

Process for Shared Ownership

Here are some steps to help you within the Shared Ownership process. Additional advice may be required and useful contacts are provided within this document.

1. Consider the full range of housing and support possibilities that are available as part of own outcome-focused plan or Person Centred Plan to explore if independent living is desired (*see contacts for further information on independent living possibilities*).

If Shared Ownership is chosen to be explored further go to 2

2.

- Assessment of **Mental Capacity** is undertaken
- Consider daily living costs with the service user to include bills such as water rates, gas, electricity, fees, phone, and contents insurance. There are social tariffs available for water, gas, electric (*see information sheet and ways to look at approximate costs*)
- Need to explore pros and cons, for example, work, relationships (*see information sheet or see useful contacts*).
- If appropriate discuss **benefits entitlement** to check are they in receipt of DLA (ideally middle or high) and have a qualifying benefit such as Income Support or SDA (Severe Disability Allowance), Incapacity Benefit or Pension Credit and have qualified for these benefits for at least 13 weeks

If they are in receipt of Incapacity Benefit without Income Support, under 25 and on low rate DLA, it might be difficult to pursue this because someone else may have to contribute towards the mortgage. The care manager will also need to explain there may be changes to the Fairer Charging Contribution. For more information, speak to the Welfare Benefits helpline or My Safe Home (*see contact details on page 4*).

- Discuss **Support for Mortgage Interest** benefit if appropriate. For more information speak to the Welfare Benefits helpline or My Safe Home (*see contact details on page 4*).
- Explore payment of fees to enable house purchase. The fees are approx £3,000 for example;

Survey fee - £250
Booking fee - £350
Solicitors fee - £1,000
My Safe Home - £1,500 (max)
Stamp Duty - ?

- There is also need for money to purchase furniture and furnishings. Community Care Grant can be considered but is not always sufficient.
- If Shared Ownership is identified as the preferred option then go to 3, if not return to 1**

3.

- Plan for independent living. Is a referral to therapy services needed or would assistive technology be useful? Prepare a support package and calculate the cost
- The Adult Commissioning Panel agrees funding.

- The care manager makes a referral to the **Welfare Rights and Assessment Team** on the standard financial assessment form, detailing the scheme, contacts, planned dates if known, requests for assistance to apply for Community Care Grants and any other relevant information. NB. Applications for certain benefits cannot be made until an address and move date are known. The team will advise the person of their financial contribution and assist with benefit applications at an appropriate time in the process.

- Apply formally to a **Housing Association** to undertake Shared Ownership, the HA should specialise in providing shared ownership properties for people with disabilities or support needs (*see contacts*). This requires an application form and interview. Proof of earnings and or benefits is required at this meeting. An application to **My 4 walls** is also required; this is the government's HomeBuy agent for West Yorkshire on behalf of the Homes and Communities Agency. The Housing Association will provide you with the form.

- Identify property, if have not already done so, bearing in mind need, location, maintenance, state of repair, support networks, and discuss with the Housing Association, who then make an offer to the vendor.

- Check with the Housing Association about **Service Charges** and maintenance agreements.

- On the vendors agreement to the offer, a **memorandum of sale** also known as a notice of sale is produced detailing the purchase of the property chosen. The Housing Association provide you with a copy of this.

- The **Housing Association** progresses the Shared Ownership application and **My 4 Walls** check the applicant has either enough funds to support their application or is using Income Support to fund interest payments.

- On receipt of the **memorandum of sale** then contact **My Safe Home** which is a specialist mortgage advocate. They will require the completion of an application and will check the proposer of the mortgage has Mental Capacity. (*see contacts*)
- **My Safe Home** will then need the completion of a **memorandum of sale**; this should detail the Vendor, Solicitor, Agent, Housing Association and the details of the purchase. This document confirms the sale and the Housing Associations share of the sale; The Housing Association completes this alongside you.
- Appoint a specialist **Solicitor** to undertake conveyancing (*see contacts*). They will check ID and that the buyer of the property has Mental Capacity.
- **My Safe Home** then proceed to carry out the **mortgage applications** with the service user who will need to provide any documents to confirm current level of benefit, photocopies of bank statements/building society statements for the last three months and a photocopy of a passport or birth certificate. The fees are then paid to **My Safe Home** and to the **mortgage lender**.

4.

- The mortgage lender will do a **valuation** on the property and if this meets the agreed sale price then a **mortgage offer** will be made by the mortgage lender. This needs to be signed and returned.
- The solicitor will receive a copy of the mortgage offer and will complete the legal arrangements which include **searches and surveys** (10/15 working days).

5.

- Ensure any **support package** is in place and any necessary assessments to promote independent living have been undertaken.
- The solicitor will prepare the **contract** terms for the sale of the property. These are agreed, signed then **exchanged**.
- Prepare for utilities to be put in place

6.

- The mortgage company will pay the solicitor the money for the property and the sale of the property will then reach **completion**. **This will normally occur 2-4 weeks from the date of exchange of contracts.**

7.

My Safe Home will remain in contact with the service user for approximately three years to ensure that all benefits applications are successfully completed. They liaise with the Benefits Agency on the service user's behalf to ensure that there are no problems with benefit payments, in the instance that there are problems and no payments made My Safe Home act as an **advocate** and will represent the service user at any tribunal. There is no extra charge for this service.

Useful Contacts

Contact	Address	Phone	Website/email
My 4 Walls	44 Call Lane Leeds LS1 6DT	0113 243 6893	www.my4walls.org.uk
My Safe Home Limited	1 Sycamore Court Birmingham Road Coventry . CV5 9AU	02476 402211	www.mysafehome.info
Housing Options	Stanelaw House Sutton Lane Sutton Witney Oxfordshire OX29 5RY	0845 4561497	www.housingoptions.org.uk
Specialist Solicitor	Mr Neil Angel Partner Angel Wilkins LLP The Woolpack Church Street Wantage OX12 8BL	01235 775100	neil@angelwilkins.co.uk
Welfare Rights & Assessments Team		01924 307 317	

Modernisation and Development Team	Modernisation & Development - Family Services 82 Batley Road Wakefield WF2 0AE	01924 303570	lwillcox@wakefield.gov.uk dbutton@wakefield.gov.uk catherinelacy@wakefield.gov.uk
Yorkshire Housing		Christine Hayes 01924 290949	
Chevin Housing		Helen Maitland - Development Manager/ Catherine Noble 0113 2436893	
Yorkshire Water- <i>Water sure</i> - vulnerable user tariff	Customer Accounts PO Box 52, Bradford, BD3 7YD	0845 1242424	
For information on price comparisons for utility bills and social tariffs			www.energychoices.co.uk www.housing.org.uk

You can use this as a resource to help explain the process

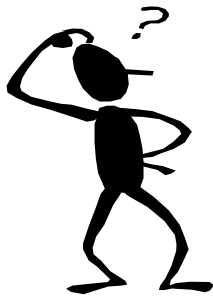
Shared Ownership

What is Shared Ownership ?

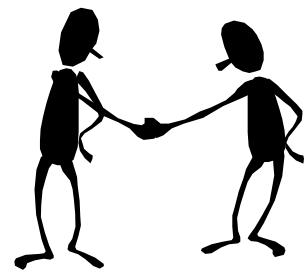
It is sharing the ownership of a home with a housing Association.

It is a housing option that provides choice, independence and long term security.

What Happens?



One person, a couple or some friends

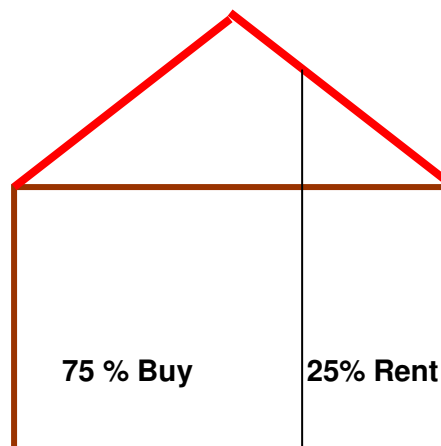


buy a share of a property and then rent the rest from a housing association.



You could buy a quarter, or a half, or a percentage - it depends what you can afford.

An example is;



The property will be jointly owned by you and the housing association.

What do you need to do?



You choose the House to meet your needs and apply to a Housing Association.

To buy a house you need a mortgage. You will have someone to help you do this on your behalf from 'My Safe Home'.

The interest on your mortgage will be paid for from Income Support. You will have someone to help you to apply for benefits.

There will be some fees to pay in advance associated with applying for a mortgage.
(Survey, Solicitor, Brokering, Mortgage Booking Fee)
The maximum it will be is £3,000.



You then rent a proportion of the cost of the property from a housing association and pay a service charge for rent and maintenance. You can get Housing Benefit to pay for these.

Can you do this?

You can if you are in receipt of or entitled to Income Support and DLA.

Is there anything else I should know?

- *What happens if I get a job?*

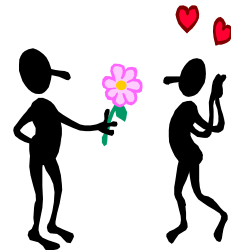


This could affect your benefits and your income from your job would need to cover your mortgage payments. You may be entitled to earnings from 'Permitted Work' and you would need to seek advice on this.

- *What happens if I start a relationship?*

If you form a relationship with another person and you decide that you want to enter into living together, you can do this.

The mortgage however remains in your name only and you remain the home owner.



Once you are living together if anything happens to you (i.e. in the event of death) as the holder of the mortgage and home owner, then the house will be sold so that the mortgage can be paid.

This might mean your partner is made homeless. However, you can protect your partner by getting financial advice and using life insurance, this will be an extra payment on top of your mortgage.

- *Could I make or lose money?*

You would normally need to pay for the initial fees and any furnishings you require.

If you sell your house in the future, then the money from the sale firstly pays off your mortgage. If house prices have risen in value since you bought your house and it is now worth more than when you bought it, then you could make money!



However, if house prices fall, then this could mean your mortgage is of a higher value than the house. As before, the mortgage is paid first and in this case it would be the Housing Association that could lose some money.

- *What if I want to buy my property with someone else?*







You can do this and you would share the cost of your mortgage and rent, but if you are not married you need to make an individual agreement between you and your partner or friend. A solicitor would help you do this. This would include in it what each of your obligations are in the event of any changes. You would both need to have a mortgage.

- *Who can help me to do this*

You will need a care manager and they will ensure that your support package is in place for when you move in. They will put you in touch with a specialist mortgage advocate, such as 'My Safe Home'. Your care manager will make the referral to the Welfare Benefits and Assessment Team who will arrange all your benefits.

You can use this as a resource to plan moving house

The house buying process

<p>Time line</p>	 <p>Decide where you want to live and who you want to live with. Decide if you are going to rent or buy a property or use shared ownership</p>
↓	<p>Arrange who will lend you the money to buy the property</p>  <p>and meet with a financial advisor to arrange this</p>
↓	<p>Appoint a solicitor</p> 
↓	<p>The mortgage company will arrange to value the property</p>  <p>A mortgage offer is then made</p>
↓	<p>The solicitor will then arrange to do a survey of the</p>  <p>property and carry out searches</p>
↓	<p>Once the contract terms have been agreed,</p>  <p>the contracts can be exchanged</p>
↓	<p>The mortgage company will pay the solicitor the money for the property and the sale of the property will then reach completion.</p> <p>You can then move in</p> 