

Co-Ownership Charter



Creating **Homes** - Building **Communities**

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About the Charter

The Charter is brief: it highlights your responsibilities and rights and tries to highlight some important issues that affect your relationship with NICHHA. To look at these in greater depth, please refer to your solicitor.

NICHHA publishes a wide range of information. Some of it will change regularly; for example, fees payable or the value limits for Co-Ownership properties. Current information and the range of information itself is available from NICHHA on request and published on the Co-Ownership website at www.co-ownership.org.

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1 What to expect from this Charter

You can expect information on your rights as a Co-Ownership leaseholder and the standards of service NICHA aims to provide. A brief summary of your legal rights and responsibilities under your Co-Ownership Equity Sharing Lease is included, but you have other rights as well. For instance, you may expect:

- fair treatment throughout;
- access to information about the Co-Ownership Scheme, NICHA and its performance as a registered housing association;
- access to information held about you;
- notification about what rent and ground rent you have to pay and any changes in payments;
- information on changing the terms of your shared ownership in the property;
- a procedure for making a complaint either to or about NICHA.

This Charter does not try to give you every detail. Please refer to your Equity Sharing Lease for a full list of your rights and responsibilities.

2 Information on Co-Ownership

2.1 Information to suit your needs

Our policy is to make information accessible. We provide a wide range of information written in plain English in the form of letters to you, publications and handouts. A member of staff is always available over the telephone during working hours to respond to any queries, or in person at our office should you call in. If you need it, we can give you information on tape or arrange to visit you at home. We will always try to help you complete Co-Ownership paperwork accurately, understand the information available to you, and find out about support services that could assist you when you are a leaseholder.

2.2 Information about NICHA

NICHA is a housing association registered with the Department for Social Development under the Housing (Northern Ireland) Order 1981 and also as a friendly society under the Industrial and Provident Societies Acts (Northern Ireland) 1969 and 1976. NICHA has been granted charitable status for tax purposes by the Inland Revenue. It was set up in 1978 to contribute towards meeting housing need in Northern Ireland through the promotion and development of equity sharing. NICHA introduced a particular type of equity sharing scheme to meet local housing need. The scheme is known as Co-Ownership.

NICHA has a Board of Management made up of unpaid volunteers from various walks of life. The Board is responsible for general policy and performance standards. The Board and staff have adopted formal codes about their standards of conduct and how the organisation should be run.

Every year, NICHA publishes a set of corporate information reports. These comprise a strategic plan and an annual report for the year just past. Copies of these reports are available free on request. We will send all our leaseholders a summary of the key points in the reports every year.

2.3 Information about you

NICHA is registered under the Data Protection Act. This means that it fully supports the principle that personal information must be handled lawfully, fairly and in confidence. Generally speaking, the legislation allows you to see your personal information as held by NICHA. If you disagree with any of the information, you may ask to have it corrected or record your disagreement.

NICHA manages a large number of records and has a small staff. Because of this, an administrative fee will be charged if you want access to your records. Details about the fee and also about how and when you may see your personal information are available from NICHA.

2.4 Applications

All applications are treated fairly and without discrimination.

NICHA publishes an information leaflet for Co-Ownership applicants. The leaflet discusses who might be eligible for Co-Ownership, what is involved and how to apply.

2.5 Contacts in NICHA

A staff member will always be available for you to contact during working hours with any query or problem you might have. There are several departments, each dealing with a different area. Our switchboard staff will be able to help if you are unsure which department you should contact.

- For applicants and people waiting to complete the purchase of their home, our staff member will be an officer from the Applications Department. The email address is applications@co-ownership.org.
- All applicants have a personal appointment with an Applications Officer. The aims of the appointment are to give you a range of information about Co-Ownership (both verbally and in writing through a series of handouts), and to give you an opportunity to discuss any queries.
- Once you have completed the purchase and joined the Scheme, you will deal with staff from either the Equity or the Estates Management Department. The email addresses are equity@co-ownership.org and estates@co-ownership.org.

Contact the Equity Department about buying a larger share or selling your home. Contact the Estates Management Department with queries on rents, home improvements, borrowing or general matters to do with your Equity Sharing Lease.

2.6 Rent, ground rent and service charges

At their Co-Ownership appointment, applicants are informed about the rent due on the property they wish to purchase. They also receive confirmation in writing when they join the scheme and become Co-Ownership leaseholders.

As a leaseholder, you are responsible for the rent due as part of your Equity Sharing Lease and also for any ground rent due on your property. Your solicitor will be able to explain what this means in practice in your case. Any ground rent due will be added and calculated as part of your rent.

As part of your Equity Sharing Lease you are also responsible for paying any service charges due on your property, where these exist. These charges are not calculated as part of your rent, but are payable separately by you, the leaseholder.

Rent payments are due on the first day of each month. You will receive a rent account statement every quarter, acknowledging the payments you have made.

Rents are reviewed annually, with any change taking effect from 1 April. You will receive at least one month's notice of any change in your rent payment.

If you purchase an additional share in your property, your rent will be revised. This is provided for in your Equity Sharing Lease.

If at any stage you would like further information about your rent, we will be happy to provide it.

2.7 Maintenance and repairs

You are wholly responsible for keeping your home in good repair (as set out in your Equity Sharing Lease). This includes any gardens and boundaries. Your solicitor will be able to explain what this means in practice.

2.8 Property insurance

You must ensure that your home is kept insured to its full reinstatement value at all times, keeping this amount under review and updating it as appropriate.

2.9 Buying a larger share or selling your home

You can buy a larger share in your home or sell your home. The process is essentially the same for both.

Your Equity Sharing Lease sets out how you can buy more shares in your home, until you own it completely. This is known as "staircasing". You can staircase in steps towards owning 100% of your home, or you can do it all in a single step. For more detailed information on staircasing, we recommend our leaflet *The Next Move*, available free on request.

For you to staircase, we must first provide you with an equity valuation figure. It is then up to you to decide whether to go ahead at that figure and purchase some or all of the equity we hold. You have the right under your Equity Sharing Lease to take any dispute about the equity valuation to independent arbitration, which may involve considerable costs. Therefore we currently provide a free, independent review of the equity valuation if you believe it is inaccurate. Taking advantage of the review of the equity valuation does not affect your right to arbitration.

It is your responsibility to ensure that the purchase is fully completed within the appropriate timeframe, before the equity valuation expires. Otherwise a fresh equity valuation will be needed and the process will have to restart.

You are responsible for the sale of your property. If you appoint anyone to help you with the sale (for example, an estate agent or solicitor) you are responsible for their fees.

2.10 Borrowing more money against your home

At some point you may wish to borrow more money against your home.

To do so in accordance with your Equity Sharing Lease you must apply for our consent in writing, and our consent is not automatic.

We therefore recommend that you contact the Estates Department first if you are thinking of borrowing any more money from your lender.

2.11 Passing on your Co-Ownership Equity Sharing Lease

If you applied jointly with your partner to purchase your home, then you both jointly own your Co-Ownership Equity Sharing Lease. This normally means that if you die, your share will automatically pass to the surviving partner who holds the Equity Sharing Lease jointly with you.

Even if you start off with joint ownership of your Equity Sharing Lease, circumstances can change. Take care that you know and understand how you hold your share so that you may make appropriate provision. We recommend that you consult your solicitor about this.

If you do not have a joint Equity Sharing Lease and you die, then your share will pass to the person stated in your will. If you have not made a will, your share will normally pass to your nearest family member. Take care that you know and understand how you hold your share so that you may make appropriate provision. We recommend that you consult your solicitor about this.

If you have a joint Equity Sharing Lease and you divorce or separate from your partner, one of you may be able to take over the Equity Sharing Lease and stay on in the property, depending on his/her current circumstances and the outcome of our case review. The financial arrangements involved in settlement with your partner do not involve us. We cannot assist you financially with any of these arrangements.

If you purchased your property on your own, it may be possible to add another person to the Equity Sharing Lease later depending on your current circumstances and the outcome of our case review. Should you find that your circumstances have changed, contact us.

In all cases, if you can afford to purchase the property outright you should do so.

3 Co-Ownership Equity Sharing Lease

Before you buy your home your solicitor will provide you with a written lease that gives you information about the terms under which you will own your home. This is called the Co-Ownership Equity Sharing Lease.

The Co-Ownership Equity Sharing Lease is a legal document. It sets out your rights and responsibilities as a shared owner.

Your solicitor should explain its contents clearly to you as the Equity Sharing Lease is legally binding on both you and NICHHA.

We have tried to outline your rights and responsibilities as contained in the Equity Sharing Lease here in this Charter. However, we recommend that you refer to a copy of the Equity Sharing Lease itself for full information. Your solicitor should be able to give you a copy. If not, NICHHA can provide one in which case we may require you to make a payment to cover administrative costs.

Please remember that your rights will be affected if you do not meet your responsibilities as set out in the Equity Sharing Lease.

Co-Ownership Equity Sharing Lease

Leaseholder's rights

- A To live in the premises in peace and quiet during the term of the lease, provided its terms are kept (see responsibilities).
- B To buy a larger share in the premises.
- C To own the premises outright.
- D To sell his/her share in the premises.
- E To obtain an equity valuation (on payment of a fee).
- F To take any dispute about the valuation provided by NICHA for the purposes of B, C and D to independent arbitration.

Leaseholder's responsibilities

- 1 To pay rent, rates, service and other charges.
- 2 To comply with the requirements of public/statutory bodies and keep NICHA indemnified (protected against loss).
- 3 To maintain the premises in good and substantial repair and to make no improvements without the appropriate consents, including planning and building control.
- 4 To permit NICHA's representatives to enter the premises to view the state of repair.
- 5 To use the premises only as a private residence.
- 6 Not to assign or sublet the premises without NICHA's prior written consent.
- 7 Not to mortgage the premises without NICHA's prior written consent.
- 8 To keep the premises insured against loss or damage to the full reinstatement value.
- 9 To rebuild/reinstate the premises if destroyed or damaged.
- 10 If the property is sold, to pay all sums owed to NICHA.

If you need NICHA's consent under the lease, you should note that it is not automatic and must be in writing.

Forfeiture

NICHA may forfeit the lease if the leaseholder does not fulfil his or her responsibilities. If the lease is forfeit, then possession returns to NICHA.

This summary of your rights and responsibilities does not try to give you every detail. Please refer to your Equity Sharing Lease for full information.

4 Complaints and appeals

You may complain to NICHA if you are concerned about a particular incident or the general standard of service you have received, or if you believe that matters of policy or procedure have not been properly applied in your case. There is a formal procedure for you to use.

An explanatory leaflet is available on request with details of:

- how to make a complaint;
- who to complain to;
- what other things you can do.

The email address to use is nicha@co-ownership.org.

If you have been through the stages of NICHA's complaints procedure and are still not satisfied, you can take certain complaints to the Commissioner for Complaints. You can get more information about this from NICHA or contact the Commissioner's office direct – details are in the explanatory leaflet.

Some concerns that arise are not, strictly speaking, complaints. There are separate procedures if you wish to request a review of a decision we have taken about, for example:

- 1 your application to join the Co-Ownership Scheme;
- 2 the valuation of a property you applied to purchase;
- 3 an equity valuation.

We will review the circumstances in each case at no charge to you. Details of the appropriate procedure for your circumstances are available from NICHA staff on request.