



## PORTFOLIO HOLDER DECISION NOTICE

### **INDIVIDUAL DECISION BY THE PORTFOLIO HOLDER FOR HOUSING SERVICES**

### **TOPIC – ALLOCATION POLICY FOR OLDER PERSONS SHARED OWNERSHIP: CHESIL LODGE**

### **PROCEDURAL INFORMATION**

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Head of Legal and Democratic Services, the Chief Executive and the Head of Finance are consulted together with Chairman and Vice Chairman of The Overview and Scrutiny Committee and any other relevant overview and scrutiny committee. In addition, all Members are notified.

If five or more Members from those informed so request, the Leader may require the matter to be referred to Cabinet for determination.

### **Contact Officers:**

**Case Officer:** Deborah Sunley, Housing Strategy and Development Officer 01962 848 248 dsunley@winchester.gov.uk

**Democratic Services Officer:** Nancy Graham 01962 848 235 ngraham@winchester.gov.uk

### **SUMMARY**

- Winchester City Council is currently developing older persons shared ownership units at Chesil Lodge, Winchester. These are the first shared ownership properties to be built by the Council as part of the Extra care scheme at Chesil Lodge.
- These shared ownership units will be for older persons within the Chesil Lodge Extra care scheme. There are 6 shared ownership units.
- Shared Ownership is aimed at people who are in housing need but are otherwise unable to buy on the open market, i.e. a middle income group.
- Older Persons Shared Ownership is a variant of the scheme and is available to over-55s and with a cap on staircasing at 75% of the value of the home, but

with no rent payable on the share retained by the Council once this cap is reached by the purchaser;

- Chesil Lodge Extra care scheme is funded by the Homes and Communities Agency and as such the Council is required to comply with the Homes and Communities Agency Capital Funding Guidance around eligibility, affordability and priority groupings.
- The current HCA guidelines (in place since January 2016) do not allow shared ownership units to be allocated to particular priority groups with the exception of military personnel. However, in the case of Chesil Lodge, the HCA has allowed the Council to apply the pre-January 2016 guidelines. These guidelines award priority to existing tenants and military personnel, then allows “local authorities to address housing problems in local and regional housing markets.”
- The Older Persons shared ownership allocation policy ( Appendix 1) is reflective of this and awards priority to persons with a local connection to Winchester and then to Hampshire, consistent with the Council’s own scheme of allocation for the social housing register. Persons outside of the District may still apply.
- All applicants are assessed by Hampshire County Council (HCC) Adult Services to determine if they have an assessed care need. The proposed Older Persons Allocation Policy does not stipulate that applicants must have an assessed care need. However, owing to the extra care costs which would be payable by shared owners in all cases, (Night and Wellbeing charge), whether or not they have an assessed care need, it is considered that persons will not apply for a shared ownership unit in the Scheme unless they require care provision.
- The policy reflects the balance to market the shared ownership units as quickly as possible whilst allocating the properties to those who meet the allocation criteria.
- The Council is working in partnership with HCC at Chesil Lodge. Part of the extra care scheme will comprise a HCC Daycare Centre (following the decommissioning of HCC existing daycare service provision). The Council is therefore working closely with HCC as a key stakeholder in all aspects of the development, including the allocation of the units, both for renting and for shared ownership.
- The policy links to Strategic Outcome number 3 of the Council Strategy, : “Provide good access to affordable housing options across a range of tenures, including affordable and sub market rent (within Local Housing Allowance rates) market rent, shared ownership, student housing etc.”

## **DECISION**

That the Older Persons Shared Ownership Allocation policy, as set out in Appendix 1, be approved.

## **REASON FOR THE DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

The proposed policy is required to enable officers within the Council to allocate shared ownership units at Chesil Lodge. The policy complies with the HCA guidance and Capital Funding Guide.

No alternative options have been considered as the Council is required to comply with the guidance provided by the HCA's Capital Funding Guide.

## **RESOURCE IMPLICATIONS:**

The Council's Home Ownership Officer will be responsible for the allocation of the shared ownership units as part of the wider role of this post. This is a resource which has been met to cover the responsibilities of marketing all present and pipeline shared ownership units. The new post of Home Ownership Officer was appointed in April 2017.

## **CONSULTATION UNDERTAKEN ON THE DECISION**

- Both internal and external colleagues have been consulted on this policy. The Council's Assistant Director (Chief Housing Officer), Cllr Horrill, Head of Allocations, Extra Care manager, Home Ownership officer and HCC Commissioning team have all been consulted and approve the policy.
- As part of the consultation with Human Resources, an integrated Impact Assessment has been carried out on the proposed policy on 7 April 2017. A validation meeting to discuss the policy following the impact assessment took place on 1 June 2017. This meeting discussed potential concerns around vulnerable applicants and their ability or inability to be in a position to put down reservation fees. As a result of this, further discussions with the Home Ownership officer has resulted in a minor insertion to the policy which allows time scales for putting down reservation fees to be set on a case by case basis, to accommodate concerns over vulnerability.

**FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED  
FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION  
NOTICE**

N/A

**DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR  
OFFICER CONSULTED**

N/A

**DISPENSATION GRANTED BY THE STANDARDS COMMITTEE**

N/A

Approved by: (signature)

Date of Decision: 15.08.17

**Councillor Horrill – Portfolio Holder for Housing Services**

**APPENDICES:**

Appendix 1 Older Persons Shared Ownership Allocation Policy

## **Winchester City Council**

### **Allocation Policy for Older Persons Shared Ownership: Chesil Lodge**

#### **1. Policy Statement**

This policy outlines Winchester City Council's (WCC) approach to the allocation of Older Persons Shared Ownership, in accordance with the Homes and Communities Agency's (HCA) Capital Funding Guide. (It should be noted that the HCA have allowed the Council to use the rules which applied pre-January 2016 at the point of the grant award for Chesil Lodge.)

#### ***Related policies***

*Allocation policy for Older Persons Shared Ownership.  
Hampshire Home choice Allocations Framework*

#### **2. Aims and objectives of the Policy**

**Aim** - to ensure that WCC complies with the regulatory requirements set out in the Homes and Communities Agency's (HCA) Capital Funding Guide.

**Objective** - to establish a transparent, fair and effective method of processing applications, so that homes are allocated to those for whom Older Persons Shared Ownership is best suited. To ensure WCC meets its social objectives whilst recognising the financial importance of selling properties within agreed timescales.

#### **3. Definition**

Older Persons shared ownership is available for applicants aged 55 or over. It allows residents to live independently in a self-contained, modern home. Where shared ownership is provided in extra care schemes, residents have access to care and support services tailored to their individual needs, giving both the residents and their families peace of mind that they will receive a high quality of care if it is needed.

Older Persons Shared Ownership works in a similar way to general needs shared ownership schemes, but purchasers can only buy up to 75% of their home. Once they have purchased 75%, they do not pay rent on the remaining (unpurchased) share (which is retained by the Council). Unlike normal shared ownership schemes, Shared Owners in Older Persons schemes cannot purchase additional shares and own 100% of the property.

In older persons schemes, where care is delivered, residents will have access to care and support needs. There are 3 elements to the delivery of care.

- **Direct Delivery of care.**

This covers the actual care people have been assessed as needing, plus any emergency or unplanned care they may need while at the scheme. Adult Services clients have an assessed care need, and are financially assessed to see how much they will have to pay towards that. People may have as little as 30 minutes a week or as much as 60+ hours a week.

- **Alarm Response**

Alarm response is universal and paid for by Hampshire County Council (HCC) to ensure the provider can respond to alarm pulls. This covers all flats regardless of tenure or level of need, and the residents do not pay for this (the cost being covered by HCC).

- **Waking Night and Wellbeing.**

This is an amount of time per flat to ensure that someone is around to deliver planned, unplanned and emergency care 24/7 to deliver the “extra” bit of extra care, the communal and wellbeing activities of the care provider.

There are no “minimum hours” for a purchaser. However, people who are in the shared ownership or private flats will still be required to pay for the Waking Night and Wellbeing element, even if they do not need care.

#### **4. Eligibility**

Appendix A is a flow chart which illustrates the process of eligibility, affordability and priority in order to make an allocation of a shared ownership property.

Older persons Shared Ownership applicants must meet the HCA’s standard eligibility criteria. However, the following exceptions and additions should be followed.

- Older persons shared ownership is only available for people aged 55 and over.
- Applicants who are currently homeowners will need to sell their existing property before buying through Older Persons Shared Ownership, though they will not require a local authority nomination in order to be approved as eligible (the standard criteria applies to all shared ownership schemes, many of which are operated by registered providers, rather than local authorities).

The Help to Buy agents/provider will not carry out the usual sustainability assessment, but in determining eligibility must take into account the level of equity available from the sale of any existing property along with any additional savings. Applicants with sufficient equity to be able to purchase a suitable property on the open market should not be assessed as eligible.

Older persons shared ownership applicants may need to retain a higher level of savings or investments than other applicants to provide ongoing income to cover ongoing living and care costs. However, flexibility is allowed as most will be downsizing and may have large amounts of equity. The Council can make a judgement on this on a case by case basis but the expectation remains that older persons will use the majority of their capital to fund the purchase of the property.

For extra care schemes the Council can use an additional degree of flexibility when making this assessment to take into account the higher ongoing costs of the care being provided.

To be eligible, applicants must also meet the following basic criteria (these are identified in the General Needs Shared Ownership Allocation Policy):

- Applicant(s) must have a gross household income of no more than £80,000 per annum.
- If council or Housing Association tenants are purchasing, they must leave behind an empty rented home with a clear rent account.
- Applicant(s) must be a British or EU/EEA citizen or have indefinite leave to remain in the UK. All eligible applicants must be able to demonstrate that they are able to raise a mortgage with an acceptable lender and that they can afford to sustain home ownership. This will require a detailed individual assessment using the HCA affordability calculator.
- They must have evidence of a firm commitment to sell their stake in their existing property before being allocated a property through Older Persons Shared Ownership.

#### **5. Allocation of Older Persons Shared Ownership:**

If an applicant requires care this will need to be assessed by Hampshire County Council. With regard to the allocation of shared ownership units this policy is reflective of the Homes and Communities Agency (HCA) guidelines pre-January 2016.

Therefore, priority groupings will be as follows:

- Existing social tenants and serving military personnel as defined by the HCA.

- Applicants with a connection to Winchester City Council consistent with the scheme of allocation.
- Applicants with a connection to Hampshire County Council consistent with the scheme of allocation.
- All other applicants

The offer depends on the applicant providing accurate information. The Council reserves the right to withdraw the offer if information is found to be misleading or incorrect.

Applicants will be required to pay a reservation fee. This is refundable subject to any costs incurred by the Council and will be deducted from the purchase price if the purchase proceeds. The potential purchaser will be given an appropriate timescale in which to pay a refundable reservation fee to secure the property purchase.

Time scales will be arranged directly with the purchaser to suit their needs and capabilities and be considered on a case by case. However, a maximum timescale of 10 days will be given. On or after the date of the deadline the Home Ownership Officer will make a courtesy call to check that the purchaser is able to provide the reservation payment as arranged. If the applicant is unable to make the payment by the arranged timescale, the Home Ownership Officer will contact the next purchaser as per the priority order and follow the same process.

#### **6. Applicants' records and data Information**

Applicants and their household's information held within the Council's records is subject to the Data Protection Act 1998. Every care will be taken 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 be disclosed to relevant third parties provided it is for the purposes of assessing eligibility of applicants and for audit purposes.

WCC reserves the right to contact third parties to request information for the purposes of assessing the eligibility of applicants.

#### **7. Equalities and diversity**

The Council is subject to the general public sector equality duty in the Equality Act 2010. The Council and its partner Registered Providers are committed to providing equality of opportunity to all individuals who apply for re-housing. Monitoring of applications and lettings may take place to ensure that everyone is being treated fairly.

#### **8. Safeguarding**

If at any time, officers dealing with the allocations process have any concerns relating to vulnerable persons, the officer should discuss their concerns with their line manager and follow the Council's safeguarding policy.



### **9. Monitoring**

All sales allocations will be recorded in the Continuous Recording of lettings system (CORE). This will highlight the extent to which diverse needs are being met and indicate areas where a revised or different approach may be required. The Assistant Director (Chief Housing Officer) will review the profile of successful applicants to identify groups who are not accessing shared ownership homes, to ensure accountability and fairness of allocations and to inform the future marketing strategy.

### **10. Complaints**

Complaints in respect of allocations decisions for shared ownership will be considered via the Council's Complaints procedure.

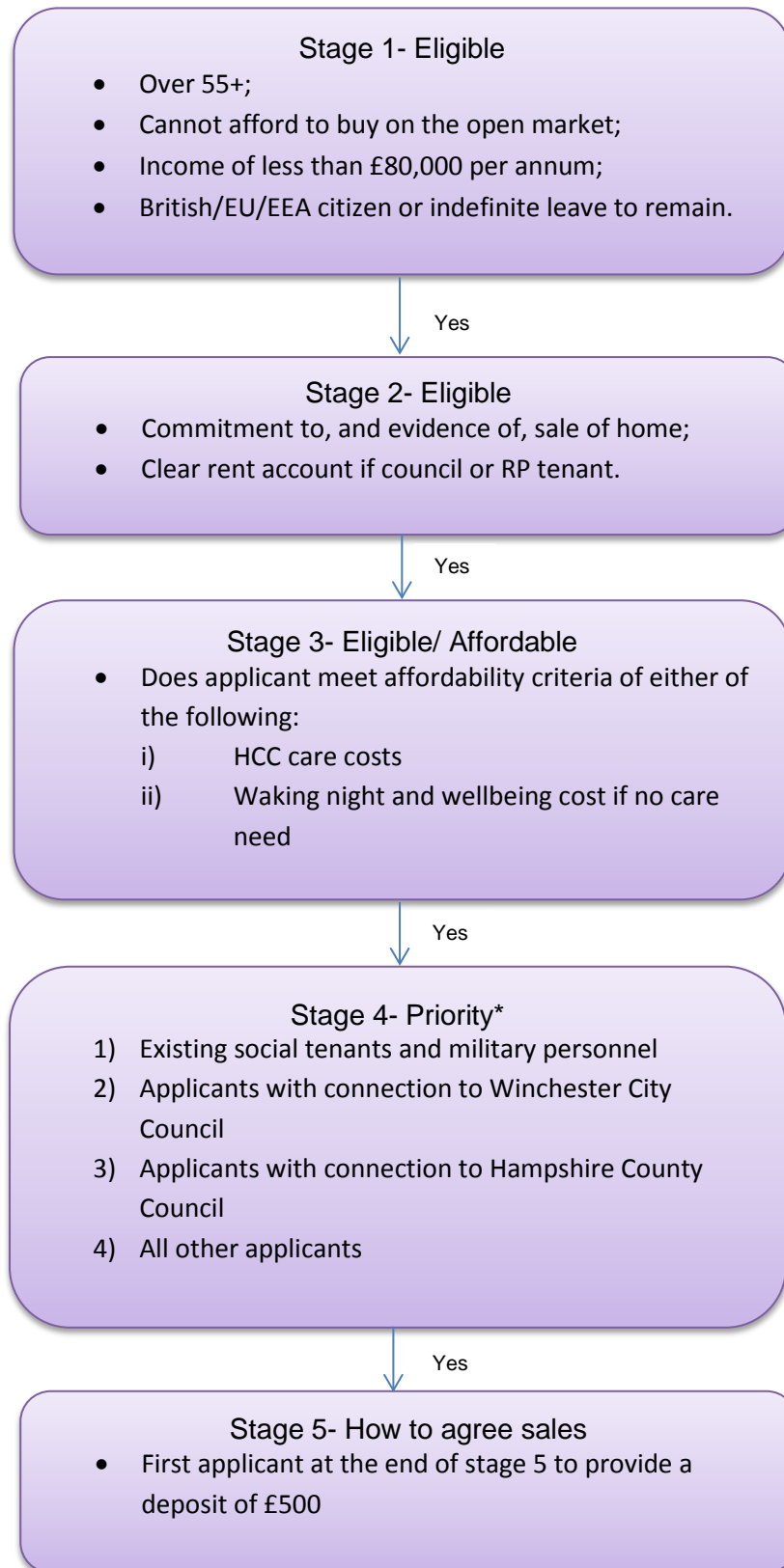
### **11. Policy review**

This policy will be reviewed at least every three years by the Assistant Director (Chief Housing Officer)

### **Document History**

<b>Document Title</b>	<b>Allocation Policy for Older Persons Shared Ownership: Chesil Lodge</b>
<b>This Version</b>	<b>1.0</b>
<b>Issue Date</b>	<b>03/08/2017</b>
<b>Status:</b>	<b>Draft for PHD approval</b>
<b>Review Date:</b>	<b>August 2020</b>

Appendix A: Older Persons Shared Ownership Allocations Flow Chart



\*Priority groups are based on the pre Jan 2016 HCA guidelines which prioritise existing tenants and military personnel and then allows local authorities to address housing problems in local and regional housing markets.