer will retain the right to buy their homes, known as the “Preserved Right to Buy”.
- 1.2 A person who succeeds to a transferred property in accordance with Section 171B of the Housing Act 1985 will also have the Preserved Right to Buy.
- 1.3 A person who is entitled to the Preserved Right to Buy will be entitled to a discount calculated in accordance with Schedule 4 of the Housing Act 1985. Limits to this discount in relation to the cost of works to the property and a limit on the total amount of discount are set out in Regulations made by the Secretary of State. It is the aim of Ocean Housing Ltd (OHL) that such a person’s entitlement to a discount shall not be affected by the transfer, subject to legislative requirements. Additionally tenants who are entitled to a Preserved Right to Buy will be able to exercise the right, not only in relation to the property which they occupy at the time of transfer, but also in relation to any property of OHL to which they subsequently transfer, subject to the general restrictions on purchase.
- 1.4 Please note the maximum discounts increase in April each year in line with the consumer price index (CPI) as implemented by The Housing (Right to Buy) (Maximum Percentage Discount) (England) Order 2014.
- 1.5 All applicants will be dealt with in accordance with Part V of the Housing Act 1985, except in reference to Determination of Value. In this respect the valuation of properties will be carried out by an independent valuer acting as an expert, who shall be appointed by agreement between OHL and the tenant or failing agreement on the application of either party by the President for the time being of the Royal Institution of Chartered Surveyors.
- 1.6 The Right to Buy provisions will not apply to new tenants of OHL, who will, instead, be subject to the Right to Acquire legislation.

## 2.0 RESTRICTIONS TO DISPOSAL POLICY

- 2.1 Except where required by legislation, it is OHL’s policy not to sell any dwelling that is particularly suitable for occupation by elderly persons.

2.2 OHL may also determine whether in its view a dwelling is particularly suitable for occupation by elderly persons. In so doing OHL will have regard to location, size, design, heating system and other relevant features. In particular there will be regard to the following:

- a) Whether there is easy access on foot
- b) How many levels the accommodation has
- c) Whether there is a lift (for accommodation above ground floor)
- d) Whether there are adequate arrangements for heating the living room and at least one bedroom
- e) Whether there is convenient access to shops and public transport

2.3 The Right to Buy will not apply to;

- a) Former Category 2 properties, suitable for independent living purposes.
- b) Dwelling houses particularly suitable for occupation by elderly persons first let before 1<sup>st</sup> January 1990 and let to a tenant or predecessor in title for the purpose of occupation by a person who is aged 60 years or more \*
- c) Dwellings let in connection with the tenants' employment
- d) Certain dwellings designed to be let to persons with a physical or mental disability
- e) Other dwellings referred to in Schedule 5 Housing Act 1985.

(\* If a tenant wishes to question OHL's decision, application must be made to the Secretary of State within 56 days of the decision. The Secretary of State's decision will be binding on OHL.)

2.4 A county court has jurisdiction to determine any question as to a tenant's Right to Buy, other than in relation to paragraph 2.3(ii) above, or in a matter of valuation.

2.5 Please note we are under an obligation to impose additional restrictions on properties falling within the meaning of Section 157 (1) of the Housing Act 1985 which relates to dwellings situated in:

- a) A national park
- b) An area designated as an area of outstanding natural beauty; or
- c) An area designated by order of the Secretary of State as a rural area

Such additional restrictions limit the freedom of the tenant to dispose of the dwelling house.