

## Selling your property to Kirklees Council

Thank you for your recent enquiry regarding the possibility of Kirklees Council purchasing your home.

### What you need to know

- The Council can only buy properties with **vacant possession**. This means that you and anyone living in the property must move out and remove all possessions from the property on or before the date that the sale to the Council completes. We will agree the date of completion with you in advance, giving you as much notice as possible to give you time to arrange this.
- Our buy-back programme is not designed to make anyone homeless. You will need to provide evidence and declare that as a result of purchase neither you nor any current occupiers of the property will be made homeless, and will not be seeking housing or have sought assistance or rehousing from the Council.
- If your property is tenanted or you wish to remain in the property after the purchase is complete, the Council cannot proceed.
- On completion you must provide to the council, the full unencumbered freehold title and vacant possession of the property. This means that your property must be free from all charges (including mortgages and right to buy discount) and any leases or tenancies or other equitable interests in the property.
- If we agree to purchase your home, you will need to provide the Council with full contact details of the solicitor who will act for you in the sale. Your solicitor will advise you of the conveyancing process and associated timescales.
- You will be liable for your own moving costs, including legal fees. For leasehold properties, you must pay any service charges due up to the date of completion before the sale can go through.
- We will endeavour to complete a purchase in the shortest possible time; however, we are not able to forecast an average time that a typical purchase may take.
- You must be the registered owner of the property. If you are dealing with the sale on behalf of a legal estate, you must provide the Council with evidence of this. Your solicitor will be able to give you further advice.

- The Council will pay market value for your home, taking into account the cost of any work it needs to do to the property and ensuring the Council gets an acceptable return on its investment. You are not bound to accept the Council's offer, even if your home is subject to the **right of first refusal**.
- Kirklees Neighbourhood Housing (KNH) is an Arms-Length Management Organisation (ALMO) wholly owned and acting on behalf of Kirklees Council. KNH will remain your main point of contact during the purchase of your property.
- If your home is a former Council property, special requirements may apply to you. Please see the section below headed Special requirements for ex-Council homes.

### **The process of valuation and offer:**

1. Following your initial enquiry; we will ask you to obtain your own valuation to ascertain whether we can afford to purchase back your property before entering the formal buyback scheme. Most estate agents will do this free of charge with no obligation to sell through them.
2. If the Council is interested in buying your home, we will arrange for our Building surveyor to visit the property to explain the process and to carry out an initial inspection of the property.
3. You will need to let us have an Energy Performance Certificate (EPC) for your property in order to proceed with the sale. The offer we give you will take into consideration any cost of works to bring your property up to a SAP band D. You can check the EPC register <https://www.epcregister.com/> to see if a current certificate is available. If not, a domestic energy assessor will be able to survey your home and produce an EPC. You can find a local domestic energy assessor here: <https://www.epcregister.com/searchAssessor.html> and should expect to pay no more than £75 for this service.
4. Upon receipt of the surveyor's inspection report we will contact you or your agent (if applicable) to make an offer subject to valuation, a gas and electrical survey and Council approval.
5. If you accept our offer, we will arrange for a market valuation and gas and electrical surveys to be carried out. We will make access arrangements through your agent if you are using one, or directly with you if not.

6. If the survey tells us that we need to carry out any work to the gas or electrical systems in your home, we will reduce our offer by the cost of this work. If the valuation is lower than the price we have offered, we will need to reduce our offer to the figure in the valuation report. This is because the council can only pay up to market value for properties. You can choose whether or not to accept the revised offer.
7. If you accept the offer you will need to appoint a solicitor or licensed conveyancer to act for you in the sale. We will instruct the Council's legal team to act for us in the purchase. We will liaise with the Council's solicitor throughout the legal process, and keep you informed of progress.

*Unlike traditional purchasing exchange and completion will typically take place on the same date.*

### **Special requirements if you live in an ex-Council property**

If your home was sold under the Right to Buy within the last 10 years, it is subject to the **right of first refusal**. This means that legally, you **must** offer it for sale to the Council before you can sell it on the open market. You can find out when your home was originally sold under the Right to Buy by contacting the RTB team on 01484 223288 or email [right.to.buy@kirklees.gov.uk](mailto:right.to.buy@kirklees.gov.uk)

If your home was sold under the Right to Buy more than 10 years ago, you are free to sell it to any buyer, however you can still offer it to the Council if you wish. The Council can usually complete purchases quicker than a private buyer and you will save on estate agents' fees by selling to us.

If you choose to decline the offer because we cannot agree a purchase price with you, you will be free to sell it on the open market. If your property is ex-council bought less than 10 years ago through right to buy, the right of pre-emption will still apply. Therefore, when the new owner comes to sell, if it is less than 10 years since the Council sold it under the RTB then the new owner will also have to give the Council first refusal.

If you bought your home from the Council at a discount less than 5 years ago, you would need to repay some or all of the discount when you sell it. This is called the **discount repayment period**.

The below table outlines the amount of discount you will have to repay if you sell your home within the first 5 years of buying it from the Council.

If you sell your home within the discount repayment period in the...	Amount of discount to be repaid
1st year	Full discount
2nd year	Four fifths of discount
3 <sup>rd</sup> year	Three fifths of discount
4 <sup>th</sup> year	Two fifths of discount
5 <sup>th</sup> year	One fifth of discount
After 5 years	Can sell without repaying any discount

The amount of discount to be repaid is a percentage of the resale value of the property, disregarding the value of any improvements that you have made to it, e.g.

- If your home was valued at £70,000 at the time you bought it from your landlord,
- and you received a discount of £28,000 (so you paid £42,000),
- the discount you received was 40%.
- If your home is now valued at £80,000, and you want to sell it during the second year of the 5-year repayment period, you would have to repay £25,600 back to the council.

This amount is calculated like this:

40% of £80,000 is £32,000.

4/5 of £32,000 is £25,600. (£32,000/5X4 remaining years to repay)

If you require any further information, or would like to see if the Council would be interested in purchasing your home, please contact us via email

**[new.business@knh.org.uk](mailto:new.business@knh.org.uk) or phone us on 01484 416439**