

Trident Group

Voluntary Right To Buy Policy

August 2018



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1.1 Policy Statement

Trident Group (Trident) will be taking part in the sector pilot of the Voluntary Right to Buy (VRTB). Trident acknowledges that home ownership may be the aspiration of many of its residents and wishes to support this aspiration, however involvement in this pilot must take account of the Group's aims and objectives.

Trident's primary aim is to provide affordable rented accommodation that meets the current and future demand of the areas it works in, focussing on those with support needs as well as those simply in need of a home. It is necessary to safeguard Trident's asset base so the organisation can continue to meet the needs of some of the most vulnerable in society and to continue to develop and grow, meeting the needs and aspirations of future residents as well.

For this reason Trident has chosen to make some clear exclusions from this pilot. Where a tenant eligible to exercise the VRTB lives in one of these excluded properties, Trident will make reasonable endeavours to support that tenant to be able to purchase another property using their VRTB discount. Trident's exclusions and the support that will be given to eligible tenants is outlined in the policy.

1.2 Purpose

The purpose of this policy is to outline Trident's approach to participation in the pilot for the Voluntary Right to Buy.

It is important to note that because this is a pilot designed to test the best approach to a possible full roll out of the VRTB, there is only guidance and no statutory rights imposed for tenants. There are therefore going to be significant differences in the approaches adopted by Housing Associations; in producing this policy Trident is seeking to make clear their particular approach, for the reference of tenants and any other stakeholders.

1.3 Scope of the policy

This policy relates only to the Voluntary Right to Buy pilot, and is time limited to the duration of that pilot. This policy does not cover current Right to Buy or Right to Acquire, nor does it

set any policy or precedent for the future Voluntary Right to Buy should this be rolled out following this pilot.

1.4 Principles

In taking part in the Voluntary Right to Buy Trident will operate under the following basic principles:

- Trident will follow the guidance produced by the Ministry for Housing Communities and Local Government (MCHLG).
- Trident will support the pilot through completion of necessary paperwork and research response.
- Trident will respond within recommended timeframes to all parts of the application process.
- Trident will not respond in detail to any individual queries about the VRTB pilot, including but not limited to property values, discounts and eligibility, but will in the first instance signpost residents for general information on making an application.
- It is only when a resident has successfully been allocated a VRTB Unique Reference Number (URN) through the Government Portal that Trident will accept any application and begin assessment of any VRTB applicants.
- Trident will take reasonable action to support an individual's aspiration towards home-ownership, but expects applicants to accept the main responsibility for achieving this lies with them, and Trident will not chase and pursue the return of paperwork etc.

2. Eligibility for the pilot

The Voluntary Right to Buy pilot as developed by the MCHLG has basic eligibility criteria for tenants as follows:

Tenants are eligible if:

- they can prove they have been a tenant of social or affordable housing for at least 3 years; and
- they currently hold an un-demoted secure tenancy, an assured tenancy, or a Localism Act fixed term tenancy; and

- they can demonstrate that the property is their main home and they have resided in it for at least the last 12 months; and
- if they are applying jointly with up to 3 family members, these applicants can also demonstrate that it is their main home and it has been their residence for at least the last 12 months. No joint applicants can be added to or removed from the application during the process without voiding the application, requiring a reapplication by the tenant(s). Joint applications where any applicant is ineligible will be voided; and
- they, and any joint applicants, have the right to reside in the UK, and can demonstrate that they meet the immigration status checks.

Tenants are ineligible if:

- they have the Preserved Right to Buy or Statutory Right to Buy;
- at the time of application, they hold an assured short hold tenancy (other than a Localism Act fixed term tenancy), a contractual (non-assured, non-secure) tenancy or are a licensee;
- they have a fixed term tenancy of less than 2 years, or if they have a periodic assured shorthold tenancy (including a starter tenancy which has not converted);
- they do not have the right to reside in the UK, and cannot demonstrate that they meet the immigration status checks;
- they are currently subject to the mortgage rescue scheme;
- they are residents of almshouses or co-operative housing associations;
- they have any rent arrears;
- they or any joint applicants are subject to bankruptcy proceedings or unfulfilled credit arrangements;
- they have committed anti-social behaviour as defined in the Paragraph 11 of Schedule 11 to the Anti-Social Behaviour, Crime and Policing Act 2014 and the housing association has initiated legal proceedings as a result of this;
- they are currently subject to legal proceedings, e.g. injunction proceedings have been issued or a notice of seeking possession (NOSP) has been served. Tenants would become eligible if such legal proceedings were withdrawn or discontinued, or if the landlord failed to send papers to the court for issue within 6 months of expiry of the NOSP, or the landlord loses the case in court (including following any appeal);

- they are subject to legal proceedings at any point between application and completion. Tenants would become eligible if such legal proceedings were withdrawn or discontinued;
- they already own a property at the point of application; and will not end their ownership on or before the completion of the Voluntary Right to Buy;
- they hold an assured fixed term tenancy where the original term was 21 years or more (i.e. a long term tenancy);
- they occupy only a room, or rooms, in a shared house or flat, even if the terms of the occupancy amount to an assured tenancy, and
- they are a shared ownership tenant.

3. Property Exclusions

Due to the voluntary nature of this pilot Housing Associations have the discretion to exclude properties from sale under the scheme. In order to meet the needs of the communities we serve, to meet strategic and business plan objectives we, Trident, are making the following exclusions:

- **Family Accommodation:** this excludes all 2+ bedroomed properties. There is already unmet demand for family accommodation in the areas Trident works, and the social housing sector generally; Trident feel the sale of any social-rented family accommodation from our limited stock will prohibit the organisation from supporting those struggling with overcrowding and from finding homeless families suitable accommodation.
- **Mixed use accommodation:** this applies where the scheme is used for both supported and general needs rentals. These schemes have been identified as having the flexibility to suit the needs of supported accommodation. As part of our current strategy to remove mixed use, these properties may be earmarked for conversion to a supported only scheme; any sales would impede that strategy.
- **Private-funded:** this includes accommodation built or acquired without grant.
- **Ground floor flats and all bungalows:** single level accommodation is in high demand within the social sector due to the higher than average physical disabilities and limitations of tenants. Trident already struggles to meet the transfer needs of residents with mobility

issues who are housed in either flatted accommodation with communal stairways or houses without suitable ground floor accommodation.

- **All ‘Central Site’ properties:** this applies to all properties surrounding the Holliday Street Office including Trident House, Granville Square, William Street, Bishopsgate Street, Stoke Way, Rake Way, and Sandy Way. Central Site is earmarked for future development and any sales in the immediate future could impede delivery of the Group’s future plans.
- **Properties exceeding our Cost Floor Rule –** In the current Right to Buy scheme a cost floor rule is applied, calculating a reduction to a discount based on purchase, build and repair/maintenance costs within a set period of time (15 or 10 years depending). Trident will apply this rule, including current debt as part of the calculation; and where the market value does not cover the costs attributed to the property a sale would not be allowed.

4. Discount Portability

Where a tenant has successfully made an application through the Government portal, and has been assessed as eligible for the scheme under all other criteria, but currently resides in a Trident property that is excluded from the VRTB pilot, they will be supported to use their discount to purchase another property.

Trident may do this by:

- offering the tenant the chance to purchase an eligible void property from Trident’s stock;
- give advice about how tenants can enquire about properties available to purchase with a VRTB discount from other housing associations;
- supporting a tenant to apply for a transfer using choice-based lettings or direct application to another housing association via Homeswapper.

Trident will continue working with an eligible applicant until either:

- a reasonable offer of a property has been made and the tenant either accepts or refuses,
or
- Trident has worked with the applicant for three months and no reasonable offer could be made. This three month period is the point at which the Government guidance states an application should be withdrawn if there is no definite completion date or approved mortgage secured against a property.

Trident will consider a property a reasonable offer if it is;

- a suitable size for the current occupants of the applicant's home;
- in the same general geographic location as the current property (e.g. both in Birmingham) or in an area the applicant has stated they would consider living, and
- within a similar price range to the original property, or a higher price if the tenant has advised this is acceptable.

Please note a reasonable offer does not have to be a like for like replacement, and if for example a couple are living in a 4 bed house, it would be reasonable for Trident to offer a one or two bed house or flat as a suitable offer for purchase.

5. Tenant right to challenge

As this is not a statutory scheme, and is a voluntary pilot, a tenant does not have the right to challenge the policy decisions, only the fair application of it. Any challenge will be treated as an internal complaint and can ultimately be appealed to the Ombudsman (as per normal complaints procedures) who would look into whether we have followed our own policy.

6. Points of Contact

We would ask that all residents who are interested in the Voluntary Right to Buy contact in the first instance the *Right to Buy Agents*:

Website: www.righttobuy.gov.uk/agent-service

Email address: enquiry@righttobuyagent.org.uk

Telephone number: 0300 123 0913



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