

# Eligibility and Exclusion Policy

Our approach to Voluntary Right to Buy (VRTB) is, if we can sell your home, we will sell your home to you.

Only homes with their own front door (not shared accommodation) are eligible for the scheme. All sheltered and supported housing schemes are exempt from the scheme, mirroring the rules for the Statutory and Preserved Right to Buy scheme.

We have discussed VRTB pilot with all our local authority partners in the pilot area. Some have requested that we do not sell certain homes due to the high demand and low supply of these types of homes in their area. This is generally a particular type of property such as bungalows, large family houses or smaller one bedroom apartments.

As a responsible social landlord, our board has agreed to some restrictions based on the discussions we have had with local authorities.

We have agreed with the Ministry of Housing, Communities and Local Government (MHCLG) that all houses where we do not own the freehold will be excluded from sale, however tenants of these homes will be able to “port” their discount, as discussed in our **“Portability Policy guide”**.

In addition, we may not be able to sell you your home due to a legal restriction prohibiting us from doing so.

## Stonewater Sales Policy

One of the core principles of the VRTB agreement is that housing associations will make the final decision about whether to sell a property. We will use our discretion to restrict sales in certain circumstances but aim to maintain a consistent approach wherever possible.

In order to take part in the VRTB pilot your current home must be located in one of the following local authority areas. If you are unsure of which local authority you are in, you can easily check this by:

- > looking at your council tax letter
- > calling us on **02380 658858** or
- > emailing [vrtb@stonewater.org](mailto:vrtb@stonewater.org)

Amber Valley Borough Council, Ashfield District Council, Bassetlaw District Council, Birmingham City Council, Blaby District Council, Bolsover District Council, Boston Borough Council, Bromsgrove District Council, Broxtowe Borough Council, Cannock Chase District Council, Charnwood Borough Council, Chesterfield Borough Council, Corby Borough Council, Coventry City Council, Daventry District Council, Derby City Council, Derbyshire Dales District Council, Dudley Metropolitan Borough Council, East Lindsey District Council, East Northamptonshire Council, East Staffordshire Borough Council, Erewash Borough Council, Gedling Borough Council, Harborough District Council, Herefordshire Council, High Peak Borough Council, Hinckley and Bosworth Borough Council, Kettering Borough Council, Leicester City Council, Lichfield District Council, Lincoln – City of Lincoln Council, Malvern Hills District Council, Mansfield District Council, Melton Borough Council, Newark and Sherwood District Council, Newcastle-under-Lyme Borough Council, North East Derbyshire District Council, North Kesteven District Council, North Warwickshire Borough Council, North West Leicestershire District Council, Northampton Borough Council, Nottingham City Council, Nuneaton and Bedworth Borough Council, Oadby and Wigston Borough Council, Redditch Borough Council, Rugby Borough Council, Rushcliffe Borough Council, Rutland County Council, Sandwell Council, Shropshire Council, Solihull Metropolitan Borough Council, South Derbyshire District Council, South

Holland District Council, South Kesteven District Council, South Northamptonshire Council, South Staffordshire Council, Stafford Borough Council, Staffordshire Moorlands District Council, Stoke-on-Trent City Council, Stratford-on-Avon District Council, Tamworth Borough Council, Telford and Wrekin Council, Walsall Council, Warwick District Council, Wellingborough, Borough Council of, West Lindsey District Council, Wolverhampton – City of Wolverhampton Council, Worcester City Council, Wychavon District Council, Wyre Forest District Council.

All houses where we own the freehold or flats where we own the freehold or hold a lease longer than 50 years will be deemed suitable for purchase either when this is your existing home or it is offered via the portable discount scheme.

Home exemptions from VRTB include:

- > Supported housing, housing for disabled people, and homes grouped in schemes for older people. This includes:
  - Properties that are designed specifically for disabled people or are usually let to disabled people and wheelchair users
  - Properties where significant disabled adaptations have been made, such as floor lifts and property extensions
  - Properties occupied by tenants where housing related support is provided
  - Properties designed for older people, grouped in a scheme with significant shared facilities.
- > Properties with shared facilities or services, such as a kitchen or bathroom, where the property isn't fully contained e.g. you occupy a room in a shared house or flat.
- > Houses where we do not own the freehold.

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**Note:** all tenants whose homes are excluded for the above reasons will not be eligible for "portability" as part of the pilot.

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> Properties under a legal covenant or planning and funding restriction. This category includes:

- Housing where a legal restriction prevents us from being able to sell it (for example in small rural communities where local authority stakeholders have placed restrictive covenants on the homes).
- Housing where a planning restriction states it cannot be sold, or that it must remain as affordable housing in perpetuity as part of a non-negotiable Section 106 agreement.
- Housing that cannot be sold due to conditions of any lending that we have secured against it.

> Charitably funded or donated properties.

> Properties below the “net debt” or affected by the “cost floor” rule.

- Properties cannot be sold if the net debt/the cost of us building or providing it, including land purchase and associated costs, plus the costs of subsequent improvements (less any grant received) are greater than its market value.
- Properties below the cost floor rule, which creates a minimum price depending on the amount of costs over the previous 15 years.

> Properties which play a vital role in the housing of residents, and properties identified as part of a localised policy that have a large demand for social housing and are not easily replaceable.

- Properties which have been excluded as a result of this consultation include:

#### **Coventry**

- > Bungalows
- > 4, 5 and 6 bedroom houses

#### **Dudley**

- > Bungalows
- > 4, 5 and 6 bedroom houses

#### **Shropshire**

- > Bungalows
- > 4 bedroom houses

#### **South Staffordshire**

- > Bungalows

#### **Stratford upon Avon**

- > 1 bedroom flats

#### **Wellingborough**

- > All properties

#### **Lichfield**

- > All properties

- > Properties not suitable for sale due to asset management and redevelopment, for example, due to impending demolition, regeneration, change of use or disposal.
- > Tied accommodation occupancy as the tenant is employed by a social landlord.
- > Homes where we do not have sufficient legal long term interest to be able to sell.

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**Note:** Any tenant who is not able to buy their current home due to our exclusion policy will be given a written explanation and supported in the option to port their discount to another property.

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When you submit your application we will tell you if your property is excluded, prior to asking you to make payment of your application fee (£250). Usually we will be able to tell you right at the start of the process, however sometimes we won't find this out until later when legal proceedings have started. If this is the case, we will repay your application fee in full, cover any solicitors costs incurred, and explain why we have not been able to proceed.

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**Note:** This list is not exhaustive and there may be other reasons why we can't sell your home to you.

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## Eligibility criteria

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**Note:** You are not able to apply for the scheme if you already own a home unless this home is currently sold subject to contract and will complete prior to the purchase of your rental home.

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### Qualifying period

You must have been an undemoted tenant of a housing association or public sector landlord, such as a local authority, for at least three years. The three year period does not need to be consecutive, but it will be your responsibility to provide proof of your total length of tenancies as part of your application.

**Note:** A public sector tenant is someone whose landlord is a public body such as a council, housing association, or government department.

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The qualifying time period, and the time where your discount is calculated, can include:

- > Non-consecutive periods as public sector tenants
- > All undemoted secure or undemoted assured tenancies
- > Fixed term assured shorthold tenancies
- > Completed probationary periods
- > Periods spent as a public sector licensee (e.g alms houses, MOD tenant)
- > Periods as an assured shorthold tenant with a register provider in an affordable housing product.

Examples of proof that will be accepted include:

- Copies of your old tenancy agreements (confirming start and end dates)
- Confirmation letter from your previous landlord, confirming start and end dates of the tenancy and names of the tenants.
- Copy of the rent card showing names of the tenants and the start and end date of the tenancy.

If none of the above is available, then we may consider a Statutory Declaration but only when accompanied by both:

- A copy of the electoral register confirming occupancy during the period being claimed.
- A letter from the landlord confirming the property was in their ownership during the period being claimed.

### Tenancy

You must currently hold an undemoted secure tenancy, an assured tenancy or a Localism Act fixed term tenancy with us in order to apply. Licensees are not eligible to apply for the scheme.

The following categories of assured tenants are not eligible under the scheme:

- > Assured shorthold periodic tenants (although time spent holding such a tenancy may count towards the three year qualifying period).
- > Assured shorthold fixed-term tenants where the original term is less than two years (although time spent holding such a tenancy may count towards the three year qualifying period).
- > Assured fixed-term tenants where the original term is 21 years or more

**Note:** If you are unsure of which type of tenancy you hold check your tenancy agreement or ask your Tenancy Support Officer.

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You will not be eligible if you are still in the probationary or 'starter' period of your tenancy. You must have lived in your current home, as your main residence for the last 12 months.

If you already have Right to Buy (because you were a local authority tenant at the time your home was transferred to us or one of our legacy organisations) you are not able to apply for VRTB. However, you can still purchase your home with the exact same level of discount by calling **02380 658858** or emailing [homeowner@stonewaterhomes.co.uk](mailto:homeowner@stonewaterhomes.co.uk).

## Right to reside

Both the tenant(s) and any family members wishing to join the application must be able to show they have a right to reside in the UK. Further details of evidence accepted can be found at [www.gov.uk/right-to-reside](http://www.gov.uk/right-to-reside) or by contacting the Voluntary Right to Buy team.

## Arrears

We are not able to accept applications from tenants who are in arrears with rent and/or service charges. If you currently have arrears, we will allow you to make an application as long as these are cleared before submission of your application form.

Your rent account must be kept up to date during the application process or you may lose your place in the scheme.

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**Note:** If your arrears relate to delays in housing benefit/ Universal Credit payments, you can apply if the arrears are less than four weeks of rent, however this must be cleared in full at the point of completion.

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## Bankruptcy

We will not accept applications from tenants or joint applicants who are currently subject to bankruptcy proceedings or who have been discharged from such within the last 12 months.

## Mortgage rescue scheme

We will not be able to accept applications from tenants who have previously been subject to the mortgage rescue scheme.

## Breach of tenancy

Applications will not be accepted from tenants who are in material breach of their tenancy conditions or where we, or a statutory body, are taking any court proceedings against them, for example ASB (antisocial behaviour) or subletting.

You will not be able to apply for the scheme if you are currently subject to investigation by us or if you, or a family member living in the property, are subject to legal proceedings, for example, an injunction or a notice of seeking possession.

## Family members

A tenant can make an application with up to three family members over the age of 18. All family members wishing to join a VRTB application must have lived in the property as their main home for at least 12 months up to and including the date of application. They will need to provide proof of this as part of the application.

Family members can only purchase the home as joint owners with the tenant and must be residing at the property as their full time place of residence at the point of completion.

All residents living in a property will need to agree to the purchase if the purchase is not to be in all names. They will need to sign the application form to say that they do not wish to be included in the purchase. Their tenancy will end when the purchase completes.

All signatures will be checked against the tenancy agreement. If there is any discrepancy then the tenant(s) will be asked to provide further evidence such as a passport or driving license. Tenant(s) may also be asked to come into the office with ID and sign in front of a member of staff. If the tenant/signature can not be verified then the application will be suspended. If verification has not occurred after four weeks the application will be cancelled and the Unique Reference Number (URN) returned to the central government portal.

No joint applicant can be added to or removed from the application during the process without voiding the application. A tenant will then have to reapply with a new Unique Reference Number (URN). If they have already paid the £250 application fee, this will not be refundable.

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**Note:** For the purposes of participating in the pilot a family member is classed (under the Housing Act 1985, Section 186) as: A person is a member of another's family within the meaning of this if —

- he/she is the spouse (or civil partner) of that person, or he and that person live together as husband and wife (or as if they were civil partners) , or
- he/she is that person's parent, grandparent, child, grandchild, brother, sister, uncle, aunt, nephew or niece.

For the purposes of subsection (1)(b)—

- a relationship by marriage [or civil partnership] shall be treated as a relationship by blood,
- a relationship of the half-blood shall be treated as a relationship of the whole blood,
- the stepchild of a person shall be treated as his child, and
- an illegitimate child shall be treated as the legitimate child of his mother and reputed father.

We may consider permitting the inclusion of the partner of the tenant who is not listed on the tenancy agreement if they are able to show that they have lived in the property and financially contributed to its running for three years or more.

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## Allocation of funds

The funding for discounts and the number of sales allowed under the pilot are limited. In order to apply you must first be allocated a URN from the government. These will be allocated via a ballot system with the first ballot operating between 16 August 2018 and 16 September 2018.

In order to register to be included in the ballot to obtain a URN you can visit [www.midlands.righttobuy.gov.uk](http://www.midlands.righttobuy.gov.uk).

Completed applications with valid URNs will be dealt with on a first come first served basis, in date order.

We are unable to process any applications received without a valid URN. You will only secure a place when you have sent us a fully completed application including all of the supporting evidence and paid the application fee. If your application is incomplete or you do not send the supporting evidence, your form will be rejected.

Where can I find more information?

**Government Right to Buy website**  
[www.righttobuy.gov.uk](http://www.righttobuy.gov.uk)

**Right to Buy Facebook**  
[www.facebook.com/righttobuy](http://www.facebook.com/righttobuy)

**Money Advice Service**  
[www.moneyadvice.service.org.uk](http://www.moneyadvice.service.org.uk)

**Mortgage Advice Bureau**  
[www.mortgageadvicebureau.com](http://www.mortgageadvicebureau.com)

**Stonewater Homes  
Sales & Services Team**  
[VRTB@stonewater.org](mailto:VRTB@stonewater.org)

02380 658858

