

NORTH LANARKSHIRE COUNCIL

REPORT

To: HOUSING COMMITTEE		Subject: TENANT OWNERSHIP PURCHASE SCHEME (TOPS)
From: DIRECTOR OF HOUSING		
Date: 26 AUGUST 1996	Ref: AM/AF/1	

1. Introduction

- 1.1 The purpose of this report is to inform Committee of the Tenant Ownership Purchase scheme (TOPS) for housing association tenants which was introduced by Scottish Homes on 1 July 1996.

2. Background

- 2.1 TOPS is a cash incentive scheme for housing association tenants who wish to purchase their home but do not have a statutory 'Right to Buy'. It is a voluntary scheme for all registered housing associations and co-operatives within Scotland with the exception of Abbeyfield and co-ownership societies.
- 2.2 Scottish Homes believe the scheme will assist in the development of balanced communities, contribute to continued growth of sustainable home ownership and diversify tenure within Scotland. (eligible tenants need not now relocate to achieve owner occupation)
- 2.3 The scheme effectively offers, to tenants, a discount of £10,000 on the market value of the house in which they live. The housing associations will receive the proceeds of the sale plus the grant of £10,000. The association is then required to replace the property sold by using the capital receipt.

3. Tenant Ownership Purchase Scheme

- 3.1 Housing Associations wishing to participate within this scheme must make an annual application to Scottish Homes within their Strategy & Funding Plan. Scottish Homes will consider applications from eligible associations which demonstrate that TOPS payments are the most efficient and effective way of meeting a recognised housing demand. All participating associations are eligible to receive an administrative allowance.

3.2 The scheme is applicable to all housing association tenants but priority will be given to those who do not have a 'Right to Buy' and the association may prioritise applications in line with local housing needs. A combination of TOPS and 'Right to Buy' will not be considered. Eligible tenants will be housing association tenants who meet the following criteria.

- have a minimum two years continuous tenancy (including previous tenancies in the public sector or other housing associations);
- pay full rent;
- have a clear rent account upon conclusion of the purchase.

3.3 Any property disposed of under TOPS must be replaced by the association, by either new-build or a refurbishment of existing property. No additional HAG funding will be provided for this.

3.4 Owners will be required to pay a proportion of the grant if the property is sold within three years of the close of settlement:

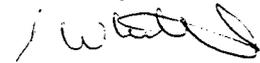
During first year	-	100%
During second year	-	66%
During third year	-	33%

4. Recommendation

4.1 This report is submitted for Committees information.

5. Background Information

Available from the Housing Department.



G.S. Whitefield
Director of Housing