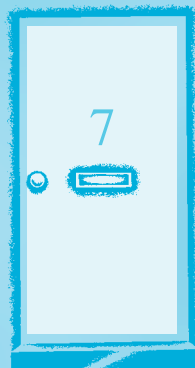




Buying your home from the Council

Tenants Handbook
HOUSING DIRECTORATE



A guide to the Right to Buy and leasehold charges.

The Right to Buy

If you are a tenant of Epping Forest District Council you may have the legal right to buy your home. You would get a discount on the price depending on the length of your tenancy, and whether it is a house or a flat.

To qualify for the Right to Buy you must have held your tenancy for two years or more - if the tenancy started before 18th January 2005. If you are making a joint application this must apply to one or both of you. If your tenancy started on or after 18th January 2005 the qualifying period will be five years.

You can then apply to buy your home at any time, unless court possession or anti-social behaviour proceedings are taking place, but the sale can only be completed if your rent account is clear (no arrears).

The first step is to check that you meet these conditions:

- You have a secure tenancy. This is a legal term defined in the Housing Act 1985 (Part IV).
- The house or flat you wish to purchase must be your only, or principal, home and it must be a self-contained property.

You cannot purchase under the Right to Buy if any of the following exceptions apply:

- You live in sheltered housing or a home particularly suitable for occupation by older people.
- You live in temporary housing on land due to be developed.
- You are subject to an Anti-Social Behaviour Order (ASBO), or an application to court has been made for an ASBO. When the Order expires, that period of time will be taken into account for the Right to Buy qualifying period.
- An 'absolute possession order' has been granted against your property (due to rent arrears or another breach of tenancy conditions).

- You have breached a County Court possession order, which would usually be for rent arrears. If this happens you will become a 'Tolerated Trespasser' and you will no longer have a secure tenancy, so you will not have the Right to Buy.
- You will not be able to purchase your property while you have an 'Introductory Tenancy'. But if you become a secure council tenant, the trial period of your Introductory Tenancy will be included in the Right to Buy qualifying period.

What will it cost?

Buying your own home is expensive. Apart from initial costs such as survey fees, legal costs and possible Stamp Duty, there are long-term costs such as maintenance, insurance, council tax, leasehold charges (in some cases), and the mortgage. You will not be charged an application fee, valuation fee or for the Council's legal costs.

The discount

When you apply for the Right to Buy, we tell you how much discount you are entitled to on the market value of your home. Usually this means a minimum of 35% discount on a house after 5 years tenancy, rising by 1% for each year to a maximum of 60% if you have been a tenant for 30 years.

If you are buying a flat, the discount starts at 50% after 5 years tenancy and rises by 2% for each year, up to a maximum of 70% after 15 years (see Table 1).

However, there is a maximum discount that Epping Forest District Council can give under the law. This discount is currently capped at £34,000.

You are not able to buy your home for less than it cost the Council to provide, improve or repair over the previous five years.



Maximum discount allowed £34,000

Table 1

Years as a council tenant	30	60% Discount	70% Discount
	25	55% Discount	70% Discount
	20	50% Discount	70% Discount
	15	45% Discount	70% Discount
	10	40% Discount	60% Discount
	5	35% Discount	50% Discount
		Houses	Flats & Maisonettes
Percentage discount			

Please note: These discounts apply to tenants who signed their tenancy agreement on or after 18th January 2005. The rules are different for tenants who signed up before that time – please ask the Right to Buy team for details.

What if I want to sell?

Once you have bought your home you can sell it on the open market whenever you like, and at the full market price. But, if you sell within 5 years of buying your home the Council is entitled to a refund of all or part of the discount on the **resale value** of your property, less cost of any improvements you have made (see Table 2).

Table 2

Sale within one year of purchase	Full discount repayable
Sale within second year of purchase	Four fifths of discount repayable
Sale within third year of purchase	Three fifths of discount repayable
Sale after three years	Two fifths of discount repayable
Sale after four years	One fifth of discount repayable

Previous discount

You must be a secure council tenant and meet other conditions to qualify for the Right to Buy. If you have previously received a discount for another property, the value of the previous discount will be deducted from the discount you receive for the latest purchase.

The Council also reserves the right to be offered first refusal on your property if you decide to sell within the first 10 years.

Maintenance where a sale is pending

Once a house has become “sale pending” the Council no longer carries out maintenance other than essential work to keep the property safe, serviceable and water-tight.

Gas, water, electricity and sewage services are maintained by the Council until the sale takes place.

Covenants

A covenant is a condition (or promise) that you and future owners of your home must abide by. If you buy your home from the Council a number of covenants are placed on the sale. The most important covenants are:

Freehold covenants

1. You must obtain written permission from Housing before making any structural alterations to your home. This includes the construction, fitting or alteration of walls and fences, windows, porches, garages, hard-standings, loft conversions and extensions.

In each case, you should write to the Director of Housing at the Civic Offices and include plans of what you want to do.

You may also need Planning Permission or Building Regulation approval before carrying out work. Contact the Council's Planning and Economic Development Directorate for further information.

2. You are not usually allowed to build additional homes or conduct a business within the curtilage of the land sold to you (the area attached to the property and forming one enclosure with it). If you wish to do so, you should ask Housing for permission.

Leasehold covenants

1. If you have bought a leasehold flat or maisonette you must comply with the terms of your Lease at all times.
We may take legal proceedings against you if you fail to do so.

2. If you intend to sublet the property you must obtain written permission from the Council's Leasehold Services Section

- 3 No structural alterations will be allowed to any flat or maisonette, at any time.



Your Lease and leasehold service charges

When you buy a flat or maisonette you acquire a Lease. Your Lease is a legally binding document between you and the Council. The Lease will last for 125 years from the date that the first property in the block was bought. It requires you to pay a service charge every year to the Council, which remains responsible for the main structure of the building in which your home is situated.

Service charges vary and are based on the cost to the Council of managing and maintaining your building and its surroundings. They include:

- Ground Rent and building insurance
- Electricity for common areas and heating (in some cases)
- Caretakers/cleaners for common areas (in some cases)
- Ongoing repairs to the building and major planned maintenance
- Maintenance of grounds, such as grass and shrubberies
- Administration, management fees, disbursements and other fees (for example auditing and annual statement of accounts costs)

If you are thinking of buying your flat or maisonette, look very carefully at the cost of service charges. They can be significant!

I want to purchase my property, where do I start?

1. The first step is to request a Right to Buy claim form (Form RTB1). You can call in, or write to The Home Ownership Section, Epping Forest District Council, Civic Offices, High Street, Epping, Essex CM16 4BZ, or you can phone the Team on 01992 564420. The email address is housesales@eppingforestdc.gov.uk.

Please note the application form will be sent direct to your home address and will not be handed out or delivered to any third party.

With this form we will send you the Government's guidance booklet which gives you more information about the Right to Buy.

2. Complete the form and return it to the Home Ownership Team at the above address. You can post it or deliver it by hand to any of the Council's offices.
3. The Council will respond by sending you a notice (Form RTB2). This tells you whether you have the right to buy. If the right to buy is denied, the notice will explain the reasons for refusal.

We must respond within four weeks of receiving your application, or eight weeks if we need to check a previous tenancy or tenancies.

This leaflet gives some basic information, but you will be given more detailed guidance if you apply for the Right to Buy. If you want to talk to us about buying your council home please phone the Home Ownership Team on **01992 564420** or write to:

Home Ownership Team, Housing Directorate, Epping Forest District Council, Civic Offices, High Street, Epping, Essex CM16 4BZ.

email address: housesales@eppingforestdc.gov.uk

For a large print copy of this leaflet please phone 01992 564292

The information given in this leaflet was correct at February 2009. Please be aware that there may have been changes since that time, such as new laws or council policies.

Epping Forest District Council
Housing Directorate, Civic Offices, High Street, Epping, Essex CM16 4BZ
Telephone: Epping (01992) 564000 www.eppingforestdc.gov.uk/housing

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