Right of First Refusal Policy

To be read in conjunction with

Right of First Refusal Procedure

Salford City Council
1. **SUMMARY**

1.1 The Housing Act 2004 states that anyone who received their offer notice for Right to Buy after 18th January 2005 and wants to sell their home within the first 10 years of purchase must give Right of First Refusal to their former landlord (in this case Salford City Council).

1.2 This policy explains the circumstances that may influence the Council's decision whether or not to purchase or to nominate another Housing Partner to buy back such a property through the Right of First Refusal and the process for dealing with requests. The policy has been drafted in Plain English as far as possible.

2. **Introduction**

2.1 The Council has a Duty to have First Right of Refusal for any home purchased through Right to Buy after 18th January 2005. This Duty will apply for ten years after the purchase date of the home. This means that if your home was purchased through Right to Buy after this date, then you will need to offer it to the Council before offering to sell to anybody else. In the amendment introduced in April 2017, the Council would advise that before putting your property on to the open market, approach the council to ensure that the council has the option to buy back the property.

3. **Approach**

3.1 To undertake this duty we will assess your (the applicants) home using a number of criteria including, but not exclusively:

- financial circumstances of the council
- regeneration works
- shortages of particular types and sizes of accommodation
- adapted properties
- empty properties

3.2 Although we have a Duty to have First Right of Refusal, this doesn't mean that we must purchase the home. Following an assessment if the home meets our strategic needs then the Council will seek to nominate a Housing Partner to purchase the home. In the amendment introduced in April 2017, the council would advise that before putting your property on to the open market, to approach the council to ensure that the council has the option to buy back the property.

3.3 Please note that if you purchased your Right to Buy Property with a Discount, if this sale is within the first five years then a proportion of the discount will need to be paid back to the Council. Only in exceptional circumstances would this not be the case. Please see Discount Waiver Policy for details. Furthermore, if the Council, or a nominated Housing Partner, seeks to purchase your home then this does not mean that you will be able to remain in that home. Whether you would qualify to stay in the home would depend upon the circumstances that contributed to the Council seeking to purchase the property and your needs.

4. **What You Need to Do**

4.1 If you, the applicant are bound by the Right of First Refusal, the Government rules say that you must send a letter to the Council stating:

- that you wish to dispose of the property,
- that there is a covenant requiring you to first offer the property back to the council,
- you are advised to approach the city council before putting your property on the open market
- give the property's full postal address,
- state the property type (house, flat etc...),
• specify the number of bedrooms,
• give details of heating system; and
• specify any improvements or structural changes which have been made since the purchase (inc adaptations)

4.2 Although this is not a legal requirement, please could you provide us with the following information:

• profile of adults in the household including: gender, sexual orientation, disabilities, race, age, religion
• no and age of dependents
• if anyone is claiming any type of benefits (please specify)
• if there are outstanding loans / financial status / financial circumstances
• indicate the value of the property (to be confirmed by official valuation)

4.3 This letter needs to be sent to:

Strategy and Enabling Team
Salford City Council
Salford Civic Centre
Chorley Road
Swinton M27 5BY

Tel: 0161 793 2331
Email housing.strategy@salford.gov.uk

5. What Happens next?

5.1 When we receive your letter, (known as “Offer” letter) we will write to you confirming receipt and provide a officer’s contact details. We will then have eight weeks in which to assess the Right of First Refusal on the home and reply to you confirming if we will a) buy the home, b) nominate another Housing Partner to buy the home; or b) not purchase the home. This letter will inform you of the process and the next steps - shown below:

5.2 If the letter confirms a) or b) then the Council or nominated agent will buy back the home within an additional 12 weeks of the date of the letter, with any Discount monies being repaid to the Council. If the Council or nominated agent does not complete the contract for sale within 12 weeks you can sell your home on the open market, with any Discount monies being repaid to the Council. This means that the process will be completed within 20 weeks of receipt of the initial “Offer” letter by the Council.

5.3 If the Council or Housing Partner does not wish to purchase your home, then you are free to sell the property on the open market and the rules of Right of First Refusal will no longer apply. This means that whoever buys the property it does not have to offer the home back to the Council when they come to sell it again. However, any Council discounts that are applicable will need to be paid back to the Council. See Discount Waiver Policy for details. If after 12 months, you have still not sold your property and you still wish to, a fresh “Offer” Notice to the Council must be made in writing.

6. Customer Satisfaction and Reviews

6.1 Once you have been contacted with the outcome of the decision, the Council will send a customer satisfaction letter to you, to give you the opportunity to comment upon your experiences of the Right of First Refusal. This will help make sure that this policy is put into practice and is effective, fair and consistent for all customers. Feedback will inform the training of staff to follow the appropriate procedures and timescales and support an annual review of the Policy.
7. **Appeals**

7.1 Any appeal must be lodged in writing within 28 working days of the date the decision letter was posted to.

Right of First Refusal Appeal  
Strategy and Enabling Team  
Place: Salford Civic Centre  
Chorley Road  
Swinton  
M27 5BY

7.2 The appeal must clearly state the grounds for the appeal and a detailed case must be submitted, explaining why the decision is being challenged. Clear and objective evidence should be submitted.

7.3 The letter of appeal and a summary of the original application will be submitted to the Strategic Director – Place for final consideration together with the initial assessment of the information provided and reason for its original decision.

7.4 **The decision of the** Strategic Director – Place **on the current application is final.**

7.5 If an appeal is rejected this does not prevent a re-application based on changed circumstances or further sufficient evidence. The decision as to whether there is sufficient new evidence, will be taken by an officer in the Property and Land Team who has had no involvement in the case and confirmed by Land and Property Team Leader.

7.6 If you still feel that your complaints or queries haven't been sufficiently addressed you are entitled to contact the Housing Ombudsman at:

Exchange Tower  
Harbour Exchange Square  
London  
E14 9GE

Tel: 0300 111 3000  
Fax: 020 7831 1942  
Email: info@housing-ombudsman.org.uk

**Internal:**

Policy Approval Date: April 2017  
Policy Officer: Shahla Zandi  
Date of Review: April 2020

Annex:

Suggested “Offer” Letter template for Right of First Refusal  

Your address
Right of First Refusal Query
Strategy and Enabling Team
Customer and Support Services
Salford Civic Centre,
Chorley Road,
Swinton,
Salford.
M27 5DA

I purchased my home at (insert full postal address including post code) through Right to Buy from the Council (insert date) and now wish to sell it. I believe that under S156A Housing Act 1985 (as amended) and the Housing (Right of First Refusal) (England) Regulations 2005 (“the Regulations”), I am required to write this formal ‘Offer Notice’ to the Council.

The property details are:

- the property type (house, flat etc...),
- specify the number of bedrooms,
- give details of the heating system; and
- specify any improvements, adaptations or structural changes which have been made since the purchase (inc adaptations);

Although not a legal requirement I do / do not (delete accordingly) wish to give information about my household.

(Delete accordingly)

- profile of adults in the household including: gender, sexual orientation, disabilities, race, age, religion
- no and age of dependents
- if anyone is claiming any type of benefits (please specify)
- if there are outstanding loans / financial status / financial circumstances
- indicate the value of the property (to be confirmed by official valuation)

I look forward to hearing from you shortly.

Yours faithfully,