

Right to Buy

A guide to buying your council house

The Right to Buy scheme started in 1980 – and it means tenants of council houses have the right to buy their council homes at a significant discount.

Firstly, you'll need to check that the scheme is correct for you. You should fill out an eligibility form you can find on the gov.uk website.

You can apply for the scheme if:

- It's your only main home.
- It's self-contained.
- You're a secure tenant.
- You've had a public sector Landlord (e.g. a council, Housing Association, or NHS trust for three years – it does not have to be three years in a row).

You can share the tenancy if:

- The person shares your tenancy.
- You have up to three family members who've lived with you for the past 12 months (even if they don't share your tenancy).

Ex-council homes

If you were living in your council house at the time, it was sold to another Landlord, like a Housing Association you could potentially have the Right to Buy. This is known as the 'Preserved Right to Buy.' You'll need to ask your Landlord if this applies to you.

Right to Acquire

This is another scheme available if the 'Preserved Right to Buy' is not correct for you. It means you may still be able to purchase the property at a smaller discount under a scheme called 'Acquire'. You can apply to buy your Housing Association home if you've had a public sector landlord for three years. These Landlords include:

- Housing associations
- Councils
- The Armed services
- NHS trusts and foundation trusts

Who doesn't qualify for Right to Acquire?

You can't use Right to Acquire if:

- You're being made bankrupt.
- A court has ordered you to leave your home.
- You're a council tenant – you may be able to use Right to Buy instead.
- You have a 'Preserved Right to Buy'.

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Discounts

You can get a discount on the market value of your home when you buy it if you qualify for Right to Buy.

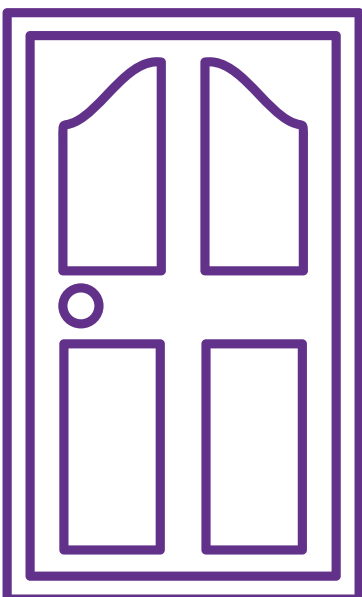
- Maximum discount is £78,600 across England.
- In London boroughs where it's £104,900.
- It will increase each year in April in line with the consumer price index (CPI).

The discount is based on:

- How long you've been a tenant with a public-sector Landlord.
- The type of property you're buying – a flat or house.
- The value of your home

If you're buying with someone else, you count the years of whoever's been a public sector tenant the longest.

- You'll usually have to repay some or all your discount if you sell your home within five years
- You might get a smaller discount if you've used Right to Buy in the past.



Working out the discount

There are different levels of discount depending on if you live in a house or flat.

House

- You get a 35% discount if you've been a public sector tenant for between three and five years.
- After five years, the discount goes up by 1% for every extra year you've been a public sector tenant, up to a maximum of 70% – or £78,600 across England and £104,900 in London boroughs (whichever is lower).

Flat

- You get a 50% discount if you've been a public sector tenant for between three and five years.
- After five years, the discount goes up by 2% for every extra year you've been a public sector tenant, up to a maximum of 70% – or £78,600 across England and £104,900 in London boroughs (whichever is lower).

If your Landlord has spent money maintaining your home, there could be reductions in the amount of discount you get. This will affect you if:

- In the last ten years – if your landlord built or acquired your home before 2 April 2012.
- In the last 15 years – if you're buying your home through Preserved Right to Buy, or if your landlord acquired your home after 2 April 2012.

There could be future options within Right to Buy schemes so be sure to check the gov.uk website for updates and progress.

Using a Mortgage Adviser

Be sure to check if this is the right scheme for you by checking with your knowledgeable Mortgage Adviser who is expert in the industry.