

## **Sevenoaks District Intermediate Housing Policy 2015**

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### **Introduction**

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This policy applies to the sale or rent of *intermediate housing* to applicants (Eligible Persons). The policy applies where the housing has been delivered by a Housing Association provider (Private Registered Providers of Social Housing and Registered Social Landlords) within the Sevenoaks District Council area.

*Intermediate housing* must meet the criteria for Help to Buy, and in particular, will ONLY comprise those homes which are genuinely affordable to applicants with a household income of less than £60,000 per annum

Intermediate housing comes in the following categories:

- Shared ownership - Depending on the terms of the scheme, the Housing Association provider will make shares available for sale between 25% and 75% of the property's market value. The applicant pays a subsidised rent on the part of the property not owned.
- Shared equity – An applicant buys a 75% - 80% equity share in a property and there is no rent to pay on the part of the property not owned. NB. this does not include homes developed under First Buy, New Buy or the Help to Buy equity loan scheme.
- Intermediate affordable rent - rent set at 80% of the open market value, inclusive of service charges, and let on an Assured Shorthold Tenancy, i.e. minimum 6 month tenancy.

Applicants for all forms of intermediate housing must be registered with the local Help to Buy Agent (bpha). Housing Association providers will, as a general rule, only allocate intermediate housing to those registered with the Help to Buy Agent. Please see the Help To Buy website for further details : [www.helptobuyese.org.uk](http://www.helptobuyese.org.uk)

Policy aims and objectives

- To establish a policy that is flexible, non-discriminatory and responsive to local needs, while contributing to inclusive and sustainable communities.
- To establish an efficient, transparent, fair and effectively controlled basis for the acceptance and processing of applications for intermediate housing.
- To provide a system of prioritising applicants ensuring that homes are allocated to people in housing need and to those whom these types of tenure are an appropriate solution.

## Eligibility criteria – “Eligible Persons”

- Applicants must be at least 18 years of age.
- Applicants must have an annual household income of less than £60,000.
- Applicants must have a local connection to Sevenoaks District Council (see below) unless they are existing housing association or council tenants and/or people who are serving MoD personnel or unless otherwise exceptionally agreed by the District Council and the Housing Association provider.

For shared ownership and shared equity only:

- Applicants must demonstrate they are unable to afford to purchase a home on the open market within the District which is of a size and location suitable for their needs.
- Applicants should be in the one of the following categories:

a first time buyer;

or someone who currently owns a home (“holds an interest in a property”) with a partner and the relationship has broken down requiring the applicant to move;

or has previously owned a home with a partner and the relationship has broken down which required the applicant to move;

or currently owns a shared ownership home in the District and has not staircased to 100% ownership but has a demonstrable need to move to another property in line with the Accommodation Sizes matrix below;

or other exceptional circumstances agreed by the District Council and provider Housing Association.

Other than applicants who are first time buyers, the Help to Buy Agent will require the specific written approval of the District Council that an applicant is in housing need prior to accepting the applicant onto the Help To Buy register. Where applicants hold an interest, or have previously held an interest in a property, the Housing Association provider must secure proof of sale, or a signed undertaking to dispose of the interest, prior to exchange of contracts in the new shared ownership home.

- Applicants must clearly demonstrate that they are able to sustain the affordability of home ownership (mortgage, rent, service charge, repairs, etc) over the long-term future.

- Applicants must satisfy the status requirements of a reputable mortgage lender (sub-prime mortgage lenders are not acceptable).
- Applicants must be able to afford the initial costs of purchase through savings or access to funds of approximately £4,000.
- Applicants must have a bank or building society account.
- In the case of affordable home ownership schemes for older people, applicants must be at least 55 years old.

For intermediate rented housing only:

- Applicants must demonstrate they are unable to afford to rent a home on the open market within the District which is of a size and location suitable for their needs.
- Applicants must be able to afford 80% of the local market rent without further assistance, e.g. Housing Benefit applicants do not qualify.
- Applicants must be employed on a permanent contract of employment or be able to demonstrate a temporary contract, with at least six months remaining on the contract, with a reasonable prospect of being extended.

Where additional criteria apply within certain schemes, e.g. Section 106 restrictions, these will be applied over and above the conditions laid out in this Policy. Where these criteria exist, the Housing Association provider must advise the Help to Buy Agent to ensure only details of eligible applicants from the Help to Buy Register are provided.

### **Prioritisation of applicants**

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Because of the high demand for intermediate housing options, HM Government has given certain applicants priority, including housing association and council tenants and armed forces personnel. These categories of applicant do not need to show a local connection to Sevenoaks District. Please see HM Government's Help to Buy website for further details. <https://www.helptobuy.net/help-to-buy-options/a-journey-through-help-to-buy>.

All other applicants must meet the **local connection criteria** (unless otherwise agreed by the District Council and Housing Association provider). The Housing Association provider will rank applicants in strict date order of their registration with the Help To Buy Agent (unless on a scheme specific basis, a different mechanism for prioritising applicants is agreed by the District Council and the Housing Association provider).

## Local connection criteria

Local connection to the District will be demonstrated in the same way as that set out in the Sevenoaks District Council Housing Register Allocation Policy, to ensure consistency of approach. From February 2013, to demonstrate a local connection, an applicant must:

- Have been living in this area for either six months during the last year or for three years out of the last five years from date of application, or
  - Currently have permanent employment in the District or need to move here to take up an offer of permanent employment, or
  - Have close family currently living in the District and they have done so for the last 5 years. *The definition of a close family member covers: parents, adult children or siblings. It may also include, step parents, grandparents, grandchildren, aunts or uncles depending on the close links the applicant has with them in the form of frequent contact, commitment and dependency. However, a local connection is not limited to the relationships listed here; it can include extended family such as cousins, based upon the character and nature of the relationship. All decisions relating to close family local connection will be made by the Help To Buy Agent, or*
  - Have an evidenced, special reason for needing to live in the District, for example, needing to either give or receive care or support.
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- Former members of the Armed Forces can establish a local connection with this District through living here during a posting or through previous residence in the District, for example: having lived here prior to a posting overseas.
  - Serving members of the Armed Forces who need to move to this District because of a serious injury, medical condition or disability sustained as a result of their service will be considered to have a local connection.
  - Bereaved spouses and civil partners of members of the Armed Forces who need to live in this District as they have to leave Service Family Accommodation following the death of their spouse or partner will be considered to have a local connection.
  - Serving or former members of the Reserve Forces who need to live in this District because of a serious injury, medical condition or disability sustained as a result of their service will be considered to have a local connection.
  - Applicants who make a community contribution which promotes the wellbeing of their neighbourhood, making it stable and healthy, will also be considered to have a local connection. *A community contribution is made by participating in regular significant volunteering or community activities. To qualify you must undertake your volunteering or community activity for an average of approximately 20 hours per month and have been engaged in it for a minimum period of 1 year. A reference is required to confirm the*

*circumstances of your volunteering/community activity and to determine the future longevity of your contribution.*

- Applicants to whom the Council has accepted a full homelessness duty under section 193 (2) because they do not have a local connection with any other area.

### **Accommodation sizes**

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Homes will be offered that are suitable for the applicants' housing needs – this is known as the Accommodation Sizes matrix. Properties will be offered with one bedroom in excess of current household need, to ensure accommodation is suitable in the longer term.

Accommodation Sizes Matrix:

<b>Household type</b>	<b>Property type</b>
Single person	One or two bedroom property
Childless couple	One or two bedroom property
Single/couple with one child or expecting child	Two or three bedroom property
Single/couple with two or more children	Three bedroom property or larger

These accommodation sizes may be varied with the agreement of the District Council and the provider Housing Association.

### **Procedure for applications**

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1. Applicants are required to complete a Help to Buy application form and provide all specified information. Application forms are available at [www.helptobuyese.org.uk](http://www.helptobuyese.org.uk)
2. The Help to Buy Agent (bpha) will carry out an initial assessment of an applicant's eligibility.
3. Applicants that are eligible will be registered on the Help to Buy Agent's database.
4. Following database registration, applicants will be advised to search for available properties at [www.helptobuyese.org.uk](http://www.helptobuyese.org.uk)
5. When intermediate homes become available for sale/letting (first sale/letting and re-sale/re-letting), the Housing Association provider will request from the Help to Buy

Agent, a list of eligible applicants held on the Help to Buy register.

6. The Housing Association provider will make their own arrangements to:
  - a. Confirm that the information provided within the Help to Buy application form is accurate and that eligibility criteria, including local connection, has been met
  - b. Assess and confirm financial suitability and sustained affordability
  - c. Outline the initial and ongoing costs involved
  - d. Explain the features of the intermediate housing product, including mortgage (where relevant), rent, management charges, service charges and repairs obligations
7. The Housing Association provider will inform applicants, in writing, whether or not they have been allocated the property. Reasons will be provided for applicants who are not selected to proceed.
8. The Housing Association provider will keep the Help to Buy Agent informed so that the Help to Buy register may be updated accordingly to ensure housing needs data is accurately maintained at all times.

### **Applicants' records and data**

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Information on applicants and their household kept through the Help to Buy register, is subject to the Data Protection Act 1998. The Help to Buy Agent will take every care to keep the information secure and confidential and held only for as long as is necessary for the purpose it is intended for. The data can only be disclosed to relevant third parties provided it is in accordance with the statement included within the Help to Buy application form.

It should be noted for any intermediate housing developed as Rural Exceptions housing, certain applicant data will be shared with the relevant Parish Council(s) for the purpose of verifying local connection.

Electronic data will be cleansed regularly and data retained by the Help to Buy Agent for the following periods:

- Electronic data relating to pre-application enquiries: three months from date of enquiry (unless an application form is submitted)

- Electronic data relating to applicants who have been accepted as eligible: one year from receipt of application. Applicants who are registered for one year or longer will be deleted. The Help to Buy agent will reinstate any applications at this time at the request of the applicant
- Electronic data relating to completed sales/rents: the application will be deleted at such time as the provider Housing Association advises the Help to Buy Agent, and this should be no later than 10 working days following completion.
- Electronic data relating to applicants who are not considered eligible: three months from date of letter informing them of this decision

Hard copies of application forms will be kept for the same periods as the above, after which time they will be destroyed.

### **Equalities and diversity**

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Properties will be allocated on a fair and non-discriminatory basis in accordance with the District Council's, the Help to Buy Agent's and the Housing Association provider's equal opportunities policies and the criteria set out in this policy.

The Help to Buy Agent will conduct confidential diversity monitoring as part of the application process to ensure fair access.

The Help to Buy website ([www.helptobuyese.org.uk](http://www.helptobuyese.org.uk)) provides translation facilities and large font settings.

### **Monitoring**

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All sales and rental allocations will be recorded in the Continuous Recording of lettings system (CORE) by the Housing Association provider. This will highlight the extent to which diverse needs are being met and indicate areas/gaps where a revised or different approach may be required. Housing Association providers should bring any such gaps in provision to the attention of the District Council.

Housing Association providers will advise the Council at the completion of each sale/letting as to the local connection status of the applicant.

### **Allocation of homes to staff, Board/Council elected members, and/or their relatives**

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When carrying out the initial assessment of an applicant's eligibility, the Help to Buy Agent will specifically query whether the applicant is a member of staff or a Board member of the Help to Buy Agent, or a member of staff or an elected member of the District Council, or whether the applicant has any family link to staff, Board

members/elected Council members of the District Council or the Help to Buy Agent.

When intermediate homes become available and the Housing Association provider carries out checks against eligible applicants, the Housing Association provider will specifically query whether the applicant has any link (personally or through family links) to the organisation.

In all such cases, the following will be adhered to:

- Before an applicant may be registered as eligible to join the Help to Buy register, the application must be approved by the District Council (Chief Housing Officer) and the Help to Buy Agent (bpha).
- Before an allocation is made, an applicant must be approved by the District Council (Chief Housing Officer) and a specified senior officer from the Housing Association provider.
- Applications from within these groups will not be treated with any preferential treatment. The Help to Buy Agent and the Housing Association provider will scrutinise their applications to ensure accountability, fairness and justification for their case to proceed.
- Staff members of the Help to Buy agent, the District Council and the Housing Association provider involved in this process must have no personal relationship to the applicant. The staff/Board/ Council elected member involved must have no influence in the allocation of homes or funding for the particular scheme.
- If authority to proceed is approved and the sale/rental completes, the Housing Association provider should keep a record of the approval on their property case file.

## **Appeals**

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Appeals against registration will be considered under the Help to Buy Agent's complaints procedure. Appeals against allocation decisions will be considered under the Housing Association provider's complaints procedure. All registration and allocations decisions should be made with due care such that they can be justified within an appeal.

*Copies of this document will be made available upon request to anyone who requests a copy.*

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