

## **ALLOCATIONS POLICY for Brockloch – Community led affordable housing project.**

### **1. Introduction**

Brockloch affordable housing project aims to increase the range of affordable housing opportunities in Finderne to meet the community's needs. Increasing the supply of suitable, affordable housing prevents people being potentially forced to leave the community and provides secure, efficient homes for people living in unsatisfactory accommodation.

Affordable housing in communities is in high demand due to various factors, housing supply, market forces inflating prices and higher numbers of properties becoming holiday lets.

Changes in legislation and the introduction of the Private Housing (Tenancies) (Scotland) Act 2016, offers greater long-term security for tenants and limited grounds for tenancies to be ended by landlords. A model tenancy agreement has been created by the Scottish Government:

<https://www.gov.scot/publications/scottish-government-model-private-residential-tenancy-agreement/>

### **2. Housing Options**

Finderne Development Trust will provide the following affordable housing options:

- Houses for discounted sale
- Houses for rent
- Discounted serviced building plots

By providing properties for rent and sale, our community can make good quality homes available to households, who are otherwise unable to secure affordable housing in the area that they wish to live.

### **3. Target audience**

#### **Properties for rent**

Offer affordable, secure accommodation to local people who are finding it increasingly difficult to find a home in a community in which they want to live and work.

#### **Properties and plots for sale**

Plots or houses for sale offer the opportunity for local people to build/own their property where the housing market is out with their financial means. A financial appraisal is carried out during the application process.

## **4. Rural Housing Burden**

With house sales, the title of the property has a Rural Housing Burden attached. This retains a legal right of pre-emption and locks in discounts in the sale price, through a resale price covenant. By way of the pre-emption right a Rural Housing Body can provide affordable rural homes to successive generations of households who have a need to live in the local community.

## **5. Agreeing Local Priorities**

5.1 The trust will agree local allocation priorities with its members to ensure that affordable housing opportunities have maximum impact on local community needs. The policy will reflect good practice, be inclusive to all members of society and be subject to review.

### **5.2 Marketing**

We will adopt a marketing strategy which provides all the relevant information about the property. Websites and appropriate social medium forums will be updated, along with the materials shared with members of community groups, schools, businesses and employers to ensure that advertising materials reach the target groups.

## **6. Allocations**

### **6.1 Priority**

Deciding upon relative priority is not an exact science and should not be a prescriptive exercise. However, the policy is designed to assist in agreeing how affordable housing opportunities should be prioritised.

Allocations will seek to balance the relative needs of applicants' household circumstances with the priorities of the local community. On a wider level, allocations will also consider the trusts strategic housing objectives in seeking outcomes that meet household needs while supporting the sustainability of fragile rural communities.

An assessment will be made on each application taking account of the following (in no particular order):

- Household size (in relation to property size applied for)
- Household current living circumstances
- Household income and savings
- Need to reside/return to live in the community
- Ability to secure finance to purchase a property and/ or plot (where applicable)

## 7. Eligibility

Applicants must demonstrate that they have difficulty in securing housing opportunities that meet accommodation needs of their household within the community in which they require to be housed for one or more of the reasons below.

Applicants must be able to:

- a) Demonstrate a connection to the Finderne area, this could be an offer of employment, a family connection or a strong desire to reside in our community
- b) Demonstrable difficulties in securing housing opportunities that meet the accommodation needs of their household within the local community
- c) Have an offer of employment or currently working as a key worker within the Finderne postcode area or in close proximity to it
- d) Demonstrate they are someone living in the community in unsuitable housing and are either retired or on benefits
- e) Show Intention to establish a business to meet an identified local demand
- f) Have capacity to meet the costs of the affordable housing opportunity offered
- g) Have a clear understanding of the nature and limitations of the affordable housing on offer

## 8. Community Sustainability Criteria

In seeking to maximise the social and economic impact, priority will be given to applicants likely to make a significant contribution to the prosperity, balance and sustainability of the community. The table below sets out the range of factors that may be considered when assessing applicants.

<b>COMMUNITY SUSTAINABILITY FACTORS</b>
Would be an essential key worker.
Would create or sustain a local business/es.
Would generate significant economic benefits from their work for others locally.
Would enable a household to provide care support for a family member.
Would improve the demographic balance.
Would allow young people to leave their parents' homes and create a new household.
Would add value to life in the community.

## 9. Housing Need Criteria

The main individual household need factors considered are set out in the table below:

<b>HOUSEHOLD PRIORITY NEEDS FACTORS</b>
Homeless or threatened with homelessness
Living in insecure accommodation (e.g., no tenancy agreement, short term let)
Living in a caravan or chalet
Living in tied housing
Living in Local Authority or Registered Social Landlord / Housing Association rented accommodation
Living in overcrowded accommodation
Require separate housing due to changes in family circumstances
Need suitably designed or located housing to meet household member's medical and/or care needs
Living in Below Tolerable Standard housing
Need to relocate for employment or family support purposes.
Has other identifiable household needs

Applicants who wish to purchase a house are required to evidence the following:

- They do not own a current property (or it is being actively marketed for sale)
- They are in a position financially to purchase the property – evidence of a mortgage Decisions in Principle required (up to 3)
- They cannot afford to purchase a similar property on the open market

## 10. Housing applications

Applications will be assessed to ensure that households meet at least one of the priorities need criteria or community sustainability criteria listed above.

Applicants will be asked to complete an application form and provide the following supplementary personal and financial information.

- Proof of identity – photographic ID
- Proof of all household income - copies of last 3 months wage slips, copies of accounts (where self-employed), any tax credits award letters
- Proof of savings – copy of bank statements
- Details of any debt
- Proof of current housing tenure – copy of lease or letter from parents
- Bank statements – copy of last 3 months statements
- A reference – either landlord, community, employer, or family reference
- Where the applicant is purchasing a plot or house, evidence of a mortgage approval in principle/savings to purchase

Landlord reference: The application form will include a mandate for the tenants to sign confirming that a reference can be sought from previous and or current landlord.

Private landlords: Current landlord references should only be requested once an allocation has been made.

RSL/Local Authority landlords: Landlord reference can be requested prior to allocation

The landlord reference request will ask for the following information:

- Dates of tenancy
- Rent payable
- If rent is/was paid timeously
- If there were/are any arrears and if there is, if there is a repayment plan in place that is being kept to

Applications will not be unreasonably withheld based on a former/current rent arrear as long as the arrear was repaid, or a repayment plan is being adhered to. There also needs to be confidence that the tenant can afford to pay the rent along with the repayment.

### 1. Other references

The applicant should provide a letter from their employer, community representative or family member or associate who can confirm their need to live or continue to live in the community

### 2. Financial Assessment

A financial assessment will be undertaken to ensure that they can secure a mortgage to purchase. Further details of the financial assessment protocol is detailed in the Rent Management Policy<sup>3</sup>. Applicant Summary

All information relating to the application is recorded on an "applicant summary" for distribution and discussion with relevant members of staff. Priority will be noted as first choice, second choice, etc. where appropriate. If an applicant does not meet the allocation criteria this should be noted on the summary that they have not been considered a suitable applicant, in the event of a re-allocation.

### Allocations

Where the number of eligible applicants outnumber the availability of properties allocations will be made through a panel discussion with other relevant colleagues. Final decisions will be reached by mutual agreement on allocations.

## **11. Offers**

An offer will be confirmed in writing and the tenant will be asked to confirm if they wish to accept the offer or not, in writing.

Where a re-allocation is required, an offer will be made to the -choice applicant where appropriate. All unsuccessful applicants are advised accordingly.

## **12. Plot and house sales**

- a. Plots and houses will be allocated on a first come first served basis to eligible applicants unless there is a higher demand than there are plots or houses available.

- b. In the event of applications exceeding the number of plots or houses available for sale, the community reserves the right to exercise its discretion in allocating them.

### **13. Administration**

All application information will be retained and disposed of as per GDPR policy.

All relevant application and offer letters to the successful applicant will be saved along with a paper file for tenancy agreements and legal documentation.

### **14. Equal Opportunities**

The community will not treat any applicant unfairly for any reason, either because of their race, colour, ethnic background, religion, class, sex, age, disability, mental health, sexuality or family circumstances.

### **15. Confidentiality**

In accordance with GDPR, the information that our applicants provide on the completed application form will only be used to process and assess their application.

We may check the information collected with third parties or with any other information that is already held by us. We may also use or pass the information to third parties or use it in other ways as permitted by law.

We will advise our applicants with a GDPR statement to this effect and that by signing their application form we will be assuming that they agree to the processing of their personal data and any sensitive personal data disclosed in accordance with the Information Commissioner's Office (ICO) guidelines.