

<b>Policy Name</b>	<b>Partial Ownership policy</b>
<b>Policy No.</b>	<b>031</b>

**An applicant or applicants will be accepted onto the waiting list subject to the following criteria:**

1. Aged 18 years or over.
2. At least one applicant is living in Guernsey and is a locally qualified resident of Guernsey under the Housing (Control of Occupation Guernsey) Law, 1994.
3. Applicants with an employment permit tied to their place of work, is not classed as a locally qualified resident in their own right, and is not eligible for the Partial Ownership Scheme.
4. Is unable to purchase a property in the private sector based on the applicant(s) current need.
5. The GHA will only allocate a property suited in size to the applicant's needs at that time.
6. Has no outstanding rent arrears or repair arrears from a current or previous tenancy and/or has not broken any tenancy conditions.
7. Provide updated information when requested.
8. Outside of the criteria below, the GHA can use its discretion to accept other applicants onto the waiting list where individual exceptional circumstances may merit it. Applications will be accepted only at the discretion of the Housing Manager, Chief Executive or the GHA's Board.

#### **Income information**

9. Applicants must be able to finance the minimum percentage of a partial ownership property. The minimum annual income requirements are:

<b>Property required</b>	<b>Minimum income required</b>
<b>1 bedroom</b>	<b>£24,000 per annum*</b> (based on purchasing a 1 bedroom partial ownership property at Cour Du Parc valued at £240,000 in February 2018)
<b>2 bedroom flat</b>	<b>£27,500 per annum*</b> (based on purchasing a 2 bedroom partial ownership flat at Cour Du Parc valued at £275,000 in May 2018)
<b>2 bedroom house</b>	<b>£34,500 per annum*</b> (based on purchasing a 2 bedroom partial ownership house at Hougue a la Perre valued at £345,000 in February 2018)
<b>3 bedroom property (with a flat below and limited parking)</b>	<b>£33,500 per annum*</b> (based on purchasing a 3 bedroom partial ownership property at Roseville valued at £335,000 in January 2016)
<b>3 bedroom house</b>	<b>£37,000 per annum*</b> (based on purchasing a 3 bedroom partial ownership house at Rue Jamouneau valued at £370,000 in April 2017)
<b>4 bedroom house</b>	<b>£41,250 per annum*</b>

	(based on purchasing a 4 bedroom partial ownership house at Roseville valued at £412,500 in March 2017).
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10. Applicants must have a sole or joint income of less than:

Property Required	Maximum Income Threshold
<b>1 bedroom</b>	<b>£50,000 per annum</b> (based on weekly net income threshold for Social Housing + Tax and Insurance (GHA have based this on 26.2%)+ 20%)
<b>2 bedroom</b>	<b>£65,000 per annum</b> (based on weekly net income threshold for Social Housing + Tax and Insurance (GHA have based this on 26.2%) + 20%)
<b>3 bedroom +</b>	<b>£85,000 per annum</b> (based on weekly net income threshold for Social Housing + Tax and Insurance (GHA have based this on 26.2%) + 20%)

11. The maximum income thresholds are calculated using the Board of Employment and Social Security's Household Income Threshold and Capital Limits (the figures are also the current Income limits for Social Housing limits). If a tenant or applicant earns above the weekly threshold it is perceived that this person can afford to live in the private sector and is asked to leave Social Housing or if they have applied for housing the application is rejected. Using the Income Limits as a baseline it is perceived that any money earned above these limits could be used to save for a deposit towards a mortgage. The estimated saving time would be around 5 years based on 20% above Income Thresholds for Social Housing.
12. Should an applicant be over the above maximum income threshold, but unable to borrow enough funds to purchase a property in the private sector based on their current need, due to age and the amount of years they have to re-pay a mortgage. Then the Allocation's Officer will assess the application using the property values below, as guidance, not taking into account any outgoings they may have such as loans or credit cards.
- 1 bedroom property valued at £230,000
  - 2 bedroom property valued at £270,000
  - 3 bedroom property valued at £345,000
13. If applicant(s) are not earning the minimum required income to be eligible for partial ownership they will be kept on the secondary list until the applicant(s) contacts the GHA to provide clear financial confirmation that they are now able to afford partial ownership. This is required in writing and following receipt of this the applicant(s) will be moved onto the active waiting list. The date of the original application will be honoured providing the applicant has kept in contact with the GHA and provided all updates as and when required.
14. If the applicant(s) is/are self-employed, 2 full years income tax returns will be required as confirmation of income. If an applicant does not have the relevant 2 years accounts, they will be placed on the secondary list until the information is available. It will be the applicant(s) responsibility to advise the GHA and provide this information when it becomes available.

### Child care

15. We will take into account your child care costs and will require up to date payment details upon your child's birthday on how much your child care costs are. Also, you will need to send in

confirmation of your child care costs when you are requested to supply up to date financial information.

### **Savings information**

16. Applicants will be required to have the following minimum amount of savings, to be placed on the active waiting list for partial ownership. These **must** be held in an account in the applicants' name/s for a minimum period of two months. The amounts are detailed below:

One bedroom:	£2,500 minimum
Two bedroom:	£3,000 minimum
Three bedroom:	£3,500 minimum

**\*Please note that these limits only apply to applications received on or after 14 June 2018. All previous applications will use the previous limits.**

17. If the applicant(s) do not hold the required amount of savings to be eligible for partial ownership they will be held on the secondary list until the applicant contacts the GHA and provides clear financial confirmation that they are now in receipt of these funds held in an account in the applicant(s) name, for a minimum period of two months. The applicant(s) will be moved to the active waiting list and the date of the original application will be honored providing the applicant has kept in contact with the GHA and provided all updates as and when required.
18. If the above amount is gifted from a family member, the funds will need to be held in the accounts of the applicant(s). If you applied before 14 June 2018, we will require a letter from your family member to confirm that this amount is still available. This will be asked for every six months as part of the update procedure. Failure to do may affect your application.
19. Whilst the applicant(s) are waiting to be allocated a property, the GHA would like to see that the applicant(s) are saving a minimum amount of £25 per person per month to enable them to complete the purchase, and the costs of moving to a new property, once allocated.

### **Allocation of partial ownership properties**

20. All properties are allocated in strict date order.
21. Should a partial owner be required to move out of their current accommodation for a period longer than 6 months and still meet the criteria for partial ownership accommodation then GHA where possible can offer alternative partial ownership accommodation as a priority ahead of others on the waiting list.
22. Wheel chair accessible properties on estates with rented social housing will only be allocated to applicants who have a medical need for this type of property. Any medical need will need to be supported in writing by a medical professional before the GHA can consider wheel chair accessible properties for allocation.
23. Any exceptions to this will be agreed by the Housing Manager and Chief Executive or the Board.

### **Percentage of property required to purchase**

24. When applicant(s) are offered a property, the GHA will advise the applicant(s) what percentage of the property they are required to purchase based on the applicant(s) income and/or savings. The percentage offered will range between 40% and 80% of the property value. If the applicant(s) require a mortgage to purchase the property the bank may advise only a lower percentage can be purchased. However, if the bank confirm in writing to the GHA the maximum percentage the applicant can purchase is, then GHA will re-offer the property to the applicant(s) on the banks recommendation (as long as the minimum is above 40%).
25. When applicants are offered a property they are required to purchase the largest percentage of the property they can reasonably afford.

#### **Pets**

26. Applicants with any existing pets, wishing to be allocated a property need to comply with the Pet Policy No 34.

#### **Property ownership**

27. If applicants currently own a property (whether in sole ownership or held jointly) in Guernsey or elsewhere they can apply, but they will be placed on the secondary list until such time the property has been sold.
28. At this time the GHA will require confirmation of how much equity was received by the applicant(s) following the sale of the property. Once this information has been provided the application will be re-assessed to ensure that the applicant(s) still meet the criteria for the GHA partial ownership scheme. If the applicant can afford to purchase privately they will not be accepted onto the waiting list.
29. A decision will be made based on the information provided, on whether the applicants could purchase a suitable property to meet their needs in the private sector.
30. If the application is accepted, the applicant(s) will be transferred onto the active waiting list, and the date of the original application will be honoured providing they have kept in contact with the GHA and provided all updates as and when required.

#### **Existing partial owners**

31. Current GHA partial owners are able to join the partial ownership waiting list if their need has changed, or the partial owner is in a flat and would like to be considered for a house. The partial owner will need to meet the above criteria and will join the waiting list as at the date the new application is received.
32. Should a current partial owner/s fall on hard times or due to a relationship split sell a property back, the GHA will not convert the partial ownership property to a rented property. Only under exceptional circumstances will GHA consider this further and this will only be with the agreement of Housing (Employment and Social Security). For these exceptional circumstances to be considered the partial owner/s would need to meet the criteria for Social Housing and there would need to be a vacant/void property on the same development matching in size that could be 'swapped' at the time of the request. Due to the very small number of rented properties of the same size available on each estate (if any) it is highly unlikely that a request under exceptional circumstances be agreed.

#### **Dependent children**

33. An applicant who has shared care/custody of a dependent child may be allocated a property suited to their need i.e. one additional bedroom. Evidence of care/custody, in the form of either a Court order, or letter from the other parent/ legal guardian will need to be provided.

#### **Right of review and appeals**

34. If an applicant is dissatisfied with a decision, they may ask to have an internal review to be carried out. Any request to have a decision reviewed should be made in writing within 28 days of the date of the letter communicating the original decision.
35. Should the applicant still be dissatisfied with the decision made after the internal review has been carried out, they may appeal to the Independent Housing Appeals Tribunal if the decision relates to the following areas:
- Allocations (the properties that GHA offer you or refuse to offer you)
  - Applications for partial ownership
36. The appeal should be submitted in writing no later than 28 days after the decision of the internal review and on a form that will be provided through Housing.
37. The applicant will be advised of their statutory right to appeal in any decision communicated to them.

<b>Date Approved :</b> September 2019	<b>Date for Review :</b> June 2021
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