

Sevenoaks District Intermediate Housing Protocol (DRAFT POLICY)

Introduction

This protocol sets out the local policy applying in the Sevenoaks District to Intermediate Housing, specifically the low cost home ownership options of First Homes and Shared Ownership Housing.

First Homes offers first time buyers the opportunity to purchase a discounted, new-build home. First Homes are offered for sale by the house-builder. [Find out more about First Homes.](#)

Shared Ownership housing is offered for sale by Registered Providers of Social Housing, also known as housing associations. It allows an applicant to purchase a share of a property. This share can range between 10% and 75% and the price of the share is based on the property's open market value. The applicant then pays a subsidized rent to the Registered Provider on the remaining unowned share. Applicants have the opportunity to purchase further shares, this is known as stair-casing. Only the applicant and their household live in the property – their home is not shared with anyone else. [Find out more about Shared Ownership housing.](#)

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 processing of applications.

First Homes – local policy

Discounted price

First Homes are offered at a discount of 50% of the open market value of the property, unless otherwise agreed by the District Council. The maximum price of a First Home on initial sale, after discount, is £250,000. The percentage discount will apply to a First Home forever and will be passed on every time the property is sold. In practice, this means the current owner will receive 50% of the open market value of the property when sold.

Priority for First Homes

When a First Home is marketed for sale, applicants with a local connection to the District, armed forces personnel and local essential workers, will be given priority.

Armed forces personnel includes active members of the Armed Forces, divorced/separated spouses or civil partners of current members of the Armed Forces, spouses or civil partners of a deceased member of the armed forces (if their death was wholly or partly caused by their service) and veterans within 5 years of leaving the armed forces.

Local connection, “close family” and who qualifies as a local essential worker, are set out in our [Sevenoaks District Housing Allocations Policy](#). Close family must be resident in the District for at least three continuous years before the date of application.

Applying for a First Home

You must be a first time buyer. This means you and anyone you’re buying with, must not own a home now or have owned one in the past, in the UK or abroad.

Your annual household income must be less than £56,250 (this income cap applies during the initial marketing period only) or less than £80,000 when the initial period has ended.

You will need a minimum 5% deposit and a mortgage to cover at least 50% of the purchase price.

The District Council will charge the applicant applying to buy the First Home a one-off, non-fundable fee of up to £500, to cover the cost of processing their application.

- **Initial/First Sale**

First Homes are marketed directly by the house-builder usually on their own website or on home buying websites. Each house-builder will usually have a sales office on site.

Once you have found a First Home that is available for sale, speak to the house-builder’s sales team. They need to carry out initial checks before forwarding your application to us. The District Council is unable to process any application until it receives this information from the house-builder.

- **Re-sale**

A First Home owner can put their property on the market at any time and this is likely to be through an estate agent. The home will need to be marketed as a First Home, at a discounted price, to those priority groups set out above, for a specified period of time. Full details will be provided in the title deeds relating to your property and will be clarified by the conveyancer acting for you.

Shared Ownership Housing – local policy

Further information can be found on the [shared ownership homes: buying, improving and selling page](#) on the GOV website.

Eligibility criteria – “eligible applicants”

- See [who can apply](#) on the GOV website.
- Applicants must be able to afford the initial costs of purchase through savings or access to funds or such other reasonable amount stipulated by the Registered Provider.
- Applicants must have a bank or building society account.
- In the case of shared ownership housing developed specifically for older people, applicants must be at least 55 years old.

Prioritisation of applicants

- **Initial/first sale**

The Registered Provider will consider eligible applicants in accordance with Homes England guidance and in the following priority order:

- 1) Serving members of the armed forces. Your offer may also be prioritised if you previously served in the armed forces. It depends on what your role was. Please speak to the Registered Provider.
- 2) For an agreed marketing period of 4 or 8 weeks (as set out in the Homes England model lease applying), the Registered Provider will give priority to applicants with a “local connection” to the Sevenoaks District (see below). The Registered Provider will advise the District Council (housing.policy@sevenoaks.gov.uk) when the agreed marketing period commences and ends. The Registered Provider will advise the District Council of the number of homes sold to applicants with a local connection.
- 3) Following the end of the agreed marketing period, all other eligible applicants.

For shared ownership housing provided on a Rural Exception Site, additional criteria will apply. Please speak with the Registered Provider.

- **Re-Sales**

A shared owner can sell their shared ownership home at any time.

If the owner has “stair-cased” their ownership and now owns 100% of their home, they can sell it on the open market. For example, through an estate agent. Different rules apply if the home is located on a Rural Exception Site. Please speak with the Registered Provider.

If the shared owner does not own 100% of their home, they must tell their Registered Provider landlord if they want to sell their home. This gives the Registered Provider the opportunity to find a buyer for their home. This is known as the “nomination period”. The shared owner’s lease will set out how long the nomination period will be in operation for – this will either be a period of 4 weeks or 8 weeks. At the end of the nomination period, if the Registered Provider has been unable to find a buyer, the shared owner can sell their home on the open market. For example, through an estate agent. Different rules apply if the home is located on a Rural Exception Site. Please speak with the Registered Provider.

When prioritising applicants during the nomination period, the Registered Provider will follow the prioritisation of applicants as set out for initial/first sales, above. The Registered Provider will advise the District Council (housing.policy@sevenoaks.gov.uk) when a re-sale become available for sale. The Registered Provider will advise the District Council if the home is sold to an applicant with a local connection.

Local connection criteria

Local connection to the District is set out in the [Sevenoaks District Housing Allocations Policy](#).

Where homes are provided on a Rural Exceptions Site, a local connection to the relevant Parish will be required. Please speak with the Registered Provider for details. It should be noted, certain personal data may need to be shared with the relevant Parish Council(s) for the purpose of verifying an applicant’s local connection to the Parish in question.

Sale of homes to District Council staff or Registered Provider staff/ Board Members

When carrying out the initial assessment of an applicant’s eligibility, the Registered Provider will ascertain whether the applicant is a member of staff or Board Member, or is a member of staff the District Council. This is referred to as the “specified link”. In all such cases, the following will be adhered to:

- If the specified link is with the District Council, an applicant must be approved by the District Council’s Head of Housing before an offer of sale is made.
- If the specified link is with the Registered Provider, an applicant must be approved by a senior officer from the Registered Provider before an offer of sale is made.
- Applications will not be treated with any preferential treatment. The Registered Provider will scrutinise their applications to ensure accountability, fairness and justification for their case to proceed.

- Any staff member of the Registered Provider involved in processing the sale of the home, must have no personal relationship to the applicant.
- A Board Member must have no influence in the sale or allocation of a home or funding for the particular scheme.
- If approval to proceed with the specified link is given, the Registered Provider should keep a record of this approval on file.

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