

<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 meeting the following criteria:**

1. They are aged 18 years old or over.
2. At least one applicant is living in Guernsey with a permanent Resident Certificate under the Population Management (Guernsey) Law, 2016 that has no expiry date or conditions attached (i.e. a named job or employer). The applicant must also be permitted to live in local market accommodation as a householder.
3. Is unable to purchase a property in the private sector equal to the applicant/s current need.
4. The GHA will only allocate a property matched in size to the applicant's needs, at that time, plus the option of one additional bedroom.
5. The applicant/s have no outstanding rent or repair arrears from a current or previous tenancy and/or has not broken any tenancy conditions.
6. Provided all updated information when requested and advised the GHA of any changes in circumstances that could affect the application.
7. 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**

8. Applicant/s must be able to afford the minimum 40% purchase of any partial ownership property. The minimum annual income requirement for affordability of a partial ownership property are:

<b>Property Required</b>	<b>MINIMUM ANNUAL INCOME NEEDED FOR PURCHASE</b>
<b>1 bedroom flat</b>	<b>£26,000 per annum*</b> (Example of purchasing a 1 bedroom partial ownership property at Cour Du Parc valued at £260,000 in June 2021)
<b>2 bedroom flat</b>	<b>£28,500 per annum*</b> (Example of purchasing a 2 bedroom partial ownership flat at Cour Du Parc valued at £285,000 in June 2020)
<b>2 bedroom house</b>	<b>£38,700 per annum*</b> (Example of purchasing a 2 bedroom partial ownership house at Jardin De Haut valued at £387,000 in September 2021)
<b>3 bedroom property (with a flat below and limited parking)</b>	<b>£42,500 per annum*</b> (Example of purchasing a 3 bedroom partial ownership property at Roseville valued at £425,000 in September 2021)
<b>3 bedroom house</b>	<b>£48,000 per annum*</b> (Example of purchasing a 3 bedroom partial ownership house at Victoria Avenue valued at £480,000 in September 2021)
<b>4 bedroom house</b>	<b>£49,000 per annum*</b> (Example of purchasing a 4 bedroom partial ownership house at Roseville valued at £490,000 in September 2021).

9. Applicants must have a sole or joint income of less than:

Property Required	MAXIMUM ANNUAL INCOME THRESHOLD
<b>1 bedroom</b>	<b>£52,000 per annum</b> (This is based on weekly net income threshold for Social Housing + 20% + Tax 20% + Insurance at 6.6%)
<b>2 bedroom</b>	<b>£68,000 per annum</b> (This is based on weekly net income threshold for Social Housing + 20% + Tax 20% + Insurance at 6.6%)
<b>3 bedroom</b>	<b>£89,000 per annum</b> (This is based on weekly net income threshold for Social Housing + 20% + Tax 20% + Insurance at 6.6%)
<b>4 Bedroom</b>	<b>£98,000 per annum</b> (This is based on weekly net income threshold for Social Housing + 20% + Tax 20% + Insurance at 6.6%)

10. The maximum income thresholds above are calculated using the Board of Employment and Social Security's Household Income Threshold and Capital Limits (the figures are current Income limits for Social Housing). If a tenant or applicant earns above the limits 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 due to income. 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 estimated at 6 years based on 20% above Income Thresholds for Social Housing.
11. If an applicant's income is over the maximum thresholds detailed above, but they are unable to borrow enough funds to purchase a property in the private sector based on their current need (this may be due to age and the amount of years they have to re-pay a mortgage) the Allocation Officer will assess the application using the property values below, as guidance. This does not take into account any outgoings they may have such as loans or credit cards.
- 1 bedroom property valued at £290,000.00  
2 bedroom property valued at £395,000.00  
3 bedroom property valued at £475,000.00  
4 bedroom property valued at £530,000.00
12. If the applicant/s do not earn the minimum required income to be eligible for partial ownership, they will be kept on the secondary list until the applicant/s can provide the GHA clear financial confirmation that they are now able to afford partial ownership. This is required in writing and following receipt of this information the applicant/s will be moved onto the active waiting list as long as they remain eligible for the scheme. 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.
13. If the applicant/s 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 provided. It will be the applicant/s' responsibility to advise the GHA and provide this information when it becomes available.

## Child Care

14. The GHA will take into account child care costs and will require up to date payment/cost details upon a child's birthday. Applicant/s will need to provide the GHA with confirmation of child care costs and financial information when requested.

## Savings Information

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

One bedroom:	£2,500 minimum
Two bedroom:	£3,000 minimum
Three bedroom:	£3,500 minimum
Four bedroom:	£4,000 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.**

16. If the applicant/s do not hold the required amount of savings to be eligible for partial ownership they will be placed on the secondary list until such time as the applicant/s contact the GHA to provide clear financial confirmation that these funds have been held in an account in the applicant/s name for a minimum period of two months. Upon receipt of this confirmation, the applicant/s will be moved to the active waiting list and the date of the original application honoured, providing the applicant has kept in contact with the GHA and provided all updates as and when required.
17. If the above amount of minimum savings is gifted from a family member, the funds will need to be held in the applicant/s' account. If applying before 14 June 2018, the GHA will require a letter from the family member to confirm this amount is still available. This information will be requested every 12 months as part of the update procedure. Failure to provide this information may affect an application.
18. 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 fund the cost of moving in to a new property once allocated.

## Allocation of Partial Ownership Properties

19. All properties are allocated in strict date order.
20. Should a partial owner be required to move out of their current accommodation, at GHA's request for a period longer than 6 months, (for example if GHA need to carry out any complex work to the property) whilst still meeting the criteria for partial ownership accommodation, the GHA wherever possible may offer alternative partial ownership accommodation as a priority ahead of others on the waiting list.
21. Wheel chair accessible properties 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.
22. Any exceptions to this will be agreed by the Housing Manager and Chief Executive or the Board.

## Percentage of Property Required to Purchase

23. When applicant/s are offered a property, the GHA will advise the applicant/s of the percentage of the property they are required to purchase based on the applicant/s income and/or savings. The percentage offered is between 40% and 80% of the full property value. If the applicant/s require a mortgage to purchase the property the bank may advise only a lower percentage can be purchased, due to affordability. The bank will confirm in writing to the GHA the maximum percentage the applicant is able to purchase. GHA will re-offer the property to the applicant/s based on the bank's recommendation (providing the minimum is no less than 40%)
24. When applicants are offered a partial ownership property they are required to purchase the largest percentage of the property they can reasonably afford.

## **Pets**

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

## **Existing Property Ownership**

26. If applicants currently own a property (whether in sole ownership or held jointly) in Guernsey or elsewhere they may apply. However they will be placed on the secondary list until such time as the property has been sold.
27. 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 received the application will be re-assessed to ensure that the applicant/s still meet the criteria the GHA partial ownership scheme. If the applicant can afford to purchase privately they will not be accepted onto the waiting list.
28. A decision will be made, based on the information provided, on whether the applicant/s could purchase a suitable property to meet their needs in the private sector.
29. 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 GHA Partial Owners**

30. Current GHA partial owners are able to join the partial ownership waiting list if their property need has changed, would like an additional bedroom 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.
31. 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**

32. 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 to the GHA.

## **Right of Review and Appeals**

33. If an applicant is dissatisfied with a decision, they may ask to have an internal review be carried out. Any request to have a decision reviewed should be made in writing to the GHA within 28 days of the date of the letter communicating the original decision.
34. Should the applicant/s still be dissatisfied with the decision 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

35. 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.
36. The applicant will be advised of their statutory right to appeal in any decision communicated to them.

<b>Date Approved :</b> September 2021	<b>Date for Review :</b> March 2022
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