



Tollcross Housing Association Policy

SHARED OWNERSHIP BUY BACKS & EXPIRY OF OCCUPANCY AGREEMENT

Scottish Housing Charter Outcomes **1: Equalities**
7 & 9: Housing Options
13: Value For Money

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Responsible Officer **Director of Housing Services**

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1.0 INTRODUCTION

- 1.1 Shared Ownership Housing is a form of tenure developed to assist in the provision of low cost home ownership to households who might otherwise be excluded from home ownership. Consequently, Tollcross Housing Association remains committed, as far as is possible and within the terms of the Occupancy Agreements entered into by Sharing Owners, to retain property for the purpose and tenure to which it was originally intended.
- 1.2 Tollcross Housing Association believes the provision of Shared Ownership Housing meets with its charitable purpose as being a permissible purpose under s58 of the Housing (Scotland) Act 2001.
- 1.3 This policy details the manner in which Tollcross Housing Association will respond to enquiries made concerning Shared Ownership Buy Backs and requests by Sharing Owners for permission to sell their property on the open market, the objective being to maximise the opportunity for Shared Ownership housing to remain as a low cost opportunity for future home owners.

2.0 THE SCOTTISH SOCIAL HOUSING CHARTER

The Scottish Social Housing Charter sets standards and outcomes that describe the results that tenants and others who use their services can expect from social landlords. The relevant standards and outcomes for The Shared Ownership Buy Backs Policy are:

Charter ref no 1: Equalities

Social landlords perform all aspects of their housing services so that:

- *Every tenant and other customer has their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and housing services.*

Charter ref no's 7 & 9: Housing Options

Social landlords work together to ensure that:

- *People looking for housing get information that helps them make informed choices and decisions about the range of housing options available to them*

Social landlords ensure that:

- *People at risk of losing their homes get advice on preventing homelessness*

Charter ref no 13: Value for money

Social landlords manage all aspects of their businesses so that:

- *Tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.*

3.0 TENANT CONSULTATION - LEGAL REQUIREMENTS

Any policy likely to significantly impact on the tenant or changes to the standard of service must be consulted on. In particular, RTOs (registered tenants organisations) should be consulted as a group, otherwise methods need to be considered to reach all tenants and obtain their views.

With relevance to this policy a draft copy of the policy will be sent to all Sharing Owners for consultation.

4.0 POLICY OBJECTIVES

- 4.1 The Shared Ownership Buy Backs & expiry of exclusive occupancy Policy is designed to integrate with Tollcross Housing Association's core value of 'Building a Sustainable Community'.

5.0 INCREASING SHARE (SHARING OWNER)

- 5.1 Where a Sharing Owner seeks to increase their proportion of ownership, tranching up, either to an increased level or outright, appropriate procedures will be followed by the Association.

6.0 BUY BACK AND OPEN MARKET SALE

- 6.1 Tollcross Housing Association's Occupancy Agreement with Sharing Owners states that:

The Sharing Owner shall in the event he wishes to remove from the property, serve a notice in writing on Tollcross Housing Association, requiring Tollcross Housing Association at its discretion to:

- purchase the Sharing Owner's Share – **Buy Back**
- join with the Sharing Owner in the sale of the whole property, at a value determined by the District Valuer – **Joint Sale**
- allow the Sharing Owner to sell the Sharing Owners share on the open market, subject to such reasonable conditions as Tollcross Housing Association may require – **Sale On**

- 6.2 Except in the circumstances detailed below (par7.0), Tollcross Housing Association **will not Buy Back or agree to joint sales**. In accordance with the principles of this policy, every effort should be made to retain Shared Ownership housing in its current tenure form and organise a Sale On to another Sharing Owner.

- 6.3 Where there is no apparent demand for shared ownership properties in the area concerned, **the second option will be to buy the property back** for the purpose of conversion to rent.
- 6.4 Where Tollcross Housing Association do decide to Buy Back a property consideration will be given to the best use of the property whether that is remaining as Shared Ownership or Social Rent. Tollcross Housing Association will consider demand for the different potential uses of the property and also the potential management and financial issues.

7.0 EXCEPTIONS

- 7.1 Exceptions to the above policy exist in the under noted circumstance:
- In the event there are no appropriate applicants on Tollcross Housing Association's Shared Ownership allocation list
 - Where advertising does not elicit a demand, or
 - Where the current Sharing Owner is experiencing violence, harassment or develops an illness or disability which makes their current home unsuitable
 - On death of the sharing owner. (see below)
- 7.2 Only in these circumstances and with the approval of the Management Committee will Tollcross Housing Association agree to Buy Back the property for subsequent letting as set out in 6.3 and 6.4, or in the case of death of the sharing owner, the property will be re-marketed on a Shared Ownership basis.
- 7.3 In this event, if the occupancy agreement is subsequently terminated, Tollcross Housing Association will review demand and financial and management issues and, if appropriate, the property will be re-offered on a Shared Ownership basis.

8.0 BUY- BACK WITH SITTING TENANT

- 8.1 Scottish Government Housing Investment Guidance Note (HIGN 2009/07) issued in May 2009 intimated that:

A registered social landlord may if it wishes purchase a shared ownership property and offer the tenancy to the former sharing owner so long as , the RSL confirms;

- i) It has a policy which sets out how it will assess and prioritise such cases, and
- ii) no additional grant is required.

9.0 20 YEAR EXPIRY

9.1 All Occupancy Agreements terminate on the expiry of 20 years.

There are three options available at expiry of the Occupancy agreement:

i) Sharing owner buys outright

ii) Tollcross Housing Association has right to buy back / or sell the property and divide the proceeds

iii) Existing occupancy agreement is extended by agreement between parties

9.2 It will be Tollcross Housing Association's preference to enter into a further Occupancy Agreement with the Sharing Owner (option iii) if this can be agreed and only if the Sharing Owner does not want to extend will Tollcross Housing Association consider the alternatives in accordance with clause 6 of this policy.

10.0 PUBLICISING/AVAILABILITY OF THE POLICY

10.1 Copies of this policy are available from our website.

A summary of the Policy can be made available in a number of other languages and in large print if required.

11.0 COMPLAINTS AND SERVICE IMPROVEMENTS

11.1 We aim to get things right first time. However, despite our best intentions and efforts, we acknowledge that from time to time people may be unhappy with the service provided.

Anyone can raise a concern with any member of staff, who will try to resolve the issue straight away.

If for any reason the issue cannot be dealt with straight away, we will make sure that the matter is fully investigated by a member of our service improvement team and a satisfactory solution achieved as quickly as possible.

Details of our Complaints Policy can be obtained from the office or from our website

12.0 EQUAL OPPORTUNITIES

12.1 The Association will seek to ensure that in implementing this policy and its associated procedures, no group, organisation or individual will receive less favourable treatment or be discriminated against regardless of their race, colour, ethnic or national origin, sex, marital status, disability, sexual orientation, religion, age or other grounds.

13. Review & Consultation

- 13.1 The Association will formally review this policy at least every three years. A review within this period may however be carried out as required to make amendments due to legislative changes, performance requirements or changes to the Association's standing orders and delegated authority to Committees and to the Management Team.
- 13.2 Procedures will be amended as and when appropriate to accommodate changes in legislation, IT system upgrades, good practice guidance, or if monitoring performance indicates objectives and targets are not being achieved.

Michael Byrne
Director of Housing Services
May 2013