



## **VHA Policy Document**

### **RIGHT TO BUY POLICY**

**Reviewed: October 2022**

**Next Review Due: October 2025**

## **VECTIS HOUSING ASSOCIATION LIMITED**

### **RIGHT TO BUY POLICY**

#### **1. Introduction**

In 1980, the then Government introduced the right of Council and housing association tenants to buy their properties at discounted prices depending on the length of their tenancy within the public or housing association sector. Such tenants would have secure tenancies – their maximum rents were fixed by the Rent Officer. Tenants with secure tenancy agreements still retain the Right to Buy.

The 1988 Housing Act introduced Assured tenancies for housing association tenants, which expressly precluded such tenants from the Right to Buy process (although some would be eligible for a slightly different procedure known as the Right to Acquire).

In 2015 the Government made a commitment to extend the Right to Buy to housing Association tenants in its manifesto. The National Housing Federation (NHF), on behalf of the housing association sector, made an offer to the Government to implement this commitment through a voluntary rather than statutory approach, with government paying Right to Buy level discounts to eligible tenants.

After a brief consultation with members, the NHF announced that a majority supported the voluntary approach. The Voluntary Right to Buy (VRTB) was accepted by Government and, as a result, the Housing and Planning Act 2016 was drafted to only include what was necessary to underpin the agreement.

However, a pilot scheme introduced to test the viability of the scheme did not prove successful and the programme was subsequently shelved. At present therefore, the only measures in place governing the ability of housing association tenants to buy the property in which they reside relates to the preserved Right to Buy for assured tenants and the Right to Acquire for others.

#### **2. Key principles**

It is understood that the current policy and procedure relating to the existing right of secure tenants to buy their homes is unchanged, and the Association remains bound by such criteria.

#### **3. Local Sales Policy**

The Board has decided that, whilst it supports the principle of affordable home ownership, the introduction of such measures should not be at the expense of existing social housing stock, of which there is a severe shortage on the Isle of Wight (The Island)

The principle of Right to Buy has the capacity to reduce the level of such stock locally. Moreover, this is likely to have greater impact in certain specific locations than in others.

#### **4. Provision of advice**

It is a critical feature of the Right to Buy that applicants have a clear understanding of what it is they are committing to.

Applicants will be encouraged to seek advice from a suitably qualified Independent Financial Advisor, competent in explaining the issues which must be understood.

#### **5. Introduction of Extended or Voluntary Right to Buy**

Should the Government choose to extend the right to buy at some time in the future, this will be reviewed on the basis of the circumstances and nature of the schemes proposed.

The Board has made it clear that any voluntary commitment would depend on VHA's ability to restrict sales to properties and/or areas that do not represent an irreplaceable loss of housing stock and would also be dependent on the resources being available to replace such dwellings on a 1 to 1 basis.