

# WICKHAM COMMUNITY LAND TRUST

## Tenancy and Shared Ownership Standard Policy

Approved: Dec 2011

Last reviewed: Feb 2021

Next review: Feb 2023

Available on WCLT website.

### 1. Wickham Community Land Trust's Mission

Wickham Community Land Trust's Mission is dedicated to the provision of affordable housing in Wickham to relieve the financial hardship of eligible beneficiaries living in the village, surrounding area or with employment in the area; holding the property for long term public good and protecting it from the damaging effects of asset price inflation and speculation and thereby enabling the provision of affordable housing now and for subsequent generations. We do not therefore operate any right to buy or other similar scheme.

In allocating homes Wickham Community Land Trust (WCLT) undertakes to meet the housing needs of its benefiting households, to make the best use of its available housing stock and to contribute to the public benefit of Wickham and its sustainability as a community. WCLT homes are made available on an intermediate rental or shared ownership basis appropriate to the financial circumstances of the applicant.

### 2. Applying for a Wickham CLT home

Please see the separate Allocation Policy for the selection criteria, application and appeals processes.

WCLT is not part of Winchester City Council's (WCC) choice-based scheme (Hampshire Home Choice). WCLT does however welcome applications from those on WCC's choice-based scheme who have a relevant local connection.

Applicants for WCLT intermediate rent and shared ownership properties must also be registered with the zone agent for these properties, currently Home Buy South.

### 3. Application Form

All applicants must complete a WCLT application form.

The WCLT's application form has been drawn up in co-operation with Winchester City Council. The Allocation Policy and the guidance notes explain how to apply, how decisions are made and the appeals procedure. The form is regularly reviewed as part of WCLT's on-going Monitoring and Review processes and on advice from the Local Authority.

The latest version is available on the WCLT website or a paper copy can be provided. WCLT can provide help with completing the form.



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#### **4. Recording and Reporting Lettings and Sales**

WCLT will maintain a record of all lettings and sales. Details of the successful applicant are provided to Home Buy South (with whom the applicant is also registered). In addition, when a property is let or shared ownership agreed, WCLT will inform the Parish Council and Winchester City Council of the number of applicants and the local connection criteria which have been met.

### **RENTAL PROPERTIES**

#### **5. Tenancies**

WCLT will offer and issue tenancy agreements which offer reasonable security to the eligible households and which are compatible with the purpose of providing affordable housing and enhancing the sustainability of the community. WCLT undertakes to meet all applicable statutory and legal requirements in relation to the form and use of tenancy agreements.

WCLT will support tenants as far as is practically and reasonably possible to maintain their tenancy

If the tenant abandons the property, or otherwise fails to use it as their only or principal home, the tenancy is no longer assured. WCLT will exercise its right to re-entry and regaining possession.

In order to enable WCLT to meet its charitable objectives to house local people, or those working in the area, WCLT cannot permit exchanges or transfers with tenants of other landlords. All such requests would have to go through the normal allocation and application procedures.

##### **5.1 Starter Tenancy (for all new lettings since 2018)**

Rental properties will be let initially on a starter tenancy. These will be offered to newly qualified applicants for WCLT housing.

This is a rolling monthly tenancy. If the tenancy is maintained to WCLT's satisfaction and the tenant's circumstances have not changed, then, following a review meeting with the tenant, a five year fixed term assured shorthold tenancy will be offered (usually after a year but the starter tenancy may be extended).

The tenancy review during the starter tenancy period will work both ways: enabling WCLT to review the householder's circumstances and whether they have changed or not, and for tenant(s) to assess whether or not the property continues to meet their needs.

If it becomes clear to WCLT that the tenancy is not being maintained to a satisfactory level or there are rent arrears WCLT may give notice to the tenant either under section 21 of the Housing Act (which requires 2 months notice) or under one of the other grounds for seeking possession set out in the Starter Tenancy.

The tenant may end their starter tenancy by giving the Trust at least one month's notice ending on the last day of the month that they want to end this tenancy. The tenant must allow the Trust, with or without prospective tenants, to inspect the property before the one month notice period ends. If the tenant leaves before one month's notice has been given they must pay the rent as if they had given one month's notice. The Trust will require the tenant to give WCLT possession of the property at the end of the tenancy. The Trust prefers notice to be given using the



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"Notice to Quit Form".

**Please note:** If you are a joint tenant, a Notice to Quit signed by one tenant will end the tenancy for both tenants. Please contact the Trust before taking any action.

**See also section 11 below "Leaving the property".**

## 5.2 Fixed term tenancy

The fixed term tenancy will be for a five year term (or less if the starter tenancy is extended beyond one year), making for six years in all from the outset of the starter tenancy. The fixed term tenancies issued after 2018 are slightly different, reflecting updates due to legislation and changes to the Starter Tenancy.

**If your tenancy is ending see also section 11 "Leaving the property".**

## 5.3 The Fixed Term Tenancy Review

The fixed term tenancy review will take place approximately 12 months before the end of the fixed term tenancy. The review will work both ways enabling WCLT to review the householder's circumstances and whether they have changed or not, and for tenant(s) to assess whether or not the property continues to meet their needs.

This can open up the possibility for the tenant to move to a smaller/larger property according to their need and ability to afford and to free up a home for another household in need, thus addressing issues of under-occupancy/over-crowding, this is subject to consideration of the resources available to the Trust at the time.

If WCLT determines the tenant's circumstances do not justify a renewal of the tenancy and the Trust is to seek possession at the end of the fixed term tenancy a Section 21 notice will be served at least two months before the end of the fixed term. WCLT will offer the tenant reasonable advice and assistance to identify suitable alternative accommodation. If WCLT considers, as the end of term approaches, that it is appropriate to continue to house the tenant but in a different WCLT property, they will offer this option if a suitable property is available.

The Housing Sub-Committee of the Board will conduct tenancy reviews.

Review will include at least one visit to the property and, where appropriate, the collection of documentary evidence to verify the tenant's circumstances or change of circumstances. The decision will include a face to face interview.

Review Criteria:

- Under-occupation by one or more bedrooms
- Over-occupation
- Adaptations – where a property has been extensively adapted for someone with a disability who no longer lives at the property
- Financial – a) the tenant alone or tenant and partner has/have an (a combined) income/assets/savings which provides an income of which 30% would enable them to pursue another form of tenure or b) if the property is unaffordable.
- Conduct – where there is evidence of tenancy breaches (although these must have been addressed during the course of the tenancy and steps taken prior to the review).

In considering the above, WCLT will weigh the option of allowing the tenant to remain in their own home where appropriate.



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## Appeal Process

- (1) All tenants have the right to request information about their tenancy review, including the reasons for not renewing and the circumstances that were taken into account in the decision process.
- (2) If the tenant feels the decision made about their renewal is unfair, they may submit an appeal, in writing to WCLT within 7 days of the decision, providing reasons.
- (3) A formal review of the decision can be made up to 21 days after the service of notice, with a panel of at least two WCLT Board members hearing the appeal. Members of the Appeals Panel will not have been involved in the Review Process. The decision of the Appeals Panel will be binding on all parties.
- (4) Tenants will be given the opportunity to request an oral hearing where they have the right to be accompanied or represented by another person.
- (5) Notification of the panel's decision will be provided in writing, giving reasons for the decision, before the date specified in the notice after which possession proceedings can begin, and ideally within twenty-one days of the appeal panel meeting or twenty-one days of the oral hearing.

## 5.4 Ending a fixed term tenancy before the end of the term

### 5.4.1 Surrender by a tenant or both joint tenants

The tenancy can be ended by an offer of surrender by the tenant in writing and its acceptance by WCLT, also in writing. A tenant wishing to leave during the term should make a formal offer of surrender in writing to WCLT. WCLT accepts it would be good practice to accept this provided:

- a) a reasonable amount of notice (at least 1 calendar month) has been given
- b) there are no arrears or other outstanding issues.

The surrender notice period will not begin before the date it is accepted in writing by WCLT.

WCLT may not accept an offer of surrender if there are outstanding issues, for instance if the tenant will not agree properly to vacate the premises in a manner consistent with the tenancy agreement. WCLT will charge rent up to the date the Trust decides the tenancy will end.

### 5.4.2 Assignment of a joint tenancy

If it is a joint tenancy and only one party is leaving, both parties must let WCLT know so that the departing tenant can assign the tenancy to the person who is staying. The process for assigning a joint tenancy is:

- Both parties to let WCLT know which of the joint tenants wishes to stay and which is departing
- WCLT to provide the joint tenants with the necessary Deed of Assignment
- Both tenants to complete as appropriate and sign the Deed of Assignment and return it to WCLT
- WCLT's approval and signing of the Deed of Assignment is necessary before this can come into effect.



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### **5.4.3 Court order before the end of the fixed term**

The Tenancy can be ended by WCLT before the expiry of the fixed term by getting a court order for possession, if:

- the rent or other charges payable shall remain unpaid, wholly or in part for 14 days after becoming due, whether formally demanded or not
- you do not or cease to use the Property as your only or principal home
- any of the grounds for possession listed in Schedule 2 to the Housing Act 1988 applies.

## **6. Rent and Rent Increases**

**6.1** WCLT's intermediate rents are set at a maximum of 80% of open market levels. This affordable rent level will be decided after consideration of the location, size, condition and area of the property, ensuring that the rental level will be set in accordance with a RICS recognised method.

**6.2** The rent level will be calculated exclusive of service charges. Existing rents for social rent will act as a floor so that no affordable rent charged by WCLT will be lower than current target rent levels for social rent.

**6.3** WCLT will provide clear information for tenants that explains how their rent and any service charge is set, and how it is changed, including reference to the CPI benchmark to which annual changes to rents will be linked.

**6.4** The tenancy agreement will make specific provision for rent increases, with WCLT undertaking to write to the tenant at least a month before the increase is due to take effect. WCLT undertakes to specify the new rent clearly and the date when it will take effect.

**6.5** The maximum annual rent increase for WCLT's intermediate rents will be in accordance with the Regulator of Social Housing's (RSH) Guidance wherever possible or in accordance with the advice of other relevant statutory body providing guidance at any one time.

**6.6** WCLT will re-base the rent each time a new tenancy is granted and this will include when a re-grant to the same tenant at the end of a fixed term is made.

**6.7** The tenant(s) will also be liable to pay estate and service charges.

## **7. Landlord and Tenant Obligations**

**7.1** The tenant will be under an obligation:

- to pay the rent and other charges, including the service and estate charge
- to reside at the premises as their only or principal home
- to refrain from causing a nuisance to neighbours
- to refrain from damaging the property
- not to sub-let
- not to allow more than the specified number of persons to reside at the premises
- to obtain written consent from the Trust before keeping any animals at the Premises; keep under control any animals kept at the premises. Consent may be withdrawn if the animal causes any disturbance to neighbours, nuisance or



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- damage. Tenants will not be permitted to keep a dog in a one bed-room flat
- to keep the interior of the property in good condition and keep it in good decorative order
- to make good any damage to the premises or fixtures and fittings caused by the Tenant or member of household or visitor, with the exception of fair wear and tear, and pay any costs reasonably incurred
- to report to the Trust promptly any disrepair or defect for which the Trust is responsible.

## 7.2 WCLT undertakes to:

- respect the tenant's right of quiet enjoyment
- keep the property in good or reasonable repair
- keep in repair and proper working order any installation provided by the Trust for heating, water heating and sanitation
- keep the exterior of the premises and common parts in good state of decoration or condition
- engage with tenants throughout their term to take stock routinely of any changes in the tenants' circumstances that are likely to have a bearing on the decision of whether to renew the tenancy
- ensure the tenants' housing needs continue to be met
- be ready to furnish tenants with reasonable advice and assistance, if it becomes clear that their needs can be achieved outside the affordable housing sector.

## 8. Succession

Statutory Succession applies when a sole tenant, who is not a successor, dies leaving a spouse or civil partner (or the common-law equivalent) who resides at the premises at the time of the tenant's death. In such a case, the tenancy will vest in the spouse or partner. This will only apply to a sole tenant – it does not take priority over survivorship in the case of a joint tenancy. It will also not apply if the tenant is already a successor (and a former joint tenant that became a sole tenant by survivorship counts as a successor for this purpose). This means that other resident household members will no longer have a statutory right to succeed in the absence of a resident spouse or partner.

## 9. Tenancy Deposit Protection Scheme

If WCLT decides to take deposits WCLT will sign up to a Tenancy Deposit Protection Scheme in order to provide their tenants with protection.

## 10. Management of Rented Properties

- 10.1** WCLT may employ a local Management Agent to deal with the day to day management of the properties and in its contract with the Manager will set out WCLT's specific expectations to ensure the properties remain 'decent homes', continue to meet the needs of the tenants and maintain WCLT's housing stock in good condition.
- 10.2** With the tenancy agreements being of a fixed term less than 7 years, WCLT recognises its responsibility for repairs and maintenance under Section 11, Landlord and Tenant Act 1985, its obligation to provide Energy Performance Certificates to all new tenants and to ensure that all 'white' goods supplied by WCLT are safe to use.



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## 11. Leaving the property

When the tenant tells the Trust that he/she is leaving the property, WCLT will inspect or will arrange for their Managing Agent to come and inspect it and let the tenant know if any repairs or restoration works need to be made. This will give the tenant the chance to put things right before leaving. The tenant may be charged for any repairs or restoration work that is needed.

The flat or house must be empty and clean when the tenant leaves. This means that the property and fixtures and fittings must be in a good lettable condition and repair.

The tenant must remove all personal belongings from the property. We will charge the cost of removing belongings if the tenant leaves anything behind. If personal belongings are left behind WCLT may pursue legal remedies for civil trespass as well as breach of tenancy.

The departing tenant is instructed as follows:

- Please provide a forwarding address.
- Please close and lock all doors and windows on leaving.
- Please leave in the home the folders of information relating to the property and equipment therein.
- Please return all sets of keys to our Managing Agent. If the keys are not returned, the tenant will be responsible for paying the rent until such time as all the keys are returned. Keys will be accepted conditionally on the property being empty.
- Please contact any service suppliers and ask them to come and take a final electricity/water meter reading.
- Please arrange for your post to be forwarded to your new address.

## **SHARED OWNERSHIP PROPERTIES**

### 12. Shared Ownership

#### 12.1 Share percentage for sale and rent for remaining equity

Under shared ownership the 'buyer' buys a share of the home and pays rent on the remaining share. WCLT makes a number of homes available for sale under this method, with a share level of 50% available for sale, with a rent charge up to a level set in the Homes England approved lease for the remaining equity.

#### 12.2 Rent Review

The leases cite April as the month of review. WCLT will keep the percentage level and rate of rent under review as part of its Monitoring and Review process and as per leases.

#### 12.3 Service Charges and Buildings Insurance

The shared owner will be liable to pay service and estate charges, and also for their property's share of the buildings insurance as determined by WCLT. Please note that in the event of a claim under the buildings insurance the shared owner will be liable for any excess set out in the policy.

### 13. Leaseholder and Landlord responsibilities

The property part bought through shared ownership will be leasehold and the leasehold



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agreement will set out both tenant's and WCLT's responsibilities as landlord.

**13.1** In general terms, the obligations will be that the leaseholder should:

- maintain mortgage payments to the satisfaction of the lender with whom a shared ownership mortgage has been arranged
- pay the rent on the remaining equity held by the Trust
- pay the service and estate charge
- reimburse the Trust for the appropriate element of the buildings insurance
- repair and maintain the property at their sole expense
- refrain from causing a nuisance to neighbours.

**13.2** WCLT undertakes to:

- respect the tenant's right of quiet enjoyment
- keep the leaseholder informed of the service and estate charges
- if applicable, repaint exterior doors and repair or replace fencing adjacent to communal areas
- take out buildings insurance against loss or damage by fire and other such risks.

## **14. Increasing the percentage share**

Leasehold purchasers will be able to buy further shares in the property or 'staircase' up to a ceiling of 80%.

## **15. Selling the share**

**15.1** If the leaseholder wishes to sell their share, they must notify WCLT in writing and WCLT may elect to buy the equity share back, i.e. right of first refusal, subject to an up to date independent survey. This is crucial to the Trust's aim to hold these properties for the long term, both for current generations and for future generations.

**15.2** In the event that WCLT chooses not to purchase the lessee can sell to a person nominated by the Trust.

**15.3** When these properties become available they should be advertised through WCLT, on the Zone's Agent's website and locally to seek a buyer who meets WCLT's Housing Needs Criteria as set out in WCLT's Allocation Policy. For more detail see WCLT's Allocation Policy.

## **16. Involvement of Leaseholders**

WCLT values their shared owners views and contribution for example in relation to relevant Resident Involvement and Neighbourhood issues.

### **Related WCLT Documents and Policies**

Housing Allocation Policy

Resident Involvement and Empowerment Policy

Home Standard Policy

Complaints Policy

WCLT Application Form and Guidance Notes



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