



THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA

Address Block

**The Rt Hon James Brokenshire MP** Secretary of State for Housing, Communities and Local Government

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www.gov.uk/mhclg

Dear Forename Surname

We are pleased to confirm the home ownership schemes for residents of Grenfell Tower and Grenfell Walk ("Grenfell residents").

These schemes have been specifically designed for Grenfell residents to ensure that those who would like to own their own home, have a route onto the housing ladder at a similar cost to before the tragedy.

After the Grenfell Tower tragedy of 14 June 2017, the Prime Minister made a commitment to all former Grenfell residents that "...everyone whose home was destroyed will be guaranteed a new home on the same terms as the one they lost".

As you are aware, in many cases residents' new homes are of a higher value than those at Grenfell Tower and Grenfell Walk. This difference in value would have made it difficult for residents to buy their new home using the Statutory Right to Buy. This is why, over the past 18 months, the Ministry of Housing, Communities and Local Government (MHCLG) and the Kensington and Chelsea Council have discussed options to address this issue with Grenfell United and Grenfell Walk Residents Association.

During a meeting with the community on 12 February, recognising that there are differing needs and requirements, we set out the details of two, independent enhanced home ownership schemes (options 2 and 3 below) and confirmed that we would work towards having them approved. We can now confirm that both schemes have been approved by the Council and the Government respectively.

All residents who have been a social housing tenant for at least three years can access the Statutory Right to Buy scheme. Residents who held a Council housing tenancy at the time of the tragedy can, as an alternative, apply for one of the independent enhanced schemes. If the lead tenant chooses, they can pass their enhanced option to another family member who was part of the original household and who has been housed under the Grenfell Rehousing Policy. (once the household member has been a social housing tenant for at least three years).

\*All the options below are mutually exclusive and cannot be used in combination\* The options are as follows:

- 1. **The Statutory Right to Buy** If you have been rehoused to a Council tenancy you will have the Statutory Right to Buy your new home. If you have been rehoused to a housing association tenancy, you will have access to an equivalent contractual arrangement that will allow you to purchase your home. Please contact the Council if you wish to discuss the Statutory/contractual Right to Buy.
- Enhanced Portable Discount (assistance to purchase a home on the open market outright) – The Enhanced Portable Discount has been developed by RBKC and gives you the option to purchase a home anywhere in the country (other than the home you currently live in). This offer allows you to choose another property which may be more affordable. The Portable Discount may help you if you would prefer to own your home outright.

Further details on how to apply for the Enhanced Portable Discount will be available shortly. Please contact your Allocations Advisor at the Council on 020 7361 020 7361 2820 if you would like to discuss this option.

3. Grenfell Assisted Home Ownership Scheme (assistance to purchase a share of your new, higher value homes) – This scheme has been developed by MHCLG. It enables you to purchase a share of your current home that is equivalent in value to your previous Grenfell home, and ensures that you continue to have the right to purchase the social home you live in. A housing association owns the remaining share but unlike standard shared ownership, you will not pay rent on the share owned by the housing association. Service charges will also be protected to ensure you pay no more than you would've have paid previously.

Further details on the availability of the Grenfell Assisted Home Ownership Scheme and how to apply will be available later this year. Please contact MHCLG on 0303 44 40078 or <u>GrenfellCorrespondence@communities.gov.uk</u> if you wish to discuss this scheme.

You will also find an easy guide to each of the three schemes with this letter.

Please remember that if you choose to buy a home with a mortgage, you will also be subject to the eligibility and affordability requirements of the mortgage provider.

As this is a new scheme, it is important that we are open and transparent, so we will be putting a copy of this letter (with all personal details removed) on the gov.uk website.

The Government and Kensington and Chelsea Council remain committed to supporting Grenfell residents and delivering the changes this tragedy demands.

We will continue to work tirelessly to deliver changes that ensure all residents are safe and feel safe in their homes.

RT HON JAMES BROKENSHIRE

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**CLLR KIM-TAYLOR-SMITH** 

