

Document Title	Voluntary Right to Buy Portable Discount Policy
Version	Final v1.3
Release Date	August 2018
Review Date	August 2020
Extension Reason(s)	
Extension date approved	
Approver details	
Document Type	Policy
Sponsor	Paul Richards
Author	Tom Leon-Grimes



ORBIT

VOLUNTARY RIGHT TO BUY PORTABLE DISCOUNT POLICY

Executive Summary	This policy sets out the principles of 'portability' in the Voluntary Right to Buy pilot. Portability refers to the right of a customer, whose property is excluded from the Voluntary Right to Buy, to use the Voluntary Right to Buy discount to purchase an alternative property offered by Orbit. This policy links to the following policies and procedures: Voluntary Right to Buy Policy; Voluntary Right to Buy Portable Discount Policy; Voluntary Right to Buy Property Exclusions Policy.
Approved by	Customer and Communities Board – 19 July 2018 Executive Team – 20 July 2018 Orbit Group Board – 10 August 2018
EA completed	EA completed in July 2018 for the Voluntary Right to Buy policy and this EA covers this linked policy.
Explain how customers have been involved.	This is a level 2 document however customers have not been involved due to the pilot scheme live date being 16 August. To address this it is planned that at the post implementation review customer feedback and involvement will be used to assess whether the policies and procedures are fit for purpose.
Consultation	Lettings, Tenancy Services, Home Ownership Services, Strategic Asset Management, Finance, External Affairs, Governance, Information Governance, Policy and Standards, Development, Customer Service Centre
Applies to	Home Ownership Services, Tenancy Services, Lettings, Strategic Asset Management

SCOPE: This policy sets out the principles of 'portability' in the Voluntary Right to Buy pilot.

1. INTRODUCTION

- 1.1 In October 2015, the Government accepted a proposal put forward by the National Housing Federation, on behalf of its members, to deliver its commitment to extend the Right to Buy to Housing Association tenants by way of a voluntary agreement rather than legislation. This has come to be known as the Voluntary Right to Buy (VRTB). The Housing and Planning Act 2016 only enacted what was necessary to enable the Secretary of State to underpin the agreement.
- 1.2 The government has decided to pilot the VRTB with a number of Housing Associations in the West Midlands in order to fine-tune the scheme before a national roll-out. Two features of the pilot being tested are: portability and one to one replacements of properties sold.
- 1.3 For the precise geographical coverage of the pilot click [here](#). Orbit is one of the pilot organisations. The pilot commences on 16 August 2018 and will run until 31 March 2020.
- 1.4 Further information on the pilot can be found in the Government '[Voluntary Right to Buy \(Regional Pilot\) guidance for Housing Associations](#)'. Customers can find out more information about the process, eligibility, etc. on the government's VRTB website at <https://righttobuy.gov.uk/> or contact one of the Government's Right to Buy agent for initial advice and guidance <https://righttobuy.gov.uk/agent-service/>

2. DEFINITION

- 2.1 In order for a customer to apply for Portability of their VRTB discount under this policy, they must meet all of the customer eligibility criteria set out in the Voluntary Right to Buy Policy.
- 2.2 Where a property is excluded from sale in the VRTB pilot, in line with Orbit's [Voluntary Right to Buy Property Exclusions Policy](#) the eligible customer is offered to use the VRTB discount to purchase an alternative property offered by Orbit. This is known as 'portability'.

3. PRINCIPLES OF OPERATING THE PORTABLE DISCOUNT

- 3.1 We will advise the customer during the application to purchase their property that it is excluded from the VRTB pilot, and the reasons why. If the customer does not wish to port their discount to purchase another property then we will close down their application.
- 3.2 We cannot guarantee, nor are we obliged to offer a 'like for like' property to port. Availability is the key determinant driving any offer. The bedroom size of the portable property will match that of the households' needs at the time of application, unless there is an exceptional circumstance which will be reviewed on a case by case basis.

- 3.3 We will work with the customer to identify an alternative property to ensure it is suitable, endeavouring to take account of her/his preferences as far as reasonably possible.
- 3.4 We will offer eligible customers portable properties from Orbit's Vacant Properties Pipeline (where a customer has given notice to leave their property).
- 3.5 The portable discount cannot be applied to any property on the open market.
- 3.6 The percentage discount that the customer is entitled to will be carried over to the portable property and the discount amount will be calculated using that percentage on the portable property's open market value.
- 3.7 The offer of a portable property may take the form of offering the eligible customer the opportunity to view a property externally that meets their portability preferences (by a drive-by). We may not be able to provide specific address details if there is another customer in situ. Should no response be obtained from the customer within 48 hours of the initial portability offer, we will withdraw the offer without notice.
- 3.8 It will be the customer's responsibility to research the locality of the alternative properties to identify if they would be of interest.
- 3.9 Where the customer purchases an alternative property, they will be required to give Orbit full and written notice on their tenancy, in accordance with their tenancy agreement.
- 3.10 Where an alternative property is identified for porting to, Orbit will not be expected to hold the portable property empty, pending the eligible customers' completion of the conveyancing process. Orbit will move the eligible customer in to the portable property on a new tenancy, which will be issued in-line with our Tenancy Policy, until the sale has completed to purchase the portable property. In this case the customer's original property will be released back to Orbit for re-occupation.
- 3.11 Where an alternative property to port to can't be found within three months from the date the customer was notified that their property is excluded from sale under the VRTB, or a mortgage secured within three months from the date of Orbit instructing their solicitors, the VRTB application will be void and the eligible customer will have to reapply through the Government digital gateway. This is due to the fact that the reserved government funding to cover the cost of the discount is released to allow other applications to go ahead.
- 3.12 Orbit is not responsible for ensuring the availability of funding for the VRTB scheme, should the Government digital gateway be closed at the time of an eligible customer's application being cancelled due to exceeding timescales, as described above.
- 3.13 A formal offer will be offered to the eligible customer in writing based on their preferences towards a portable property. An offer will be considered 'formal' if the customer provisionally accepts the property to port to, following an external viewing (drive-by). If a customer declines a property after the external viewing,

it will not count as a formal offer. If the customer declines the property following an internal viewing, this will also count as a formal offer.

- 3.14 We will provide a reasonable offer of a portable property to the eligible customer based on the alternative property meeting the customer's requirements in the following order of priority:
- 3.15.1 Availability – the alternative properties must be available to be able to make a reasonable offer
 - 3.15.2 Geography – the property must be in an area of reasonable locality to work / school
 - 3.15.3 Quality – the property must be the right size, accepted in the current state of repair, meeting Orbit's statutory and legislative compliance standards
- 3.15 We will discharge our duty under this policy after having made two formal offers of alternative properties to an eligible customer, or whereby an alternative property cannot be found within three months from date the customer was notified that their property is excluded from sale under the VRTB.
- 3.16 If, upon inspection, a customer's current property is found to be in disrepair through damage caused by the customer, we reserve the right to withdraw any offers and close the VRTB application.
- 3.17 We reserve the right to cancel the purchasing process in cases where information comes to light which adversely affects the sale. We reserve the right to do this even after the customer has moved into a ported property.

4. EQUALITY AND DIVERSITY

- 4.1 Orbit policies are developed in line with our **Equality, Diversity and Inclusion policy approach**. An Equality Analysis has been conducted and the details can be accessed through myPolicy. If you do not have access to myPolicy please contact the Policy and Standards team for a copy.

5. COMPLAINTS

- 5.1 Anyone is able to make a complaint about the service they have received and this is managed under our **Complaints Policy**.

6. DATA PROTECTION

- 6.1 Orbit collects information ('personal data') so that we can manage and support our relationship with our customers, comply with legal obligations, improve our services and achieve our legitimate business aims. We are committed to complying with data protection legislation when handling customers' data. Customers have rights around their data, including the right to access their data, and to object to the way it is processed. For more information on how and why we process customers' data, and how customers can exercise their rights, please see our full Privacy Policy on our website at www.orbit.org.uk/privacy-policy/.

7. MONITORING AND ACCOUNTABILITY

7.1 Compliance with this policy will be monitored by the Customer Services SMT through regular bi-monthly reporting. CSSMT will receive a report outlining the process of the pilot. Any issues will be highlighted and actioned.

8. REVIEW

8.1 This policy is time-limited for the duration of the VRTB pilot which is expected to run for two years. We will carry out a fundamental review of this policy prior to the national roll-out of the VRTB to reflect any learning.