

Sevenoaks District Intermediate Housing Protocol

Introduction

This protocol sets out the District Council's policy applying to *intermediate housing*. It concerns the sale or rent of intermediate housing to applicants (Eligible Persons), where the homes have been delivered by a Provider (e.g. Housing Association, Private Registered Providers of Social Housing, Registered Social Landlord or any other agreed provider), within the Sevenoaks District Council area. The policy does not apply to First Homes.

Intermediate housing comprises those affordable housing tenures which are set out in the National Planning Policy Framework. They are only available to buy or rent by applicants with a household income of less than £80,000 per annum. Intermediate housing comes in the following categories:

- Shared ownership - Depending on the terms of the scheme, the provider will make shares available for sale between 10% 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 the Government's First Time Buyers' Help to Buy equity loan scheme 2021-2023.
- Intermediate affordable rent - rent set at 80% of the open market value, inclusive of service charges, and let by the provider 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. 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 Agent's website for further details [Help to Buy agent website](#)

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 £80,000.

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 existing shared owners who have not staircased to 100% ownership but wish to move to another property;

or other exceptional circumstances agreed by the District Council and provider, e.g. applicants own a home that is no longer suitable for their needs but they cannot afford a suitable home on the open market.

Where applicants hold an interest” in a property, or have previously held an interest in a property, the 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 or such other reasonable amount stipulated by the provider.
- Applicants must have a bank or building society account.
- In the case of intermediate housing developed specifically 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. applicants requiring Housing Benefit may 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, c.g. Section 106 restrictions and Rural Exceptions Sites, these will be applied over and above the conditions laid out in this Policy. Where these criteria exist, the Provider must ensure only eligible applicants from the Help to Buy Register are put forward to purchase/rent the intermediate home.

Prioritisation of applicants

The Provider will consider eligible applicants in accordance with Homes England guidance and as follows:

For first sales, in priority order:

- 1) Serving members of the British Armed Forces, or those that have been honourably discharged in the past two years. For further information and advice, applicants may wish to contact the MoD Joint Service Housing Advice Office on 01722 436575.
- 2) Thereafter, for an agreed marketing period only (normally 8 weeks), Providers will give priority to applicants with a local connection to the Sevenoaks District (see below).
- 3) All other eligible applicants registered with the Help to Buy Agent.

For re-sales:

- 1) For a restricted marketing period* from the date of notification by the existing shared owner to the Provider that they wish to sell, Providers will give priority, in order, to (a) Serving members of the British Armed Forces, or those that have been honourably discharged in the past two years, (b) applicants with a local connection to the Sevenoaks District (see below) and (c) all other eligible applicants registered with the Help to Buy Agent.

- 2) After the restricted marketing period has ended, the existing shared owner is free to sell their home on the open market.

*The length of the restricted marketing period will be set out in the shared owner's lease agreement.

Within each category of eligibility, the 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 provider). The earlier the date of registration, the higher the applicant's priority.

Local connection criteria*

Local connection to the District is set out in the Sevenoaks District Council Housing Register Allocation Policy, or as otherwise agreed by the District Council on a scheme specific basis. This is to ensure consistency of approach for all tenures of affordable housing.

See the Allocations Policy at

https://www.sevenoaks.gov.uk/downloads/file/1933/housing_allotments_policy_new_from_may_2019

Size of Accommodation

Applicants are free to buy/rent a home of the size of their choice. However applicants will need to demonstrate to the satisfaction of the Provider/mortgage lender, that they are able to afford their chosen home.

Procedure for applications

1. Applicants are required to complete a Help to Buy application form and provide all specified information. Application forms are available at the [Help to Buy agent website](#)

2. The Help to Buy Agent 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 on the [Help to Buy agent website](#)
5. When intermediate homes become available for sale/rent, the Provider will advertise them on the [Help to Buy agent website](#). Applicants should follow the instructions given by the Provider if they are interested in the home.
6. The 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 has been met
 - b. Assess and confirm financial suitability and ability to afford the chosen home
 - c. Outline the initial and ongoing costs involved
 - d. Explain the features of the particular intermediate housing product, including mortgage (where relevant), rent, management charges, service charges and repairs obligations
7. The 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 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

Information on applicants and their household kept through on Help to Buy register, is subject to the Data Protection Act 2018. The Help to Buy Agent and Provider 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.

It should be noted for any homes provided on a Rural Exceptions Sites, certain data may need to be shared with the relevant Parish Council(s) for the purpose of verifying the applicant's local connection to the Parish in question.

Equalities and diversity

Properties will be sold/allocated on a fair and non-discriminatory basis in accordance with Homes England guidance, as well as the District Council's, Help to Buy Agent's and the Provider's equal opportunities policies, together with the criteria set out in this policy.

If an applicant requires application advice and information to be provided in a different format, they should contact the [Help to Buy agent website](#).

Monitoring

All sales and lettings will be recorded in the Continuous Recording of lettings system (CORE) by the 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. Providers should bring any such gaps in provision to the attention of the District Council.

Providers will advise the District Council at the completion of each sale/letting, providing details of:

- The eligibility category of the applicant;
- For shared ownership and shared equity, the open market value of the home, the % share purchased, the cost of this share, the cost of any monthly rent, the cost of any monthly service charge, the amount of deposit put down and, if known, how the deposit was funded (i.e. parental help, savings, etc).
- For rented homes, the cost of the monthly rent, the length of tenancy granted.

Sale of letting of homes to staff, Board/Council elected members, and/or their relatives

When carrying out the initial assessment of an applicant's eligibility, the Provider will specifically query whether the applicant is a member of staff or a Board member of the Provider, 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 Provider (as "specified link").

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

- Before an offer of sale/letting is made, an applicant must be approved by the District Council (Chief Officer – People & Places) if the “specified link” is with the District Council, or a senior officer from the Provider’s organisation if the “specified link” is with the Provider .
- Applications will not be treated with any preferential treatment. The Provider will scrutinise their applications to ensure accountability, fairness and justification for their case to proceed.
- Any staff member of the District Council or the Provider involved in actually selling/allocating the home, must have no personal relationship to the applicant. A Provider Board Member or District/Parish Councillor must have no influence in the sale or allocation of a home or funding for the particular scheme.
- If authority to proceed is given and the sale/letting completes, the Provider should keep a record of the approval on their property case file.

Appeals

Appeals against registration under Help to Buy will be considered under the Help to Buy Agent’s complaints procedure.

Appeals against an authority to proceed with a sale/letting will be considered under the Provider’s own complaints procedure.

All registration and allocation decisions should be made with due care such that they can be justified in any appeal.

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

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