

Torbay Council
Self Build/Custom Build Affordable Housing
Allocation Policy

Qualifying Criteria

Applicants will be required to demonstrate the following:

1. That they are in housing need because their total household income does not exceed £60k and with insufficient capital to allow them to reasonably afford to acquire a dwelling sufficient for their needs within Torbay on the open market
2. That they have sufficient income and savings to be able to afford mortgage payments for a property of the right size specific to their needs and to practically complete a property to the Council's approved standards
3. Applicants who have sufficient income/savings that would allow them to purchase a building plot on the open market will be ineligible
4. That the applicant must not be a home-owner or named on a home mortgage already.
5. Applicants can only purchase a property that has one bedroom more than they need. For example, a single person or couple can purchase a plot suitable for a 2 bed home and a couple with one child can purchase a plot for a 3 bed home
6. The applicant must fulfil the Local Connection Criteria as set from time to time by Torbay Council
7. Applicants must be registered with either Help to Buy South West or Devon Home Choice

Selection Criteria

In the event that there are more applicants meeting the above criteria than dwellings available, the following selection criteria will apply:

- a) Currently statutorily homeless or inadequately housed (as defined by Bands A-C on Devon Home Choice*) and to be prioritised in that order. *See appendix A
- b) Currently sharing with adult family (e.g. couple living with in-laws) or with another household (as defined by Band B on Devon Home Choice *) *see appendix A
- c) If the applicants are looking to downsize from a Housing Association Property
- d) Currently a housing association tenant
- e) The length of time on Devon Home Choice or South West Homes Register

Selection process

Applicants will be asked to complete a confidential application form which will include all the necessary information required to allow selection to take place.

Conditions

Sales of self build plots will be subject to an agreement with the Council to ensure that

1. The property is used as the purchaser's main residence only. The owners will not be permitted to let the property once constructed.
2. In the event that the house/building plot, is sold, it must be offered at 80% of open market value to households meeting the Qualifying Criteria above and Torbay Council's Local Connection Criteria
3. Applicants will agree to build timescales as set by Torbay Council. In the event that a property is not built to 'substantial completion' within 3 years from when the building plot is purchased, they will be obliged to offer to sell the property to the Council at 80% of the open market value of the property at the time.

Allocation policy for re-sale

1. All sales of the properties must be at 80% of open market value at the time the property is sold and must be to person who satisfies the Qualifying Criteria
2. Prior to offering a self-build property for sale, owners must provide 14 days notice to the Council and obtain three valuations from a Royal Institute of Chartered Surveyors qualified independent valuer at the initial sales stage and evidence of this must be provided to the Council.
3. Prior to exchange of sale relating to a self-build dwelling the owner shall provide the Council with satisfactory evidence that the proposed purchaser meets the qualifying criteria above.
4. In the event that the property has been adequately marketed for six months but not sold from the date of notice being served to the Council pursuant to point 2 above then:
 - 4.1. The owner shall offer in writing (addressed to the Head of Asset Management and Housing or the postholder carrying out the Council's Affordable Housing function from time to time) to sell the self-build dwelling to the Council at 80% of Open Market Value and
 - 4.2. The Council shall within 15 working days confirm in writing whether it intends to accept the offer to purchase the said self-build dwelling, failure to respond within 15 working days shall be treated as a refusal of the offer.
 - 4.3. If the Council accepts the offer to purchase the said self-build dwelling then both the Council and the owner shall use reasonable endeavours to conclude the sale within 30 working days of the acceptance referred to in paragraph 4.2 above

What if there is no interest?

In the event that after six months of the property being advertised, no-one who fits the above criteria comes forward and the Council have declined the request to purchase the property, then the property can be sold at 80% of open market value free from restrictions contained in this agreement with the exception of point 4 of the qualifying criteria and the conditions listed above. However, the criteria and 20% discount will then need to be re-applied on future re-sales.

If the scheme is oversubscribed then preference will be given to qualifying applicants who require the bedroom size of the property that is being sold.

Review

This policy will be reviewed regularly to reflect changing circumstances.

Appendix A

Emergency Housing Need (A)

Your application will only be placed in the Emergency housing need band (A) if your need for housing is assessed as so exceptional that you must take priority over all other applicants. Substantial evidence must exist to award this priority.

The following are examples of the type of situations that would qualify:

- You have been assessed as having an urgent health/wellbeing need
- You live in a home assessed as being in a state of emergency disrepair
- You need to move to escape violence or threat of violence, harassment or a traumatic event

High Housing need (B)

Your application will be placed in the High Housing need band (B) if you:

- Have been accepted as statutorily homeless by a Devon local authority
- Are threatened with homelessness and have been placed in the 'prevention of homelessness' category by a Devon local authority
- Are severely overcrowded (e.g. you lack 2 bedrooms, or have 2 children who lack a bedroom, such as a single parent with 2 children under 10 in a 1 bedroom home)
- Are a tenant of a Devon Home Choice partner landlord and are seeking to move to a home with fewer bedrooms
- Have been assessed as having a high health/wellbeing need
- Live in a home assessed as being in a state of high disrepair
- Have been assessed as ready to move on from supported housing

Medium Housing Need (C)

Your application will be placed in the Medium housing need band (C) if you:

- Lack 1 bedroom
- Have been assessed as having a medium health/wellbeing need
- Live on or above the 3rd floor with children under the age of 8

Low Housing Need (d)

Your application will be placed in the Low housing need band (D) if you:

- Have been assessed as not having a permanent home (e.g. you have been assessed as non priority and/or intentionally homeless by a Devon local authority. This may include people who are rough sleeping, have no fixed abode or are 'sofa surfing')
- Have been assessed as having a low health/wellbeing need
- Share facilities, such as a toilet, bath, shower or kitchen
- Have received a valid notice to quit from your landlord
- Have a housing need but have no local connection to Torbay
- Have been assessed as having deliberately worsened your circumstances

Under Devon Home Choice each of the following are usually assessed as requiring a separate bedroom –

- People living as a couple
- Other adults aged 21 year old or older
- 2 children or adolescents under 21 year old of the same sex
- 2 children who are both under 10 years old regardless of sex