

Policy

HOUSING ALLOCATION

This document was updated January 2022, and is subject to further updates.

Introduction

The allocation of ECLT owned properties is to be made in accordance with the Rules governing Eastbourne Community Land Trust (hereinafter called ECLT), in which Rule A.2.1 states that ECLT is formed for the purpose of:

...providing and managing housing (including social housing) and providing assistance to help house people and associated facilities, amenities and services for the relief of financial hardship

In establishing and applying this Allocation Policy, the ECLT Board seeks to work to the following principles:

- To be transparent, objective and fair.
- To ensure utmost confidentiality regarding applicant's personal information.

1. Criteria

Applications are welcome from people living within the boundaries of Eastbourne Borough Council who can demonstrate they are in housing need. **Band A** applicants are given highest priority.

BAND A

An applicant meeting this criterion will have lived in Eastbourne for more than 5 consecutive years full-time and meets the following:

- Is employed as a Key Worker (paid/unpaid).
- Is in insecure accommodation and has insufficient funds to rent or buy a property suitable to their needs.

BAND B

An applicant meeting this criterion will have lived in Eastbourne for more than 3 consecutive years full-time and meets the following:

- Is employed as a Key Worker (paid/unpaid) in Eastbourne.
- Is in insecure accommodation and has insufficient funds to rent or buy a property suitable to their needs within Eastbourne.

Eastbourne Community Land Trust

BAND C

An applicant meeting this criterion will have lived for more than 5 consecutive years full-time in Eastbourne, is not classed as a key worker, and meets the following criteria:

- Is in insecure accommodation, and has insufficient funds to rent or buy a property suitable to their needs within Eastbourne, or

BAND D

An applicant meeting this criterion will have lived for at least 3 consecutive years full-time in Eastbourne, is not classed as a key worker, and meets the following criteria:

- Is in insecure accommodation, and has insufficient funds to rent or buy a property suitable to their needs within Eastbourne.

BAND E

An applicant meeting this criterion will work as a Key Worker (paid or voluntary) and

- wants to live in Eastbourne, but currently has no connection to Eastbourne, and can't afford to rent or buy a property in Eastbourne.

BAND F

An applicant meeting this criterion will have lived in Eastbourne for less than three years and cannot afford to rent or buy in Eastbourne. Priority would be given to those applicants with family living in Eastbourne. Family connections relate to a close family member and ECLT will have the discretion to decide who a close family member is, and will take account of the particular family circumstances and strength of relationships/dependence.

BAND G

An applicant meeting this criterion wants to live in Langney Eastbourne but does not have a rooted connection with Eastbourne.

2. Application procedure

- (a) In the first instance applicants will meet with a CLT Trustee to discuss their circumstances, and together they will complete an *Expression of Interest* form.
- (b) At the appropriate time, interested applicants will be invited to complete a *House Purchase Application* (HPA) and should ensure this form is fully completed and the information in it is up-to-date. They will also be asked to provide evidence of the information given.
- (c) If there are more applicants than houses available, HPA forms submitted to the ECLT Board will be placed in a banding, and the date of receipt recorded.

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Priority Criteria Table

	Key Worker	Eastbourne Resident	Years in Eastbourne	Wants to Live in Langney	Currently in Insecure Accommodation	Insufficient £ for Market
Band A	✓	✓	5+	Yes	✓	✓
Band B	✓	✓	3+	Yes	✓	✓
Band C		✓	5+	Yes	✓	✓
Band D		✓	3+	Yes	✓	✓
Band E	✓			Yes		✓
Band F		✓	>3	Yes		✓
Band G				Yes		

- (d) It is the responsibility of applicants to inform ECLT if any facts in their applications cease to be accurate, subsequent to completion of a *House Purchase Application*.
- (e) No information, apart from a plan of the ECLT properties shall be given to applicants.

3. Allocations Committee

- (a) The Allocations Committee comprises of a Chair and three ECLT Members, two of which will be co-opted Members and two being ECLT Board members.
- (b) The role of the Allocations Committee will be to consider applications for housing with ECLT and in doing so shall apply this Allocations Policy. The committee will make recommendations concerning the applications for the available properties to the full Board of ECLT.
- (c) An Allocations Committee Administrator will attend meetings of the Allocations Committee to record Minutes and ensure the Allocations Policy and procedures are complied with.
- (d) The Allocations Committee will meet as soon as possible after the deadline for applications.
- (e) The Allocations Committee will assess applicants based on written information contained in the HPA forms, and will conduct a thorough and objective assessment of applications. The recommendations made will be based solely on the information provided. However, should there be occasions where further information would assist the assessment process, then the Allocations Committee will advise the Administrator and such further information will be obtained.
- (f) All recommendations of the Allocations Committee will be agreed by a simple majority. The Allocations Committee Chair will have a casting vote.

Eastbourne Community Land Trust

- (g) After the placing of the applicants into bands, the Allocations Committee will take into account the following additional factors (which are ranked in order of priority):
 - (i) The duration and level of their engagement in working with the CLT;
 - (ii) The appropriateness of the property size and its facilities to the applicant in comparison to other applicants, including number of bedrooms in current accommodation; if applicants have any children living with them permanently; or if an applicant has any of their own children coming to stay with them for access;
 - (iii) The length of time the applicant has been on the Society's waiting list for housing;
- (h) Affordability will be discussed with tenants before offering them a particular property.
- (i) All applicants shall be considered fairly and in line with the Society's Equal Opportunities policy.
- (j) The applicants being recommended to the Board for a shared ownership purchase shall be listed in order of priority: i.e. 1, 2, 3 and so forth.
- (k) The reasons why an applicant is recommended to the Board will be explained in writing by the Allocations Committee, and provided to the Board as part of the recommendation.

4. Allocation Decisions

- (a) The recommendations of the Allocations Committee will be sent to all ECLT Board members for consideration and approval.
- (b) The decisions of the Allocations Committee will, under normal circumstances, be regarded as final but, if ECLT Board Members wish to raise any concern about a recommendation, they must do so directly with the Chair of Trustees within 48 hours of receipt of recommendations.
- (c) Should a majority of Board members voice concerns, then the Chair of Trustees will convene an Extraordinary Board Meeting to specifically review the Allocation Committee's recommendations.
- (d) The ECLT Board will have the power to approve or reject the recommendations. The decision will be made by a simple majority and, in the case of a tied vote, the Chair of Trustees will have a casting vote.

5. Conflicts of Interest

- a) Impartiality and integrity will be the hallmark of those entrusted with decisions as members of the Allocations Committee. In the event that any member of the

Eastbourne Community Land Trust

Allocations Committee or the ECLT Board is related to, or has a close personal, business or other connection to an applicant he or she will disclose this information and will not participate in any Allocations Committee or Board discussion, nor any decision during which the relevant application is under consideration. However, the Chair of the Allocations Committee and/or the Chair of Trustees will have the option to invite the connected Member to comment if he/she considers that it may be of assistance.

- b) The Administrator will provide the Allocations Committee members with hard copies of applications 7 days in advance of meetings, in order to allow Allocation Committee members to read all applications, and for those Members to signal if they consider they may have a conflict of interest. In the event of any conflict of interest, they shall inform the Administrator and the Chair of the Allocations Committee immediately. A reserve Member will be appointed to attend future meetings.
- c) The quorum for Allocation Committee meetings shall be three, excluding members who have declared a conflict of interest. In the event that the meeting is not quorate the meeting will not proceed. A further meeting shall be convened as soon as possible with other ECLT Board members being co-opted to ensure that there is a quorum at such re-convened meeting.

6. The Allocation

- (a) Applicants will be notified of decisions by the Administrator as soon as possible after approval of the Allocation Committee's recommendations.
- (b) ECLT will carry out the following searches and checks on the applicants:
 - Evidence of employment (where relevant).
 - References from a current or previous landlord, or a personal reference where these are not available.
 - Evidence of financial circumstances to ensure applicant's ability to meet their housing costs and other commitments.
 - Evidence of indicative mortgage offer.
- (c) Successful applicants have 48 hours, or longer by agreement, from notification that they are successful to confirm they wish to proceed with the joint ownership purchase.
- (d) Once a joint ownership agreement is produced, applicants are expected to sign it within 7 days and to keep ECLT informed of release of mortgage funds. In the event of any undue delay by the applicants, the Association reserves the right to withdraw its offer and to offer the property to the next successful applicant.

Eastbourne Community Land Trust

- (e) Home owners will pay rent in advance. They must set up a Standing Order or Direct Debit for rent, just as they have to do for their mortgage repayments. In the event of the successful applicant being unable to produce the required cleared funds at the start of the house purchase then, following a discussion with the prospective home owner, the offer may be withdrawn and the property offered to the applicant next in priority. This is not a blanket policy and each case will be assessed case by case.
- (f) Unless there are exceptional circumstances, applicants will be offered a maximum of 3 properties and then removed from the ECLT application list.
- (g) Applicants who have, or have had rent arrears, will be assessed on a case by case as to whether they are eligible.
- (h) ECLT reserves the right to disqualify an applicant or applicants where they, or a member of their household, has been guilty of unacceptable behaviour, serious enough to make them unsuitable to become a joint home owner with the CLT, to include anti-social behaviour, significant rent arrears, the provision of false or misleading information and intimidation of other applicants. An applicant can be disqualified at any time, including on application, upon receipt of information which would demonstrate the applicant's unsuitability. The applicant will be able to appeal against such decision within 3 days of receiving notice their application is being withdrawn. An applicant can apply at a later date, providing that they can demonstrate that their circumstances or behaviour has changed such that they now would be suitable to be a joint home owner with the CLT.
- (i) Any grievances will be dealt with in accordance with the Trust's Grievance Policy.

7. Transparency and Confidentiality

- a) The list of applicants, and all related information provided by applicants, will be held as strictly confidential and will not be shared nor discussed with any persons who are not members of the ECLT team responsible for the allocations administration and decision-making process. The same confidentiality applies to any discussions between allocations team members.
- b) However, personal confidentiality notwithstanding, the allocations team is committed to being as transparent as possible when reporting and recording decisions reached concerning allocations, in Minutes of meetings, and in any other management communications.

8. Sale & Buy Back Options

It is Eastbourne CLT's intention that all properties will forever remain under ECLT ownership for affordable occupation by people on low incomes.

Eastbourne Community Land Trust

- a) We envisage most shared owners will purchase shares in the region of 20%.
- b) Home owners can, if they so wish, increase their equity stake through stair-casing up to 100%. ECLT will benefit from an increase in income.
- c) In the unlikely event of a low income home owner achieving 100% equity, properties will be purchased back by Eastbourne CLT.
- d) The sale of any home back to Eastbourne CLT will be based on prevailing market values.
- e) While it is expected that both the home owner and ECLT may benefit from property price increases, we recognise that market forces may also include a downturn.
- f) Eastbourne CLT will make financial provision in preparation for potential buy back, which may include additional borrowing.

Additional Information

Eastbourne CLT wishes to give preference to housing Key Workers (either paid or voluntary), who provide an essential service to the town.

Generally defined as an employee in any of a number of professions considered to be essential to the functioning of society, for example teachers, police officers, health and social care workers, shop workers, postal workers, food growing and processing workers, and delivery drivers, etc.

In addition to these roles, Eastbourne relies upon other essential workers, such as self employed carers, fishermen, harbour & coastguard workers, firefighters, charity workers, hospitality and tourism staff, and other various administrative support roles.

Total household income will be a key factor, which must be under £80k per annum, and the ability to meet all monthly outgoings associated with purchasing and/or leasing a property. These may include legal fees, mortgage/rent payments, rates and insurance costs as well as bills for food, water, heat light, childcare, internet, household items and clothing plus any previous outgoings, eg. debts.

Below are some illustrations:

A typical total household income of £40k, could include one person earning £25k and another working part time and earning £15k. This will result in take home pay packets totalling around £1,850 per month after tax. If £650 is spent on mortgage/rent and £600 on Food & Essentials and £600 on Utility Bills then buying a house becomes affordable.

SCHEMES

- a) Shared Ownership (Part Rent, Part Buy):

An example of this would be a new two bedroomed house valued at £245k with a 30% equity purchase value of £73.5k. The mortgage on that is likely to be around £295 per month plus 70% rental around £365, making the

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mortgage and rent total £660 per month. See <https://www.gov.uk/affordable-home-ownership-schemes/shared-ownership-scheme> for further details of this and other affordable home ownership schemes.

Expressions of interest in the first instance, should be sent by email to:
Mrs Sandy Medway, Chair of Trustees at eastbourneclt.office@gmail.com