

# Equity Protocol for Homesdirect Newcastle-under-Lyme 2015

## 1. Introduction

The availability of social housing in the Borough is limited and accommodation is not available for everyone. Under the Allocations Policy, which is used to prioritise applicants for social housing in the Borough, Newcastle-under-Lyme Borough Council is committed to making the most effective use of the housing stock to ensure that those with the greatest housing needs are assisted to obtain offers of social housing accommodation.

## 2. Reduced preference

Under the Allocations Policy, applicants who are assessed as having the financial resources e.g. sufficient capital, savings or regular income, to afford alternative housing options such as outright purchase, shared ownership or rental within the private sector may be given a reduced preference on the Housing Register. An assessment will be made of their ability to pursue other housing options based on all the information detailed on their application and any other supporting information supplied using the financial resources test.

## 3. Financial resources test

All households applying to the Housing Register will be assessed for their ability to afford other housing options within the locality. The responsibility remains with the applicant to provide accurate information to support their housing application which is up to date because if found to have submitted inaccurate or false information any offer of accommodation made will be withdrawn with immediate effect.

When undertaking the financial resources test, the total household income will be assessed and the income that may be taken into consideration includes;

- gross salary;
- income benefits;
- tax credits;
- pensions.

The thresholds for household income are;

- Single person – over £25k = reduced preference
- Couple – over £35k = reduced preference
- Family – over £45k = reduced preference

When undertaking the financial resources test, assets that may be taken into consideration include;

- savings;
- bonds;
- commercial property;
- residential property;
- property abroad;
- money apportioned through the proceeds of a divorce settlement.

The threshold for the total value of assets is £60k to reflect alternative housing options available for applicants with equity over the threshold such as home ownership, shared ownership or rental within the private sector.

After undertaking the financial resources test, if an applicant is deemed to have sufficient income or capital to purchase a home outright or under a shared ownership scheme in the Borough, they will be given reduced preference on the Housing Register.

#### **4. Exceptions to the financial resources test**

In a small number of more complex cases there may be exceptions to the financial resources test and additional information may need to be investigated in order for a decision to be made. This may include establishing if;

- there are significant care and support needs which would impact on the ability of the applicant to secure and maintain accommodation
- the applicant is not in a position to manage the sale of their current home and relocation
- the applicant's current financial circumstances and commitments would not enable the household to maintain accommodation in the private sector e.g. afford private sector rent or obtain a mortgage
- there is a supply of accommodation suitable for the applicant's specific needs in the private sector for either sale or rent ?
- the applicant's housing need could be met in the private sector?
- an adaptation of the present property is a viable option?

In more complex cases, the decision to reduce preference for an applicant on the Housing Register will be taken by the Senior Housing Advice Officer.

#### **5. Verification of applicant's details**

Before any offer of accommodation is made, the applicant's shortlisted for the vacancy will be contacted for verification of all relevant information on their housing application. Information we obtain will be used to assess eligibility and is not exhaustive. Applicants will be expected to provide this information on request and must do so before an offer can be made.

Procedures will be developed to ensure that robust checks are in place to ensure applications contain correct information.

#### **6. False information**

Under Section 171 of the Housing Act 1996, it is a criminal offence for applicants to knowingly give false information or to withhold information relevant to their application. The courts may impose a fine of up to level 5 on the standard scale if the applicant is found guilty.

An offence may be committed if an applicant knowingly gives false information or knowingly withholds information which has reasonably been requested on the housing application form, in response to correspondence with NHA at the annual update of the application, or relating to a review. An offence is also committed if the applicant allows a third party to provide false information on their behalf, or at their instigation.

NHA reserves the right to remove an applicant from the Housing Register if there is evidence that the applicant or a person acting on his behalf, has given false information or withheld information. If evidence is obtained that an applicant has gained a tenancy through providing false information, NHA will notify the RP and supply appropriate evidence, which may be used in a court proceeding.

#### **7. Rights of review**

Applicants who wish to request a review of a decision made regarding reduced preference and their housing application should contact NHA by telephone, in person or in writing within 21 days of receiving notification, as per the Housing Register and Allocations Appeals Procedure, which is available on request. (Sharon we need to check we are happy with the Appeals procedure)