factsheet

HOUSING OPTIONS

Low-Cost Home Ownership for People with Long-Term Disabilities - HOLD (*ref 25*)

By Claire Hall For Care Services Improvement Partnership

What is HomeBuy?
What are the Rules?
How Can I Afford to Buy?
Social HomeBuy
New Build HomeBuy
Open Market HomeBuy
Home Ownership for People with Long-Term Disabilities (HOLD)
How Do I Get More Information or Apply for HomeBuy or HOLD?
What Do I Need to Think About Before I Apply?
Can I Buy More Shares?
What If I Want to Sell?
Other Options
HomeBuy Agents

What is HomeBuy?

HomeBuy is a Government scheme to help people buy their own homes. You buy a percentage (%) and the housing association (or Registered Social Landlord - RSL) helps with the rest. You don't share your home with anyone else, unless you want; you simply share the ownership with the RSL.

This *factsheet* has been designed to help you understand more about HomeBuy.

From April 2006 HomeBuy replaces shared ownership and other similar low cost home ownership schemes that were run by housing associations.

There are 3 new HomeBuy schemes:

1. **New Build HomeBuy** – you buy a share from a housing association in a newly built home. You pay rent for the share the housing association keeps.

2. **Open Market HomeBuy** – the housing association helps you find a home that is advertised for sale on the open market. You buy it and the housing association provides 25% of the price. You may have to pay a monthly charge towards this 25%

3. **Social HomeBuy** – housing association and council social housing tenants can buy a share in the homes they currently live in. They also get a discount to help them buy. There may be rent to pay for the share the council or housing association keeps.

The Government hopes that HomeBuy will make low cost home ownership simpler, fairer and easier to afford, and that it will help more people buy their own homes. They want to help 1 million more people into home ownership by 2010. **This includes people with long-term disabilities**.

What are the Rules?

There are different rules for each HomeBuy scheme. Some of these are listed in this booklet and others will be told to you when you get information from your local housing association.

For each scheme you must show that you have enough money to cover costs like rent, mortgage, bills, food, repairs and personal expenses.

If have a long-term disability and you get certain benefits you may get help towards paying your mortgage and rent (see "How Can I Afford to Buy?" for more information about this)

Anyone who buys must also have enough savings to pay legal and survey fees. This could be £2,000 to £4,000 and will depend on where you want to live and the cost of the property you buy.

How Can I Afford to Buy?
For each scheme you will need to pay a percentage of the price of a property.

Some people have a lot of money saved up or are given money by their families, friends or have access to a Trust fund, but most people need to borrow the money from a bank or building society. This is a mortgage.

Some banks and building societies will give "interest only" mortgages to people who have long-term disabilities if they have been getting certain benefits for a long enough period of time AND they can show that their current home is not suitable because of their disability, but that their new one will be better. These benefits are:

1. Income Support for 39 weeks

OR

2. Incapacity benefit for 39 weeks

If you are working or do not get these benefits you will have to pay all or some of the mortgage yourself.

If you buy on some HomeBuy schemes you will be charged a monthly rent. If you get any of the above benefits you should get housing benefit to help with these costs. If you have a low income or get other benefits you may get some help with your rent.

Anyone who buys must also have enough savings to pay legal and survey fees.

If you get into difficulties with your money, some housing associations may be able to help you budget or put you in touch with a debt counsellor. Some may allow Social HomeBuy and New Build HomeBuy purchasers to reduce their share or even rent their property as tenants.

More Details About the Schemes -
In this section there is more information about how each scheme works.

Social HomeBuy
This scheme is for council and housing association tenants only.

The Right to Buy and Right to Acquire schemes will still be available, but some council and housing association tenants will also be able to get a discount and buy a share in the home they currently live in using Social HomeBuy.

Each Council and Housing Association landlord will decide whether it wants to offer Social HomeBuy and which of its tenants can apply. Most Councils and Housing Associations will expect you to have been a tenant for at least 2 years before you can buy. You will also have to show that you can afford the costs of buying (like survey and legal fees) and that you can afford the monthly mortgage and rent.

The shares you can buy are from 25% and 100%. If you don't buy 100% you will have to pay rent for the share that stays with your landlord.

You may also get a discount when you buy. This could be from around £2,000 to £16,000. Your landlord will be able to tell you an exact figure. If you sell within 5 years you will have to repay some or all the discount.

New Build HomeBuy
New Build HomeBuy will help people to buy a share of a newly built home. The shares you can buy are between 25% and 75%. You will have to pay rent for the share that you don't buy.
Priority will be given to:

1. Council and Housing Association tenants
2. People on the housing register
3. Key workers such as teachers, police, social workers and nurses
4. People prioritised by the Regional Housing Boards (RHBs).

Open Market HomeBuy
Open Market HomeBuy will help you buy a home that is for sale on the open market. Most people advertise their homes for sale through estate agents, in their local newspaper or on the internet.

You will be expected to pay 75% of the price, but you may be able to buy less if you can show that this is all you can afford. The housing associations meet the remaining cost, up to £50,000. Some associations will charge a rent for the share that they do not sell.

Priority will be given to:

1. Council and Housing Association tenants
2. People on the housing register
3. Key workers such as teachers, police, social workers and nurses
4. People prioritised by the Regional Housing Boards (RHBs).

Home Ownership for People with Long-Term Disabilities (HOLD)
Some of the rules about New Build and Open Market HomeBuy make it difficult for people with long-term disabilities to buy their own homes.

The Government wants to give people with long-term disabilities as much choice and housing opportunity as other people, so they have created a scheme called HOLD which makes home ownership a bit easier. If you have a long-term disability you can still apply for the other HomeBuy schemes as well.

HOLD is more flexible because it gives housing association's more freedom to let you buy a lower share (25% to 75%), choose where you want to live and the size of property you need; for example you might need an extra bedroom for a live-in carer. If suitable newly build properties are not available, you may be able to buy a property for sale on the open market.

The Housing Association should work together with Social Services or your Support Provider if you are going to need some support in your new home. This will be important to make sure that the support you need and the adaptations or alterations to the property are ready in time.

Some housing associations may also be able to provide a maintenance/repair service, which should be covered by housing benefit if you have a low income or get certain benefits.

Priority for HOLD will be given to people with long-term disabilities who are:

1. Council and Housing Association tenants
2. On the housing register
3. Key workers such as teachers, police, social workers and nurses
4. Prioritised by the Regional Housing Boards (RHBs).

How Do I Get More Information or Apply for HomeBuy or HOLD?
If you want more information about HomeBuy in your area, you will need to contact your local HomeBuy Agent. There is a list at the end of this *factsheet*.

HomeBuy Agents are housing associations chosen by the Government to hold the local waiting lists for all Government funded Low Cost Home Ownership schemes, except HOLD. They will provide information about what is available locally and will deal with applications from people interested in the schemes.

They will tell you how much income and savings you need to be able to buy a home in the area and they will assess your application form if you decide to apply. They will pass on details of interested and eligible applicants to the housing associations operating the schemes.

Some HomeBuy Agents will provide other services too.

People interested in HOLD will be able to go directly to the housing association in their area which operates the scheme. You can get information about these associations from the Housing Corporation (the Government body that over-sees the work of housing associations). Their telephone number is 0845 230 7000.

What Do I Need to Think About Before I Apply?
There are many things to plan if you want to move home. You need to think about:

- the type of home you need - flat, bungalow, house?
- the other features you need - garden, room for a carer, car parking, storage?
- where you want to live - near family, friends, work, day centre, college?

Think about the important people and places in your life and what features of a new home would make you life easier or better. You might be asked to show how your new home will be more suitable for your disability than you current home.

- who can help you complete forms, find a solicitor and mortgage lender?
- who can help you find the right property?
- who can help you pack and then move in?
- what help and support will you need when you move in and who can provide it?
- how will you manage repairs and decorating ? Will the housing association or family and friends help?
- do you have essential furniture and household items?

If you need support to live in your new home that won't be provided regularly by family or friends, you will need to contact Social Services to ask for a Community Care Assessment. This will help them to work out what you need. They will then let you know whether and how they can help you with what you need. This can take weeks or months to organise so you should contact Social Services as soon as you decide that you want to move.

If you need physical adaptations to your new home you will probably need to get an Occupational Therapist's (OT) Assessment. This will help to demonstrate to Social Services and the Housing Association (RSL) what you need and how they can help. You may be able to get a Disabled Facilities Grant (DFG) to help with the cost of some adaptations.

In some areas there are furniture and paint stores which provide basic furniture and paint to people on low incomes or benefits. Social Services will probably know of these. Some people may be able to get help with the cost of furniture and other essential household items be getting a Community Care Grant.

Can I Buy More Shares?

You will be able to increase your share in 10% amounts. The price for the share will be based on the open market value at the time, not the original price you paid.

You will have to pay all the costs involved such as stamp duty, valuer and legal fees.

If you want and can afford to you can buy 100%.

What If I Want to Sell?
You can sell at any time. Your home will be valued at the time that you want to sell and you will get your % of that price, not the original price you paid. So, you might get more or less than you paid originally. If you buy through Social HomeBuy and sell within 5 years you will have to repay some or all the discount.

Your housing association will have the right to find someone to buy from you or to buy it themselves. They will usually have about 8 weeks to let you know what they want to do.

If they don't want to buy your home or find a buyer you can sell through an agent or by advertising another way. You will split the price that you get with the housing association based on the % share you own.

You will have to pay the costs involved such as valuer and legal fees, estate agents fees, advertising, disconnection charges and removal costs. Some of these costs may be shared with the housing association.

Other Options
If there are no Housing Associations operating HOLD or HomeBuy in your area, you may still be able to become a home owner. Many Housing Associations (or RSLs) keep waiting lists of people interested in buying so that if a current owner wants to sell and move on they can be put in touch with each other. You would then buy the share that the current owner is selling.

An organisation called HOMES also keeps a list of shared owners who have registered with them and want to sell. They can be contacted on 0845 606 6161. Their website address is www.homes.org.uk

Some organisations use family funds or their own funding rather than Government funding to provide their own version of shared ownership or part buy schemes. These organisations include:

- Advance Housing Association - they can be contacted on 01993 772885.
  Their website address is www.advanceuk.org

- Golden Lane Housing - they can be contacted on 0845 6040046.
  Their website address is www.glh.org.uk

- Progress care Housing Association – they can be contacted on 01772 450889.
  Their website address is www.progressgroup.org.uk

The Key Worker Living Scheme helps key workers (such as teachers, nurses and police officers) in London, the South East and East of England to buy, rent or upgrade to a family home at an affordable price. For more information about this scheme is available on the Department of Communities and Local Government's website: www.dclg.gov.uk

The Right to Acquire Scheme gives eligible tenants of Registered Social Landlords (RSLs) the legal right to buy the home they currently rent. If you are an RSL tenant, your landlord will be able to give you more information about this scheme.

You can also get useful housing information from:

- Department of Communities and Local Government
- The Housing Corporation
- Your local HomeBuy Agent
- Your Local Authority
- Housing Options
- Mencap
- Values into Action

The HomeBuy Agents from April 2006 to March 2009 are:

Avon
New Futures Partnership: 0800 073 1315

Bedfordshire
Bedfordshire Pilgrims Housing Association: 08454 566 757

Berkshire
Catalyst (for Keystart Homes): 0845 601 7729

Birmingham
Mercian Housing Association: 0845 607 6726

Buckinghamshire and Milton Keynes
Catalyst (for Keystart Homes): 0845 601 7729

Cambridgeshire
Bedfordshire Pilgrims Housing Association: 08454 566 757

Cheshire
Riverside Housing Group: 0845 112 8800

Cornwall
West Country Housing Association: 01803 217 600

County Durham
Nomad Housing Group: 0191 229 7333

Coventry
Mercian Housing Association: 0845 607 6726

Cumbria
Eden Housing Association: 0800 3587 1400

Derbyshire, Leicestershire and Nottinghamshire
East Midlands Housing Association: 0844 892 0112

Devon
West Country Housing Association: 01803 217 600

Dorset
Knightstone Housing Association: 0800 707 6707

Dudley
Mercian Housing Association: 0845 607 6726

Essex
Moat: 07002 662 846

Gloucestershire
New Futures Partnership: 0800 073 1315

Greater Manchester
Manchester Methodist Housing Group: 0161 447 5050

Hampshire
Swaythling Housing Association: 023 8062 8000

Hereford and Worcester
West Mercia Housing Association: 0845 6585 420

Hertfordshire
Aldwyck Housing Association: 01582 869 447

Humberside
Joseph Rowntree Foundation: 0800 633 5670

Kent
Moat: 07002 662 846

Lancashire
Manchester Methodist Housing Group: 0161 447 5050

Leicestershire
East Midlands Housing Association: 0844 892 0112

Lincolnshire
Eastern Shires Housing Association: 0845 845 8000

London (East)
Metropolitan Housing Group: 0845 230 8099

London (North)
Metropolitan Housing Group: 0845 230 8099

London (South)
Tower Homes: 0845 230 8099

London (West)
Metropolitan Housing Group: 0845 230 8099

Merseyside
Plus Housing Group website: 0845 603 4559

Norfolk
Orbit: 08458 502 050

Northamptonshire
Bedfordshire Pilgrims Housing Association: 0845 456 6757

Northumberland
Nomad Housing Group: 0191 229 7333

Nottinghamshire
East Midlands Housing Association: 0844 892 0112

Oxfordshire
Catalyst (for Keystart Homes): 0845 601 7729

Sandwell and Solihull
Mercian Housing Association: 0845 607 6726

Shropshire
Mercian Housing Association: 0845 607 6726

Somerset
Knightstone Housing Association: 0800 707 6707

Staffordshire
Mercian Housing Association: 0845 607 6726

Suffolk
Orbit: 08458 502 050

Surrey
Thames Valley Housing Association: 0845 600 6699

Sussex
Moat: 07002 662 846

Tees Valley
Nomad Housing Group: 0191 229 7333

Tyne and Wear
Nomad Housing Group: 0191 229 7333

Walsall
Mercian Housing Association: 0845 607 6726

Warwickshire
Mercian Housing Association: 0845 607 6726

Wiltshire
New Futures Partnership: 0800 073 1315

Wolverhampton
Mercian Housing Association: 0845 607 6726

Yorkshire (North)
Joseph Rowntree Foundation: 0800 633 5670

Yorkshire (South and West)
Yorkshire Housing Association: 0113 243 6893

Housing Options would like to thank Claire Hall and CSIP for allowing us to include this piece in our *factsheets*.

If you require further information or have other queries contact Housing Options.

Housing Options, Stanelaw House, Sutton Lane, Sutton, Witney, Oxfordshire, OX29 5RY, United Kingdom
Telephone: +44 (0)845 4561497 E-mail: enquiries@housingoptions.org.uk

Although we try to ensure that statements as to the law and other facts are accurate this report gives general guidance and does not aim to cater for individual cases. Housing Options and our sponsors cannot accept responsibility for any loss incurred as a result of relying on such statements, specific advice should always be obtained on individual cases.

© All rights reserved. No reproduction is permitted without written permission from Housing Options.

Housing Options. Registered Charity Number 1092587