

Cheshire West & Chester Council

# West Cheshire Homes Allocations Policy Sufficient Financial Resources Criteria and Exemptions



## Sufficient financial resources qualification rule

(Taken from Allocations Policy 2021-26 – Pages 17-19)

### Homeownership or legal interest in homeownership

An applicant cannot qualify for the active bidding register if they own a residential property in the UK or elsewhere, including freehold, leasehold, joint ownership or shared ownership (applicants who have been the owner of a residential property within the last five years will be required to provide proof of the proceeds from the sale and of the disposal of the proceeds). This includes properties owned and rented out to other persons and/or properties in other countries.

Applicants who own or part-own accommodation or who have a legal interest in home ownership (for example through marriage or civil partnership in accommodation owned by their spouse or civil partner) also do not qualify.

However, if as a result of a divorce settlement, a Court has ordered that an applicant may not reside in the former matrimonial or civil partnership home in which they still have a legal interest for a period which is likely to exceed five years, then the applicant will be treated as if they do not own, or part-own accommodation.

### Financial resources

Applicants who are considered to have sufficient financial resources to buy suitable accommodation in Cheshire West and Chester will not qualify for the active bidding register. 'Sufficient financial resources' are defined as sufficient capital to buy; or sufficient income to raise a mortgage to buy; or a combination of both. The income and savings limits are:

- 1) Applicants (both single persons and couples) aged under 55 years who have total savings, investments and/or assets of £25,000 or more.
- 2) Applicants (both single persons and couples) aged 55 years and above who have total savings, investments and/or assets of £125,000 or more. If there are exceptional circumstances which mean that an applicant would have to pay more for an appropriate property (if for example someone in the household has a severe disability requiring extensive adaptations) this would be considered when assessing financial resources.
- 3) Applicants whose total gross household income from all sources exceeds an annual income of £45,000 or more (for single persons) or joint income of £60,000 or more (for couples).

'Sufficient capital' includes any assets or investments even if they are not immediately available to the applicant, such as any residential or non-residential property that they own or part-own anywhere in the world. Valuation evidence of any capital or assets will be required. However, any lump sum received by a member of the armed forces as compensation for an injury or disability on active service is disregarded.

Although this qualification rule will mean an applicant cannot join the active bidding register, it does not prevent applicants being considered for any low cost home

ownership schemes, such as rent to buy, shared ownership/equity, discounted market sale and starter homes or lower demand properties offered to applicants who have registered for the housing options band C. Information can be given on request regarding which Housing Associations or developers are currently operating any of the above schemes and how applications can be made direct to a provider.

### **Homeownership or legal interest in homeownership/financial resources exemptions**

Applicants who do not qualify under the sufficient financial resources or ownership rules set out above may be considered as an exception if:

- 1) They own or part-own accommodation or have a legal interest in accommodation and
- 2) They are over state pension age or have a substantial disability; and their current home is not suitable for their specific needs and cannot be adapted and
- 3) They have insufficient financial resources to buy accommodation that meets their particular housing needs in the private market in Cheshire West and Chester despite owning a property or having income or savings above the sufficient resources thresholds set out in this policy.
- 4) They are a former member of the Armed Forces and have been awarded a lump sum for an injury or disability sustained on active service.

The exemption rules are intended to cover situations where a person owns their own home but where it is agreed by the Council that they are no longer able to manage it due to their advancing years, or due to developing a substantial disability that makes living in their home impracticable. This includes the circumstance where the proceeds from selling the home would not provide sufficient funds to purchase a more suitable alternative in the area, thus leaving that person in an unsuitable living situation.