

Send your application form to:

Home Ownership Team
Redbridge Homes
152 Broadmead Road
Woodford Green
Essex IG8 0AG

Contact us on:

Tel: 020 8708 7616
Email: home.ownership@redbridgehomes.org



CASH INCENTIVE SCHEME

A GUIDE FOR TENANTS



**London Borough of
Redbridge
Project Managed by
Redbridge Homes**

What is a Cash Incentive Scheme?

A Cash Incentive Scheme is a grant that could help you buy a home of your own, if you agree to move out of the council property you live in now.

How much is the grant?

Up to £25,000.00 is available to successful applicants.

Why are we running a Cash Incentive Scheme?

- We are very short of permanent rented accommodation to meet the needs of people waiting for housing.
- The scheme helps you to buy a property that you might not normally be able to afford.

What criteria do I have to meet?

- You must be a secure council tenant of a property owned by London Borough of Redbridge.

- You must have spent 2 years in total as a secure tenant with Redbridge. We will ignore any time you spent in a temporary tenancy, such as bed-and-breakfast or hostel accommodation.
- You must show us that you do not have enough income and savings to buy a home without the help of a grant.
- You must be up to date with your rent before you apply.

If you owe overpaid housing benefit, rent from a former tenancy or court costs, for example, you will need to pay the outstanding amount before your application can be considered.

How do I get accepted for the scheme?

The first step is to apply on the form that comes with this leaflet. We check it to make sure that you meet all the conditions of the scheme. Then we put your application into a priority group, depending on your need. Within each priority group, we deal with applications on a "first come, first served" basis.

If you have met all the criteria, we will write and ask you to an interview to discuss the scheme in more detail.

If we approve your application, you will have three months to find a property. After the three months, we will give you a deadline by which you should buy the property.

We may withdraw our offer if you do not keep to the deadline.

If we refuse your application, we will write to you to explain why.

What property can I buy?

You can buy a property anywhere in the United Kingdom. This does not include the Channel Islands and the Isle of Man.

We will set a minimum and maximum price limit on the value of the property you may buy. The limits will depend on:

- Your income, savings and other financial commitments;
- The prices of property in the area you want to move to;
- The size of your family and
- Your age

If you buy a property within the price limits, we will pay the grant in accordance with the number of bedrooms in your council home.

If the price of your chosen property is outside the price limits, we will either reduce the grant or withdraw our offer.

What property can't I buy?

You cannot use the grant to pay for the following:

- A mobile home or houseboat
- To build an extension
- A property sold at an auction
- A business or part-business property.
- Your existing council home under the Right to Buy Scheme.
- A property on the Homebuy Scheme, Starter Homes Initiative for key workers, a shared-ownership scheme, or any other incentive schemes
- A property that has not yet been built
- To buy a share of a property already owned by someone else
- To reduce someone's mortgage

- A property abroad
- A property for more than £250,000 in London or the Southeast, or £170,000 for all other areas.

If I am accepted for a grant, what should I do when I find a property I want to buy?

- Make an offer to the person who is selling the property (or their agent) to buy "subject to contract".
- Tell us:
 - ⇒ The address and price of the property you want to buy; and
 - ⇒ Your solicitor's name and address
- Tell your building society or bank and your solicitor:
 - ⇒ That you have found a property; and
 - ⇒ That you are part of our Cash Incentive Scheme
- A housing officer will inspect your council home and will tell you of any repairs or decorating that are necessary, for which you will be recharged. We will also carry out further inspections relating to work required on your council home and to complete gas and electricity checks.

Please do not make an offer on a property or pay any money before we have accepted you for a grant.

When will we pay the grant?

We will pay the grant to your solicitor on the day of completion for the property you are buying. You must make sure that:

- You leave our property in a reasonable condition

- You don't owe us any rent, or other amounts, such as overpaid housing benefit.

What other expenses will I have to pay?

There are a number of expenses involved in buying your own home, and you will need to make sure that you have enough money to pay for them. For example:

- Your solicitor's fees
- Valuation and survey fees
- Stamp duty; and
- The costs of moving

What happens if I want to sell my new home?

- If you sell your home within the first year of buying it, you will have to repay the entire grant.
- If you sell your home within the second year of buying it, you will have to repay four fifths of the grant.
- If you sell your home within the third year of buying it, you will have to repay three fifths of the grant.
- If you sell your home within the fourth year of buying it, you will have to repay two fifths of the grant.
- If you sell your home within the fifth year of buying it, you will have to repay one fifth of the grant.

(See Terms and Conditions of Grant, under 17.2)

How do I apply?

Fill in the application form that comes with this leaflet and send it to the address below.

If you have any questions about the scheme, or you have any problems filling in the application form, contact the **Home Ownership Team**.

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