

SCHEME FOR THE SALE OF DWELLING-HOUSES BY THE HOUSING EXECUTIVE (INCLUDING EQUITY-SHARING)

1.0 Introduction

- 1.1 This is the Scheme for the sale of dwelling-houses (“dwellings”) by the Housing Executive prepared under the provisions of Article 3 of the Housing (NI) Order 1983 as inserted by Article 96 of the Housing (NI) Order 1992. The object of the Scheme is to empower the Northern Ireland Housing Executive to sell its dwellings to secure tenants and succeeds the ‘Right to Buy’ and Voluntary Sales Scheme.
- 1.2 Article 3(3) of the Housing (Northern Ireland) Order 1983 empowers the Housing Executive to grant equity-sharing leases in relation to dwellings to which the Scheme applies. The granting of such leases shall be in accordance with the provisions set out in Appendix 1.

2.0 Entitlement to Buy

- 2.1 The right to buy only arises after the tenant has been a secure tenant (of the Housing Executive, or of one of the bodies mentioned in Appendix 2 to the Scheme) for a period of not less than five years or for periods amounting together to not less than five years, but neither the dwelling nor the landlord need have been the same during the whole of that period. If the secure tenancy is a joint tenancy, the time-qualification condition only has to be satisfied with respect to one of the joint tenants.
- 2.2 The following shall be treated as included in the dwelling:
- (1) Any land used for the purposes of the dwelling which the Housing Executive and secure tenant agree to include.
 - (2) Any land let with the dwelling other than land to which both of the following two conditions apply:
 - (a) The land is additional to the minimum amount of land which, in the Housing Executive’s reasonable opinion, is necessary for the purpose of the reasonable enjoyment of the dwelling as a residence, and
 - (b) The excess land has, in the reasonable opinion of the Housing Executive, significant development potential (whether immediately or potentially).

- 2.3 (1) A secure tenant may purchase jointly with up to three other persons. Each of the other persons must satisfy one or both of the following conditions:
- (a) He/she is the spouse of the secure tenant.
 - (b) He/she is occupying the dwelling as his/her only or principal home and has been residing with the secure tenant throughout the period of twelve months ending with the date of application to purchase.
- (2) A secure tenant may only acquire a dwelling as a “tenant in common” where his/her interest or share in the dwelling upon completion is at least 25%.

3.0 **Exceptions to Entitlement to Buy**

- 3.1 Under the Scheme, any dwelling may be sold with the exception of:
- (1) sheltered dwelling units; and
 - (2) any single storey or ground floor dwelling (other than a flat) with no more than two bedrooms to which either of the following conditions applies:
 - (a) the relevant tenancy began on or after 1st September 2002
 - (b) the relevant tenancy began prior to 1st November 2000 and both of the following sub-conditions apply:
 - (i) a person of at least 60 years of age was the tenant and/or a member of the tenant’s household when the relevant tenancy began
 - (ii) the relevant tenancy did not begin because of a compulsory transfer from another Housing Executive dwelling in respect of which the tenant had the right to buy.

3.2 In the present context “the relevant tenancy” means:

- (1) (if the current tenant is not the successor to another tenant), the current tenancy, or
- (2) (if the current tenant is the successor to another tenant), the tenancy of the current tenant’s earliest predecessor in title.

3.2A A secure tenant cannot exercise the right to buy at any time when any of the following circumstances apply to him:

- (1) The Housing Executive has served a relevant statutory notice seeking possession at any time within the previous three months.
- (2) Proceedings for possession of the dwelling pursuant to a relevant statutory notice are pending.
- (3) The tenant is obliged to give up possession of the dwelling in pursuance of an Order of the Court which has been granted pursuant to a relevant statutory notice or will be so obliged at a date specified in the Order.
- (4) The Housing Executive is actively considering whether it would be appropriate to serve – at some time within the next three months – a relevant statutory notice seeking possession.

3.2.B A “relevant statutory notice” means a Notice Seeking Possession on one or both of the following grounds:

- (1) ground 2 of Part I of Schedule 3 of the Housing (Northern Ireland) Order 1983
- (2) the allegation that the secure tenant has been guilty of “nuisance to neighbours” within the meaning of the Housing Executive’s standard Tenancy Agreement.

3.3 Applications to purchase made by secure tenants who are in rent arrears shall not be rejected on those grounds but shall be allowed to proceed to completion stage. However, no sale shall be completed until all arrears whether for rent or any other payment due from them as a secure tenant have been paid.

4.0 **Purchase Price**

- 4.1 Subject to the provisions of Section 5.0 below, the purchase price shall be the market value less any available discount.
- 4.2 The market value shall be that assessed by a suitably qualified professional valuer as at the date of the completed application to purchase (i.e. date of receipt of all required information). Tenants' improvements shall be disregarded in assessing market value.
- 4.3 The secure tenant shall be notified of the purchase price within the relevant timescale. (In this paragraph, "the relevant timescale" means the timescale set, from time to time, by the Housing Executive).
- 4.4 The secure tenant shall be advised of any structural defects known to the Housing Executive which affect the dwelling or the building in which it is situated.
- 4.5 The purchaser, if not satisfied with the assessment of market value, shall be entitled to request a redetermination of the purchase price. Such redetermination shall be carried out by the District Valuer of the Valuation and Lands Agency or by some other official of the VLA nominated by him/her. Any request for a redetermination must be made in writing within one month of the offer being made.
- 4.6 In the case of the sale of flats/maisonettes the purchaser shall be required to pay an annual rent of £10 and an annual service charge. (The annual service charge shall include the relevant proportion of the estimated cost of repairs, maintenance and improvements programmed to be carried out in that year to the block in which the flat is located). The Housing Executive shall, when making a formal offer to the secure tenant of a flat, give details of any works proposed to be carried out in the next 5 years together with estimated costs and service charges for those years.

5.0 **Discount**

- 5.1 Discount shall be offered to secure tenants in relation to the total number of years which they have spent as secure tenants of relevant accommodation (i.e., of the authorities or bodies listed in Appendix 2).
- 5.2 The discount shall not reduce the price below the Historic Cost. The Historic Cost is the amount which is to be taken as representing so much of the costs incurred in the provision, improvement or acquisition of the dwelling as is to be treated as incurred in the relevant period (the financial year in which the application to purchase is made and in the 10 previous financial years). If the price before discount is below that amount there

shall be no discount. Where the aggregate of the costs incurred in respect of improvement works is less than £5,000 throughout the relevant period, those costs can be disregarded. For the purposes of this paragraph, the Housing Executive can estimate the costs incurred, however, any such estimate must be a reasonable estimate.

- 5.3 Tenancy periods with former Public Sector bodies which have now been privatised shall be eligible for discount only in respect of the period up to the date of privatisation.
- 5.4 Time spent in any accommodation provided for Regular Armed Forces of the Crown shall also count for discount.
- 5.5 Subject to paragraph 5.6 below, secure tenants of a dwelling (a house, a flat or a maisonette) with 5 years completed tenancy shall be allowed discount of 20% with an increase of 2% for each additional completed years tenancy up to an overall maximum of 60% subject to the Historic Cost proviso contained in paragraph 5.2.
- 5.6 The discount shall not in any event reduce the price of the dwelling by more than £24,000.
- 5.7 Where a spouse succeeds to the tenancy on the death of his/her spouse he or she may take the benefit of the discount rights of the deceased spouse provided that both were occupying the dwelling as their principal home at the time of the death of the deceased spouse.
- 5.8 In cases of joint purchase (i.e. a purchase by a secure tenant along with an eligible co-purchaser) it is only the periods spent by the secure tenant in relevant accommodation that will count in the calculation of discount. Where joint tenants purchase a dwelling jointly discount shall be based on the tenancy period(s) of the secure tenant who has spent the longer period as a secure tenant of relevant accommodation.
- 5.9 Periods during which the secure tenant's spouse was a secure tenant or was previously the spouse of another secure tenant shall be taken into account provided both the secure tenant applying to purchase and his spouse occupied the dwelling as their only or principal home at the time of the completed application to purchase.
- 5.10 A spouse of a secure tenant who is separated or divorced may take the benefit of the tenancy periods of the former spouse in the original dwelling when purchasing the dwelling he/she now occupies provided that during those periods they were occupying the original dwelling as their only or principal home.

- 5.11 Discounts will be calculated as at the date of a completed application to purchase.
- 5.12 Where a secure tenant of a dwelling dies or otherwise ceases to be a secure tenant ("the former tenant"), and subsequently, a child of the former tenant who occupies the dwelling as his/her only or principal home succeeds to the tenancy of the dwelling ("the new tenant"), and the new tenant applies to purchase, discount shall be granted to the new tenant based on the number of years during which the new tenant resided in the dwelling after his/her 16th birthday (whether under the same tenancy or under another secure tenancy). A break in that residence qualification is permitted where that break has been for two years or less, and in such cases full discount rights back to the 16th birthday shall be allowed. If the break is for more than two years, discount rights shall only be allowed from the date of the new tenant's return to the dwelling after the break.
- 5.13 Where an application to purchase has been lodged by a secure tenant and where a child of that secure tenant succeeds to the tenancy of the dwelling before the completion of the purchase by the secure tenant, the child shall be entitled to receive the full discount rights of the parent if that child wishes to continue with the purchase of the dwelling.
- 5.14 A son-in-law or daughter-in-law who occupies the dwelling and succeeds to the tenancy shall be treated as a 'natural' son or daughter.
- 5.15 A child will not be treated as a successor for discount purposes unless one of the following sets of circumstances apply to him/her:
- (1) the child is the immediate successor of one or both of his/her parents, or
 - (2) the child is not the immediate successor of one or both of his/her parents, but a brother/sister of the child is the only intermediate successor.
- 5.16 Where a person, or one of the persons, applying to purchase a dwelling was a previous purchaser, all previous tenancy periods shall be taken into account in assessing discount allowable. However, the discount entitlement on a second or subsequent purchase shall be reduced by the cash value of any discount allowed previously less the amount repaid to the Housing Executive on previous disposals (if any). Where a previous discount was given to two or more persons jointly, this paragraph has effect as if each of them had been given an equal proportion of the discount.

6.0 **Circumstances In Which Discounts are Repayable**

6.1 The legal documentation shall contain a covenant binding on the secure tenant and his/her successors in title to repay to the Housing Executive the full amount of any discount received if within a period of 5 years there is a disposal falling within paragraph 6.3, but if there is more than one such disposal, then only on the first of them.

6.2 *[This paragraph not used].*

6.3 A disposal is:

- (1) a further conveyance of the fee simple or an assignment of the lease or;
- (2) the grant of a lease or sub-lease for a term of more than 21 years otherwise than at rack rent, whether the disposal is of the whole or part of the dwelling;

but the following categories of disposal do not attract repayment of discount:-

- (a) disposal between joint purchasers or spouses;
- (b) disposals between members of the same family who have lived together throughout the six month period ending with the disposal;
- (c) disposals where the dwelling has been compulsory purchased or where compulsory powers would have been used if the dwelling had not been acquired voluntarily;
- (d) disposals not involving the residential part of a dwelling;
- (e) disposals in pursuance of an order under Article 26 of the Matrimonial Causes (Northern Ireland) Order 1978;
- (f) disposals under Article 4 of the Inheritance (Provision for Family and Dependents) (Northern Ireland) Order 1979.

(g) disposals vesting in a person taking under a will or an intestacy.

7.0 **Conveyance of Fee Simple and Grant of Lease**

- 7.1 (1) The Housing Executive may include in a conveyance or lease such conditions as the Department for Social Development may approve.
- (2) The Housing Executive shall include in a conveyance or lease any conditions or covenants which the Department for Social Development may specify.
- (3) The Housing Executive shall include in a contract and in a conveyance or lease a clause whereby the purchaser must agree that if he/she wishes to dispose of the dwelling within 10 years from the date of purchase the Housing Executive and any registered housing association will be given the option to re-purchase.

7.2 Without prejudice to the generality of paragraph 7.1, the conditions and covenants-

- (1) shall have the effect of ensuring that the tenant has as full enjoyment and use of the dwelling as owner as he/she has had as tenant;
- (2) shall secure to the tenant such additional rights as are necessary for his/her reasonable enjoyment and use of the dwelling as owner (including, without prejudice to the foregoing generality, common rights in any part of the building of which the dwelling forms part) and shall impose on the tenant any necessary duties relative to rights so secured;
- (3) shall include such terms as are necessary to entitle the tenant to receive a good and marketable title to the dwelling;
- (4) shall, where a new charge for the provision of a service in relation to the dwelling is imposed or where an existing charge for such provision is increased, provide for the charge to be in reasonable proportion to the cost to the Housing Executive of providing the service.

APPENDIX 1

EQUITY SHARING PROVISIONS

1.0 Introduction

- 1.1 *The granting of equity-sharing leases shall be in accordance with the provisions set out in this Appendix.*

2.0 Entitlement to Buy a Share

- 2.1 *The right to buy an initial share in the equity of a dwelling (“an initial share”) to which the Scheme applies only arises after the tenant has been a secure tenant (of the Housing Executive, or of one of the bodies mentioned in Appendix 2 to the Scheme) for a period of not less than five years or for periods amounting together to not less than five years, but neither the dwelling nor the landlord need have been the same during the whole of that period. If the secure tenancy is a joint tenancy, the time-qualification condition only has to be satisfied with respect to one of the joint tenants.*

- 2.2 *The following shall be treated as included in the dwelling:*

- (1) *Any land used for the purposes of the dwelling which the Housing Executive and secure tenant agree to include.*
- (2) *Any land let with the dwelling other than land to which both of the following two conditions apply:*
 - (a) *The land is additional to the minimum amount of land which, in the Housing Executive’s reasonable opinion, is necessary for the purpose of the reasonable enjoyment of the dwelling as a residence, and*
 - (b) *The excess land has, in the reasonable opinion of the Housing Executive, significant development potential (whether immediately or potentially).*

- 2.3 (1) *A secure tenant may purchase an initial share in the equity of a dwelling jointly with up to three other persons. Each of the other persons must satisfy one or both of the following conditions:*

- (a) *He/she is the spouse of the secure tenant.*

- (ii) *the relevant tenancy did not begin because of a compulsory transfer from another Housing Executive dwelling in respect of which the tenant had the right to buy.*

3.2 *In the present context “the relevant tenancy” means:*

- (1) *(if the current tenant is not the successor to another tenant), the current tenancy, or*
- (2) *(if the current tenant is the successor to another tenant), the tenancy of the current tenant’s earliest predecessor in title.*

3.2A *A secure tenant cannot exercise the right to buy an initial share in the equity of a dwelling at any time when any of the following circumstances apply to him:*

- (1) *The Housing Executive has served a relevant statutory notice seeking possession at any time within the previous three months.*
- (2) *Proceedings for possession of the dwelling pursuant to a relevant statutory notice are pending.*
- (3) *The tenant is obliged to give up possession of the dwelling in pursuance of an Order of the Court which has been granted pursuant to a relevant statutory notice or will be so obliged at a date specified in the Order.*
- (4) *The Housing Executive is actively considering whether it would be appropriate to serve – at some time within the next three months – a relevant statutory notice seeking possession.*

3.2.B *A “relevant statutory notice” means a Notice Seeking Possession on one or both of the following grounds:*

- (1) *ground 2 of Part I of Schedule 3 of the Housing (Northern Ireland) Order 1983*
- (2) *the allegation that the secure tenant has been guilty of “nuisance to neighbours” within the meaning of the Housing Executive’s standard Tenancy Agreement.*

- 3.3 *An equity-sharing leaseholder cannot exercise the right to buy further shares in the equity of a dwelling at any time when the Housing Executive is actively considering whether it would be appropriate to serve – at some time within the next three months – proceedings for forfeiture of the equity-sharing lease on the ground that the equity-sharing leaseholder has been guilty of annoyance or nuisance to occupiers of neighbouring or adjoining premises in contravention of the terms thereof.*
- 3.4 *Applications to purchase an initial share in the equity of a dwelling made by secure tenants, or applications to purchase further shares in the equity of a dwelling made by equity-sharing leaseholders, who are in rent arrears shall not be rejected on those grounds but shall be allowed to proceed to completion stage. However, no sale of any share in the equity of a dwelling shall be completed until all arrears whether for rent or any other payment due from them as a secure tenant or as an equity-sharing leaseholder have been paid.*

4.0 **Purchase Price**

- 4.1 *Subject to the provisions of Section 5.0 below, the purchase price shall be the market value attributable to that share in the equity of the dwelling which the secure tenant or the equity-sharing leaseholder has applied to buy less any available discount.*
- 4.2 *The market value shall be that assessed by a suitably qualified professional valuer as at the date of the completed application to purchase (i.e. date of receipt of all required information). Tenants' or equity-sharing leaseholders' improvements shall be disregarded in assessing market value.*
- 4.3 *The secure tenant or equity-sharing leaseholder shall be notified of the purchase price within the relevant timescale. (In this paragraph, "the relevant timescale" means the timescale set, from time to time, by the Housing Executive).*
- 4.4 (1) *The secure tenant who applies to buy an initial share in the equity of a dwelling shall be advised of any structural defects known to the Housing Executive which affect the dwelling or the building in which it is situated*
- (2) *Any structural defects known to the Housing Executive at the time of the secure tenant's purchase of an initial share in the dwelling which are subsequently remedied by the equity-sharing leaseholder shall be treated as an equity-sharing leaseholder improvement if that equity-sharing leaseholder subsequently applies to buy a further share in the equity of the dwelling.*

- 4.5 *The purchaser, if not satisfied with the assessment of market value on an application to purchase an initial share in the equity of a dwelling, shall be entitled to request a redetermination of the purchase price. Such redetermination shall be carried out by the District Valuer of Land & Property Services or by some other official of Land & Property Services nominated by him/her. Any request for a redetermination must be made in writing within one month of the offer being made. However, on an application to purchase further shares in the equity of a dwelling, the purchaser, if not satisfied with the assessment of market value, shall be entitled to request a redetermination by the District Valuer of Land & Property Services of the purchase price at his/her own expense.*
- 4.6 *In the case of the sale of an initial share in the equity of flats/maisonettes the purchaser shall be required to pay a yearly rent of £10 and an annual service charge. (The annual service charge shall be the full annual service charge attributable to the dwelling calculated in accordance with the service charge provisions contained in the equity-sharing lease and shall include the relevant proportion of the estimated cost of repairs, maintenance and improvements programmed to be carried out in that year to the block in which the flat/maisonette is located). The Housing Executive shall, when making a formal offer to the secure tenant of a flat/maisonette who has applied to purchase an initial share in the equity of that dwelling, give details of any works proposed to be carried out in the next 5 years together with estimated costs and service charges for those years.*

5.0 **Discount**

- 5.1 *Discount shall be offered to secure tenants in relation to the total number of years which they have spent as secure tenants of relevant accommodation (i.e., of the authorities or bodies listed in Appendix 2).*
- 5.2 *The discount shall not reduce the price below the Historic Cost. The Historic Cost is the amount which is to be taken as representing so much of the costs incurred in the provision, improvement or acquisition of the dwelling as is to be treated as incurred in the relevant period (the financial year in which the application to purchase the initial share is made and in the 10 previous financial years). If the price before discount is below that amount there shall be no discount. Where the aggregate of the costs incurred in respect of improvement works is less than £5,000 throughout the relevant period, those costs can be disregarded. For the purposes of this paragraph, the Housing Executive can estimate the costs incurred, however, any such estimate must be a reasonable estimate.*

- 5.3 *Tenancy periods with former Public Sector bodies which have now been privatised shall be eligible for discount only in respect of the period up to the date of privatisation.*
- 5.4 *Time spent in any accommodation provided for Regular Armed Forces of the Crown shall also count for discount.*
- 5.5 *Subject to paragraph 5.6 below, secure tenants of a dwelling (a house, a flat or a maisonette) with 5 years completed tenancy shall be allowed discount of 20% with an increase of 2% for each additional completed years tenancy up to an overall maximum of 60% subject to the Historic Cost proviso contained in paragraph 5.2.*
- 5.6 (1) *The discount shall not in any event reduce the price of the dwelling by more than £24,000.*
- (2) *A percentage of the discount shall be offered at the time of the purchase of an initial share in the equity of a dwelling, and at the time of the purchase of further shares in the equity of a dwelling, calculated in accordance with the provisions set out in the table contained in paragraph 5.6(3) below. The percentage of the discount which shall be offered at the time of purchase of further shares in the equity of a dwelling shall be reduced by the percentage of the discount already offered at the time of the purchase of the initial share and previous further shares (if any) in the dwelling.*

(3)

Percentage of house bought	Percentage of total discount offered
25	35
30	42
35	49
40	56
45	63
50	70
55	73
60	76
65	79
70	82
75	85
80	88
85	91
90	94
95	97
100	100

Example: A person who is entitled to the maximum available discount (£24,000) purchases 25% of their home will be allowed 35% of the total discount, which will total £8,400. They subsequently decide to increase their total share to 55%. They will therefore be entitled to have received 73% of the total discount (£17,520). However, as they have already received 35%, they will receive the remaining 38% discount (£9,120).

- 5.7 Where a spouse succeeds to the secure tenancy on the death of his/her spouse he or she may take the benefit of the discount rights of the deceased spouse provided that both were occupying the dwelling as their principal home at the time of the death of the deceased spouse.
- 5.8 In cases of joint purchase (i.e. a purchase by a secure tenant along with an eligible co-purchaser) it is only the periods spent by the secure tenant in relevant accommodation that will count in the calculation of discount. Where joint tenants purchase a dwelling jointly discount shall be based on the tenancy period(s) of the secure tenant who has spent the longer period as a secure tenant of relevant accommodation.
- 5.9 Periods during which the secure tenant's spouse was a secure tenant or was previously the spouse of another secure tenant shall be taken into account provided both the secure tenant applying to purchase an initial share in the equity of the dwelling and his spouse occupied the dwelling as their only or principal home at the time of the completed application to purchase the initial share.
- 5.10 A spouse of a secure tenant who is separated or divorced may take the benefit of the tenancy periods of the former spouse in the original dwelling when purchasing an initial share in the equity of the dwelling he/she now occupies provided that during those periods they were occupying the original dwelling as their only or principal home.
- 5.11 Discounts will be calculated as at the date of a completed application to purchase.
- 5.12 Where a secure tenant of a dwelling dies or otherwise ceases to be a secure tenant ("the former tenant"), and subsequently, a child of the former tenant who occupies the dwelling as his/her only or principal home succeeds to the secure tenancy of the dwelling ("the new tenant"), and the new tenant applies to purchase an initial share in the equity of the dwelling, discount shall be granted to the new tenant based on the number of years during which the new tenant resided in the dwelling after his/her 16th birthday (whether under the same tenancy or under another secure tenancy). A break in that residence qualification is permitted where that break has been for two years or less, and in such cases full discount rights

back to the 16th birthday shall be allowed. If the break is for more than two years, discount rights shall only be allowed from the date of the new tenant's return to the dwelling after the break.

- 5.13 *Where an application to purchase an initial share in the equity of a dwelling has been lodged by a secure tenant and where a child of that secure tenant succeeds to the tenancy of the dwelling before the completion of the purchase by the secure tenant, the child shall be entitled to receive the full discount rights of the parent if that child wishes to continue with the purchase of an initial share in the equity of the dwelling.*
- 5.14 *A son-in-law or daughter-in-law who occupies the dwelling and succeeds to the secure tenancy shall be treated as a 'natural' son or daughter.*
- 5.15 *A child will not be treated as a successor for discount purposes unless one of the following sets of circumstances apply to him/her:*
- (1) the child is the immediate successor of one or both of his/her parents, or*
 - (2) the child is not the immediate successor of one or both of his/her parents, but a brother/sister of the child is the only intermediate successor.*
- 5.16 *Where a person, or one of the persons, applying to purchase an initial share in the equity of a dwelling was a previous purchaser, all previous tenancy periods shall be taken into account in assessing discount allowable. However, the discount entitlement on a second or subsequent purchase of an initial share in the equity of a dwelling shall be reduced by the cash value of any discount allowed previously less the amount repaid to the Housing Executive on previous disposals (if any). Where a previous discount was given to two or more persons jointly, this paragraph has effect as if each of them had been given an equal proportion of the discount.*
- 5.17 *Where a former secure tenant who has purchased a share or shares in the equity of a dwelling dies, any person who subsequently applies to buy a further share or shares in the equity of that dwelling shall not be entitled to the benefit of any percentage of the discount which remained unused at the time of the former secure tenant's death.*

6.0 **Circumstances In Which Discounts are Repayable**

- 6.1 *The legal documentation shall contain a covenant binding on the equity-sharing leaseholder and his/her successors in title to repay to the Housing*

Executive the full amount of any discount received if within a period of 5 years beginning on the date of receipt of that discount there is a disposal falling within paragraph 6.2, but if there is more than one such disposal, then only on the first of them.

6.2 *A disposal is:*

- (1) an assignment of the equity-sharing lease or;*
- (2) the grant of a sub-lease for a term of more than 21 years otherwise than at rack rent, whether the disposal is of the whole or part of the dwelling;*

but the following categories of disposal do not attract repayment of discount:-

- (a) disposals between joint purchasers or spouses;*
- (b) disposals between members of the same family who have lived together throughout the six month period ending with the disposal;*
- (c) disposals where the dwelling has been compulsorily purchased or where compulsory powers would have been used if the dwelling had not been acquired voluntarily;*
- (d) disposals not involving the residential part of a dwelling;*
- (e) disposals in pursuance of an order under Article 26 of the Matrimonial Causes (Northern Ireland) Order 1978;*
- (f) disposals under Article 4 of the Inheritance (Provision for Family and Dependents) (Northern Ireland) Order 1979.*
- (g) disposals vesting in a person taking under a will or an intestacy.*

7.0 **Grant of Equity-Sharing Lease**

- 7.1 (1) *The Housing Executive may include in an equity-sharing lease such conditions as the Department for Social Development may approve.*

- (2) *The Housing Executive shall include in an equity-sharing lease any conditions or covenants which the Department for Social Development may specify.*
 - (3) *The Housing Executive shall include in a contract and in an equity-sharing lease a clause whereby the purchaser must agree that if he/she wishes to dispose of the dwelling within 10 years from the date of purchase of an initial share therein the Housing Executive and any registered housing association will be given the option to re-purchase.*
- 7.2 *Without prejudice to the generality of paragraph 7.1, the conditions and covenants-*
- (1) *shall have the effect of ensuring that the purchaser has as full enjoyment and use of the dwelling as owner as he/she has had as tenant;*
 - (2) *shall secure to the purchaser such additional rights as are necessary for his/her reasonable enjoyment and use of the dwelling as owner (including, without prejudice to the foregoing generality, common rights in any part of the building of which the dwelling forms part) and shall impose on the purchaser any necessary duties relative to rights so secured;*
 - (3) *shall include such terms as are necessary to entitle the purchaser to receive a good and marketable title to the dwelling;*
 - (4) *shall, where a new charge for the provision of a service in relation to the dwelling is imposed or where an existing charge for such provision is increased, provide for the charge to be in reasonable proportion to the cost to the Housing Executive of providing the service.*

8.0 **Conveyance of Fee Simple and Grant of Lease**

- 8.1 *Upon the equity sharing leaseholder's acquisition of the reversion expectant upon the determination of the equity sharing lease, the Housing Executive will convey or demise the dwelling to the purchaser in accordance with the provisions of the Scheme.*

Appendix 2

TENANCIES TO BE RECOGNISED FOR QUALIFICATION AND DISCOUNT

PURPOSES

1.
 - a. *The Northern Ireland Housing Executive.*
 - b. *A district council within the meaning of the Local Government Act (NI) 1972.*
 - c. *A registered housing association within the meaning of Chapter II of Part II of the Housing (NI) Order 1983.*

2. *One of the following bodies in England and Wales:-*

A district council

A county council

A London borough council

The common council of the City of London

The Council of the Isles of Scilly

Any of the following bodies set up as a result of the abolition of the Greater London Council and the metropolitan county councils:

A metropolitan county police authority

The Northumbria Police Authority

A metropolitan county fire and civil defence authority

The London Fire and Civil Defence Authority

A metropolitan county passenger transport authority

The London Waste Regulation Authority

The West London, North London, East London and Western Riverside Waste Disposal Authorities

The Merseyside and Greater Manchester Waste Disposal Authorities

The London Residuary Body

A Metropolitan county residuary body

A new town or urban development corporation

The Commission for the New Towns

The Development Board for Rural Wales

A housing action trust

A housing association if it is registered with the Housing Corporation or Housing for Wales and if it is not:

a charity

an association which has not received public subsidy

a co-operative association

The Housing Corporation

Housing for Wales

3. *Corresponding authorities and bodies in Scotland are:-*
 - a. *A regional islands or district council*
 - b. *A joint board or joint committee of such a council*
 - c. *The common good of such a council or a trust under its control*
 - d. *A development corporation (including an Urban development corporation)*
 - e. *Scottish Homes*
 - f. *A housing association which falls within paragraph (a) of section 6(2) of the Housing (Scotland) Act 1987*

4. *Additional tenancies to be recognised for qualification and discount purposes.*

(Note) :-

An Education and Library Board established under the Education and Libraries (NI) Order 1986.
The Fire Authority for Northern Ireland established under the Fire Services (NI) Order 1984
The Northern Ireland Electricity Service established under the Electricity Supply (NI) Order 1972
The Northern Ireland Transport Holding Company established under the Transport Act (NI) 1967
The Police Authority for Northern Ireland
The Sports Council for Northern Ireland
An area board established by Section 1(2) of the Electricity Act 1947
A community council
A fire authority for the purposes of Fire Services Acts 1947 to 1959
A government department (including National Health Service Properties)
An internal drainage board within the meaning of Section 6 of the Land Drainage Act 1976
A Minister of the Crown
A parish council and the trustees of a parish without a parish council
A passenger transport executive established under part II of the Transport Act 1968
A water authority established in accordance with Section 2 of the Water Act 1973, and a water authority in Scotland as constituted under Section 3 of the Water (Scotland) Act 1980
The Agricultural and Food Research Council
The AFRC Institute for Grassland and Animal Production
The British Airports Authority
The British Broadcasting Corporation
The British Coal Corporation
The British Gas Corporation
The British Railways Board

The British Steel Corporation
The British Waterways Board
The Central Electricity Generating Board
The Church Commissioners
The Civil Aviation Authority
The Commissioner of Northern Lighthouses
The Countryside Commission for Scotland
The Electricity Council
The Highlands and Islands Development Board
The Historic Buildings and Monuments Commission for England
The Lake District Special Planning Board
The Lee Valley Regional Park Authority
London Regional Transport
Inner London Education Authority
The Medical Research Council
The National Bus Company
The National Library of Wales
The National Museum of Wales
The Natural Environment Research Council
The Nature Conservancy Council
The North of Scotland Hydro-Electric Board
The Peak Park Joint Planning Board
Police Authorities
The Post Office
The Prison Service
The Science and Engineering Research Council
The Secretary of State, where the dwelling-house was at the material time used for the purpose of Her Majesty's Coastguard
The Secretary of State, where the dwelling-house was at the time used for the purposes of any function transferred to him under Section 1(2) of the Defence (Transfer of Functions) Act of 1964 or any function relating to defence conferred on him by or under any subsequent enactment, or such other person as the Secretary of State may by order prescribe
The South of Scotland Electricity Board
The Sports Council
The Scottish Sports Council
The Sports Council for Wales
The Trinity House
The United Kingdom Atomic Energy Authority
The Welsh Development Agency
Community Councils in Wales
Tenancy periods with former Public Sector bodies which have now been privatised will be eligible for discount only in respect of the period up until date of Privatisation

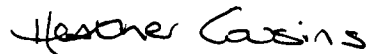
5. *The landlord condition is not satisfied if the interest of the landlord belonged to the Trinity House, where the dwelling-house was held otherwise than in connection with its functions as a general lighthouse authority within the meaning of section 634 of the Merchant Shipping Act 1894.*

**HOUSING (NORTHERN IRELAND) ORDER 1993:
SALE OF DWELLING –HOUSES BY THE HOUSING EXECUTIVE**

Article 3(4) of the Housing (Northern Ireland) Order 1983 requires that the Housing Executive shall submit to the Department a scheme to offer for sale or lease to its secure tenants, the dwelling – houses occupied by those tenants.

This is the scheme approved by the Department in accordance with Article 3(4) of the Housing (Northern Ireland) Order 1983

Sealed with the Official Seal of the
Department for Social Development on

A handwritten signature in black ink that reads "Heather Cousins". The signature is written in a cursive style with a prominent initial 'H'.

A senior officer of the Department for Social
Development