

**Affordable Housing under Part 5 of the Housing (Miscellaneous Provisions) Act 2009**

**DRAFT Guidelines under section 5 of the Housing (Miscellaneous Provisions) Act 2009**

Draft only for the purposes of LA Workshop Discussion 7/04/2019

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## 1. Introduction

**Part 5 of the Housing (Miscellaneous Provisions) Act 2009** (henceforth referred to as “the Act”), Affordable Housing, was commenced with effect from 18 June 2018 (S.I. 206 of 2018, signed 15<sup>th</sup> June 2018).

In tandem with this, provisions in Housing Acts and the Planning and Development Act 2000 relating to affordable housing were repealed – S.I. 350 of 2018, signed 12<sup>th</sup> September 2018.<sup>1</sup>

Part 5 requires a number of matters to be prescribed by the Minister. The **Housing (Miscellaneous Provisions) Act 2009 (Part 5) Regulations 2019 (S.I. 81 of 2019)** were signed by the Minister on 12<sup>th</sup> March 2019 and prescribe a number of matters under Part 5, including matter relating to the schemes of priority, which are required to be made by housing authorities pursuant to section 85 of the Housing (Miscellaneous Provisions) Act 2009,”.

The purpose of these Guidelines is to explain and give guidance on Part 5 of the Act and the above Regulations. Further Regulations will be required to be made under Part 5.

These further regulations will include but are not limited to:

- the assessment of eligibility of households in respect of an affordable dwelling purchase arrangement;
- how a housing authority will determine the purchase price of a dwelling;
- the form of a transfer order;
- the form and content of a charging order;
- the amount to be prescribed in respect of a payment under section 87;
- the form and manner in which a purchaser shall notify a housing authority of his or her proposal to make a payment under section 87.

These will be made in the coming months, and these Guidelines will be updated when further Regulations have been made.

These Guidelines are issued by the Minister for Housing, Planning and Local Government under section 5 of the Housing (Miscellaneous Provisions) Act 2009, and housing authorities are required to have regard to them in carrying out their functions under Part 5.

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<sup>1</sup> Sections 2 and 3 of the Housing (Miscellaneous Provisions) Act 1992 (No. 18 of 1992), sections 98, 99 and 100 of the Planning and Development Act 2000 (No. 30 of 2000) and sections 6, 8, 9 and 10 of the Housing (Miscellaneous Provisions) Act 2002 (No. 9 of 2002). However these provisions continue to operate, as appropriate, in respect of shared ownership leases granted before the repeal and affordable housing sold/leased before the repeal.

## 2. Overview of Part 5 of the Act

Part 5 of the Housing (Miscellaneous Provisions) Act, 2009 (as amended) is attached as Appendix 1 to these Guidelines. The full Act, as amended, is available as a Revised Act on the website of the Law Reform Commission at:

<http://revisedacts.lawreform.ie/eli/2009/act/22/revised/en/pdf?annotations=true>

Part 5 comprises 19 sections, sections 78 to 96 (inclusive).

**Section 78** sets out definitions for the purpose of the Part.

### ***Power of housing authorities to make dwelling available for sale under affordable dwelling purchase arrangements and to provide/facilitate provision of dwellings for the purpose***

**Section 79** empowers housing authorities to make dwellings available for the purpose of sale to eligible\* households under affordable dwelling purchase arrangements and to (in accordance with the Housing Acts and any relevant regulations) acquire, build or cause to be built, or otherwise provide/facilitate the provision of, dwellings for such sale.

A housing authority may enter into arrangements with an Approved Housing Body or a public private partnership in order to provide dwellings for sale to eligible households.

\*an eligible household being a household (household is defined in section 84(1)) which has been assessed by a housing authority under *section 84* as being eligible for an affordable dwelling purchase arrangement.

### ***Direct sales arrangements***

**Section 80** deals with direct sales arrangements and provides that a housing authority may make an agreement with a person, or a public private partnership, with whom it has entered into a contract or an arrangement, respectively, for the provision of dwellings, for the direct sale of such dwellings to eligible purchasers.

It provides similarly in relation to developers with whom the housing authority has entered into an agreement under Part V of the Planning and Development Act 2000: however housing authorities have been advised, most recently in the Part V Guidelines issued in January 2017, ***that Part V should be used only for the provision of social housing***.

The price to be paid by the purchaser means the monetary value of the proportion of the purchase price of the dwelling fixed by the housing authority as the proportion that is required to be paid by an eligible household to purchase the dwelling: this sum is referred to as the **“purchase money”**. The amount of the discount off market value to be applied is therefore a matter for the housing authority.

### ***Power of housing authority to provide financial assistance to purchase dwelling on open market***

**Section 81** provides that a housing authority may provide financial assistance to an eligible household to purchase a dwelling on the open market. However, as stated in Circular APH 01/2019, the Minister considers that this provision should not be operationalised at this time given the pre-existence of the Revenue Tax Rebate Help to Buy Scheme.

### ***Dwelling covered by Part 5***

**Section 82** sets out the affordable dwellings covered by Part 5. These are:

- dwellings provided under section 79<sup>2</sup>;
- dwellings to which a Part V agreement applies (but see above);
- dwellings made available for sale under Part 2 of the Housing (Miscellaneous Provisions) Act 2002 but not yet sold at 18 June 2018; and
- open market dwellings (see above under section 81).

***Power of housing authority to enter into affordable dwelling purchase arrangement***

**Section 83** provides that a housing authority may enter into an arrangement (referred to as an “affordable dwelling purchase arrangement”) for the sale of an affordable dwelling to an eligible household in accordance with a scheme of priority.

In the case of a dwelling the subject of a direct sales agreement, the dwelling may be sold to the purchaser, for the purchase money, by the person or public private partnership with whom the housing authority has entered into a contract or an arrangement under section 79 (or under Part V of the Planning and Development Act 2000, see above) for the provision of the dwelling.

Similarly, a dwelling provided by the housing authority under section 79 may be transferred (by means of a transfer order, **the form of which must be prescribed**) to the purchaser in consideration of receipt of the purchase money. Both transactions must be subject to a charging order (**the form of which must also be prescribed**) and also to the following conditions:

- that where the purchaser sells the dwelling during the charged period, the purchaser will pay to the housing authority an amount calculated in accordance with section 90;
- that the dwelling will, during the charged period, unless the housing authority gives its prior written consent, be occupied as the normal place of residence of the purchaser or of a member of the purchaser’s household;
- that the dwelling or any part of it will not be let or sublet during the charged period, without the prior written consent of the housing authority;
- terms and conditions relating to the making of payments under *sections 87, 89 or 90*, as the case may be, and the consequences for the purchaser of failure to make those payments.

Further conditions may also be included:

- that the dwelling or any part thereof will not, during the charged period, without the prior written consent of the housing authority, be sold, assigned or otherwise disposed of or mortgaged, charged or alienated, otherwise than by devise or operation of the law;
- terms and conditions relating to the payment by the eligible household of a deposit of such amount as may be prescribed under *section 95(1)(e)*.

The Minister may also prescribe further conditions.

This section also provides that the sale of a dwelling under the section does not imply warranty on the part of the housing authority concerned in relation to the state of repair/condition of the dwelling.

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<sup>2</sup>i.e. acquired, built, commissioned etc. by the housing authority for the for the purpose of sale under an affordable dwelling purchase arrangement.

It also provides that section 211(2) of the Planning and Development Act 2000 and section 183 of the Local Government Act 2001 (provisions in relation to disposal of land by a housing authority) will not apply to the sale of a dwelling to a household under an affordable dwelling purchase arrangement

(Note this section also applies to affordable dwellings the subject of a Part V agreement, and open market dwellings, but as stated above, it is not intended that these powers should be used at this time).

### ***Assessment of eligibility of household***

**Section 84** deals with assessment of eligibility of households for affordable dwelling purchase arrangements. Eligibility conditions include the following:

- a household's income must be such that it is inadequate to meet the repayments on a mortgage<sup>3</sup> for the purchase of a dwelling to meet the accommodation needs of the household, because the payments calculated over the course of a year would exceed 35 per cent of the annual income of the household net of income tax and pay related social insurance.
- the household or any household member must not have previously purchased or built a house in the state unless:
  - the household or any member of the household was a spouse to a marriage the subject of a deed of separation, a decree of judicial separation, a decree of divorce or a decree of nullity, provided that, in relation to the former family home (within the meaning of the Family Home Protection Act 1976), the spouse concerned has not retained an interest in that home, and immediately before the date of the deed of separation or decree concerned is not beneficially entitled to an interest in a dwelling other than the said family home, or
  - the household or any household member previously purchased a dwelling under an affordable dwelling purchase arrangement but is now required to move to either a different dwelling or different administrative area or both.
- The household or any member of the household must not own or be beneficially entitled to an interest in any dwelling or land in the State or elsewhere.
- Whether the household the household has sufficient assets to defray all or any or any part of the cost of providing accommodation to meet the accommodation needs of the household shall be taken into account.

Regulations will be made in relation to how the housing authority will determine the purchase price of a dwelling suitable to a household's accommodation needs, for the purpose of determining whether the payments on a mortgage for the purchase of such a dwelling calculated over the course of a year would exceed 35 per cent of the annual income of the household net income. Regulations will also prescribe the term of the mortgage (e.g. 25 years) to be used, and how to establish the interest rate to be used, for the purpose of such a calculation. **When these Regulations are made it will be possible for housing authorities to give indicative upper income limits in relation to eligibility for units that it is advertising for sale.**

Regulation 4 of the Housing (Miscellaneous Provisions) Act 2009 (Part 5) Regulations 2019 prescribe some matters in relation assessment of eligibility/processing of applications: this is covered in Section 3 below.

### ***Scheme of priority***

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<sup>3</sup> "mortgage" means a loan for the purchase of a dwelling of an amount not exceeding 90 per cent of the market value of the dwelling.

**Section 85** provides for the making of a scheme of priority determining the order of priority to be accorded to eligible households in relation to the sale of affordable dwellings (and the provision of financial assistance to purchase open market dwellings). Regulation 5 of the Housing (Miscellaneous Provisions) Act 2009 (Part 5) Regulations 2019 has prescribed matters in relation to a scheme of priority, the making of which is a reserved function, and this is covered in Section 3 below. Regulation 6 provides similarly in relation to the provision of financial assistance to purchase dwellings on the open market: as stated above this provision should not be operationalised at this time, however section 85 requires that the scheme of priority include this matter.

### ***Charging order***

**Section 86** provides that the housing authority will, as soon as possible after an affordable dwelling is sold to an eligible household under an affordable dwelling purchase arrangement, make an order (referred to as a “charging order”) charging the dwelling (for the period specified in the order which cannot be less than 25 years from the date of sale – see section 95) with an amount equal to the difference between the **purchase money** and the market value of the dwelling at the date of the discharge of the charge, expressed as a % of said market value, calculated as follows:

$$\frac{(\text{Difference between purchase money and the market value of the at time of sale}) \times 100}{\text{Market value}}$$

### ***Example***

Where a dwelling whose market value is €300,000 is sold to an affordable purchaser for €220,000 the % charge will be 26.66% (€80,000 – the discount off market value - multiplied by 100, then divided by €300,000) of the market value at the date of discharge of the charge. In this case, if the market value of the unit has increased to €340,000 at the date of discharge, the amount repayable will be €90,644 (26.66% of €340,000). However, if the market value of the house has decreased to €270,000 at the date of discharge, the amount repayable will be €71,982 (26.66% of €270,000).

The charge must be discharged by the housing authority on the earlier of (a) the first resale of the dwelling (subject to section 90), the repayment in full of the amount of the charge outstanding under the charging order, or the expiration of the charged period (subject to section 89).

### ***Payments by purchaser during charging period***

**Section 87** deals with payments by purchaser during the charged period and sets out how the purchaser may pay down the charge over the charge period. Repayments may begin five years after purchase; **the minimum payment will be prescribed in Regulations**. When a purchaser wishes to make a payment, he/she must notify the housing authority, **on a form that will be prescribed**, specifying the amount of the proposed payment. Within one month the housing authority will give a written statement to the purchaser, setting out the prevailing market value (or where material improvements have been carried out, the net prevailing market value) of the dwelling, determined by the housing authority, and, taking account of the amount of the proposed payment, the % of the charge which will remain outstanding under the charging order following the payment. The amount outstanding will be calculated by deducting Z from Y where:

Y is the amount of the charge in the charging order (or a reduced amount set out in a previous statement given under this section) and

Z is the percentage which the proposed payment represents of the prevailing market value (or where material improvements have been carried out, the net prevailing market value of the dwelling).

### ***Example:***

The price paid by the affordable purchaser for the dwelling (the **purchase money**) was €250,000 and the market value of the dwelling at the time of the sale was €320,000, and in accordance with section 86 the dwelling was charged with **21.87%** of market value at date of discharge (Y). Six years later the purchaser wishes to pay off €15,000. The housing authority assesses that the market value of the dwelling is now €340,000; €15,000 is **4.41%** (Z) of €340,000 (Z). According the charge (Y) of 21.87% (Y) is reduced by 4.41% (Z) and is now 17.46%

The housing authority is liable for expenses incurred under the section, including the valuation of the dwelling.

### ***Registration of charging orders and agreements with financial institutions***

**Section 88** provides that a charging order will be deemed to be a mortgage made by deed within the meaning of the Conveyancing Acts 1881 to 1911 and to have been executed, at the time of the sale of the dwelling. Where a housing authority makes a charging order, it must as soon as possible have the order registered in the Registry of Deeds or the Land Registry, as appropriate. The charge by the housing authority would accordingly have first priority. However a housing authority may enter into an agreement with a bank or building society or other financial institution that a charge proposed to be created by the bank, building society etc. by a charging order will have priority, where this will enable an eligible household to

- obtain an advance of moneys from the financial institution concerned to purchase the affordable dwelling in question;
- refinance an existing advance of moneys;
- obtain a further advance of monies.

### ***Repayment at the end of the charged period***

**Section 89** provides that the purchaser must repay the outstanding charge to the housing authority within 1 month of the expiration of the charged period. Where material improvements have been made to the dwelling, the purchaser shall pay to the housing authority an amount equal to that proportion of the net market value of the dwelling as corresponds to the amount of the charge outstanding under the charging order on the date of expiration of the charged period.

### ***Control on resale of dwelling***

**Section 90** provides that where purchaser resells the dwelling before the expiration of the charged period, and the charging order has not been discharged, the purchaser must pay an amount equal to a percentage of the market value, such percentage being the equivalent of the amount of the charge outstanding under the charging order to the housing authority –e.g. where the outstanding charge is 25%, the purchaser must pay 25% of market value.

### ***Recovery of amounts due to housing authority***

**Section 91** provides for the recovery of amounts owed by the housing authority from the person who purchased the affordable dwelling due as a simple contract debt in any court of competent jurisdiction.

### ***Determination of valuation of dwelling***

**Section 92** provides that the determination of the market value at all relevant times is a matter for the housing authority: however where the purchaser does not agree with the value determined by the housing authority, he/she may, at his/her own expense nominate a valuer from a panel of suitably qualified persons established by the housing authority, who are of a class or description prescribed under section 95. **Regulations will be made prescribing the classes or descriptions of persons who are suitably qualified.**

### ***Deed of discharge of charging order***

**Section 93** provides that when the terms and conditions of the affordable dwelling purchase arrangement and of the charging order having been complied with, the housing authority will execute a deed of discharge in respect of the charging order when requested to do so by the purchaser.

### ***Affordable Dwellings Purchase Fund***

**Section 94** deals with the Affordable Dwellings Purchase Fund, established on the coming into operation of Part 5. Housing authorities will pay into the Fund any moneys paid by purchasers for affordable dwellings under Part 5.

Housing authorities must also pay into the fund:

- in the case of dwellings purchased under section 3 of the Housing (Miscellaneous Provisions) Act 1992 - any moneys paid prior the commencement of Part 5 - i.e. 18 June 2018 - in accordance with section 10 of the Housing (Miscellaneous Provisions) Act 2002;
- any moneys paid prior to 18 June 2018 in accordance with section 99(4) of the Planning and Development Act 2000, and
- in the case of dwellings purchased under Part 2 of the Housing (Miscellaneous Provisions) Act 2002 - any moneys paid prior to 18 June 2018 in accordance with section 9 of that Act before the said coming into operation.

These refer to payments made under the previous “clawback” arrangements.

Housing authorities may also may make payment into the Fund from an account established pursuant to section 96(12) of the Planning and Development Act 2000 (monetary contributions received pursuant to Part V agreements). The Housing Finance Agency plc will manage and control the fund and may advance moneys from the Fund to housing authorities for the purposes of providing housing support under this Act.

### ***Regulations***

**Section 95** allows the Minister to make Regulations in relation to a range of matters. These include the following:

- the class or classes of households with whom affordable dwelling purchase arrangements may be entered into;
- the minimum and maximum of the amount which may be charged under a charging order (the maximum may not exceed 40 per cent of the market value of the dwelling);
- the form and manner of, and the terms and conditions to be specified in affordable dwelling purchase arrangements, including the provision of mortgage protection insurance, and the minimum deposit payable by the household in respect of the purchase of an affordable dwelling;
- the form of a transfer order;
- the form and content of a charging order;
- the determination of the minimum charged period, or the range within which a housing authority may fix the minimum charged period (cannot be less than 25 years from the date of sale);
- the minimum of a payment to a housing authority made by a purchaser;

- the form and manner in which a purchaser shall notify a housing authority of his or her proposal to make a payment;
- the class or classes or description of person who are suitably qualified by reference to their qualifications and experience to determine the market value of a dwelling.

***Transitional arrangements***

Section 96 deals with transitional arrangements.

Section 96 also provides that sections 2, 3 and 9 of the Housing (Miscellaneous Provisions) Act 1992, despite its repeal (effected by S.I. 350 of 2018, see Section 1 above) will continue to operate in respect of shared ownership leases granted before the repeal. Similarly it provides that despite the repeal of sections 98, 99, and 100 of the Planning and Development Act 2000, and the repeal of sections 6, 8 and 9 of the Housing (Miscellaneous Provisions) Act 2002 (again effected by S.I. 350 of 2018) these provisions continue to apply to affordable housing sold/leased before the repeal of these provisions.

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### 3. Housing (Miscellaneous Provisions) Act 2009 (Part 5) Regulations 2019

As stated above these Regulations prescribe/a number of matters under Part of the Act.

**Regulation 2** sets out the definitions for the Regulations, in particular the definitions of classes of households for the purpose of prioritisation for the allocation of a dwelling under an affordable dwelling purchase arrangement (and for the allocation of financial assistance to purchase a dwelling on the open market). This will be dealt with under Regulation 5 below.

**Regulation 3** deals with the requirement for housing authority to advertise affordable purchase arrangements when they intend to make these available.

**Regulation 4** deals with the making of applications by households for assessment of their eligibility for affordable dwelling purchase arrangement under section 84(2) of the Act and the processing of such applications by housing authorities.

**Regulation 5** provides for the order of priority to be applied to eligible households (required to be prescribed by the Minister pursuant to section 85(3) of the Act) who have applied to purchase an affordable dwelling made available for purchase by a housing authority.

**Regulation 6** provides for the order of priority to be applied to eligible households (required to be prescribed by the Minister pursuant to section 85(3) of the Act) who have applied to a housing authority for financial assistance to purchase open market dwellings.

All of the above matters should be included in a housing authority's Scheme of Priority.

#### **Regulation 3: Advertising**

Regulation 3 provides that when a housing authority intends to sell affordable dwellings to eligible households it must advertise those affordable dwellings for sale in at least one newspaper circulating in its administrative area, and on its internet website, and that it may also advertise such dwellings for sale in any other manner it considers appropriate (and similarly if it intends to make financial assistance available for the purchase of open market dwellings).

The housing authority must also publish on its website the criteria for eligibility for affordable dwelling purchase arrangements (see section 84 in Section 2 above) and its scheme of priorities, and must provide a copy of these in writing to any person on request.

The advertisement referred to above must specify the how an application is to be made and the closing date for applications.

#### **Regulation 4: Assessment of applications**

This Regulation provides that a household (as defined in section 84) may make an application before the closing date for applications on such form as may be specified by the housing authority, and that the housing authority must then carry out an assessment in accordance with section 84 of the Act. Regulation 4(3) provides that housing authority must decide on the basis of the information contained in the form whether the household appears to be eligible for an affordable dwelling purchase arrangement. This will involve establishing whether the information in the form discloses that:

- the household's income is inadequate to meet the repayments on a mortgage<sup>4</sup> for the purchase of a dwelling to meet the accommodation needs of the household, because the payments calculated over the course of a year would exceed 35 per cent of the annual income of the household net of income tax and pay related social insurance.
- the household or any household member has not previously purchased or built a house in the state unless:
  - the criteria in relation to a marriage break-up apply (see under section 84 above) or
  - the household or any household member previously purchased a dwelling under an affordable dwelling purchase arrangement but is now required to move to either a different dwelling or different administrative area or both.
- the household or any member of the household does not own or is not beneficially entitled to an interest in any dwelling or land in the State or elsewhere.
- the household does not have sufficient assets to defray all or any or any part of the cost of providing accommodation to meet the accommodation needs of the household shall be taken into account.

Where the information included in the form discloses that applicants for the affordable housing in question appears meet the eligibility criteria, the scheme of priorities may then be applied to these apparently eligible applicants: it is not necessary to verify or obtain supporting documentation in order to confirm eligibility before applying the scheme of priorities. Where a housing authority intends to offer an affordable dwelling for sale to a household, in accordance with its scheme of priorities, it must at that point obtain such documentary evidence as it considers necessary to confirm the veracity of the information contained in the form, upon which it judged the applicant household to be eligible. Where it is satisfied on the basis of the documentary information received that the household meets the eligibility criteria, it may offer an affordable dwelling purchase arrangement to the household. Where it is satisfied that the documentary evidence discloses that the household does not meet the eligibility criteria, it must inform the household accordingly.

### **Regulation 5**

This Regulation sets out how housing authorities will prioritise eligible households in cases where there are more applicants than available units. Schemes of priority must prioritise eligible households in the following ascending order:

- Households whose housing needs would be adequately catered for by the type of dwelling in question (Class A) i.e. a couple would be adequately accommodated by a 1-bed or 2 -bed unit;
- Where the number of Class A eligible households is greater than the number of relevant units, Class A applicants will be filtered down into households where at least one member has been resident in the housing authority area for a period of no less than 12 months immediately preceding application (Class B);
- Where the number of Class B eligible households is greater than the number of relevant units, Class B applicants will be filtered down into households with a household member who is registered as a full-time student with a school or university or third level institution within a specified distance of the dwelling(s) for sale (Class C). It will be a matter for the housing authority concerned to decide on the distance to use in its scheme;

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<sup>4</sup> "mortgage" means a loan for the purchase of a dwelling of an amount not exceeding 90 per cent of the market value of the dwelling.

- Where the number of Class C eligible households is still greater than the number of relevant units, Class C applicants will be filtered down into households with a household member employed at a place within a specified distance of the units concerned (Class E). Again, it will be a matter for the housing authority concerned to decide on the distance to use in its scheme;
- Where the number of Class E eligible households is still greater than the number of relevant dwellings available, Class E applicants will be prioritised according to the date/time they applied.

*Note:*

**Class A households:** households whose housing needs would be adequately catered for by the type of dwelling in question.

**Class B households:** household who meet the criteria of Class A and meet the additional condition that at least one member has been resident in the housing authority area for a period of no less than 12 months immediately preceding application.

**Class C households:** households who meet the criteria of Class B (and thus Class A) and meet the additional condition that a household member is registered as a full-time student with a school or university or third level institution within a specified distance of the dwelling(s) application.

**Class E households:** households who meet the criteria of Class C (and thus Class A and Class B) and meet the additional condition that household member is employed at a place within a specified distance of the dwelling(s) concerned.

The Regulations also cover some of the more complex situations that might arise where while there are overall more eligible households for a particular type of unit than there are units of that type available, the filtering system provided for in the Regulations, and described above, leads to the situation that there are less eligible households of a particular class, A, B, C or E than there are units of the relevant type available.

These situations are as follows

- Where the number of Class A households (i.e. those whose accommodation needs would be adequately catered for by the type of dwelling in question) is less than the number of that type of dwelling: in this case the housing authority will (having catered for Class A households) give priority to other households – i.e. those whose who were not prioritised for this type of unit (for example a single person for a 3 bed house) - in the order in which they applied.
- Where the number of Class A households (that is, households who meet the “suitability for the accommodation” test) is greater than the number of the relevant units, but the number of Class B households (meet Class A conditions and also the test of a household member having lived in the housing authority area for a year) is less than the number of relevant units, housing authority will (having catered for Class B households) give priority to other Class A households (that is, households who meet the “suitability” test but not the “residence” condition).
- Where the number of Class B households (meet “suitability” and “residence” conditions) is greater than the number of the relevant type of dwelling, but the number of Class C households (meet Class B conditions and additional condition of having a household member in full-time education locally) is less than the number of such dwellings, the housing authority will (having catered for Class C households) give priority to Class B households with a household member employed at a place within X kilometres of the dwelling(s) for sale. The latter are Class D households: they meet the Class B (and hence the Class A) conditions, do not meet the Class C condition but meet the Class E condition of a household member being employed locally.

- Where the number of Class B households is greater than the number of the relevant type of dwelling, but the number of Class C households AND Class D households is less than the number of such dwellings, the housing authority will (having catered for Class C and Class D households) give priority to other Class B households in the order in which they applied.
- Where the number of Class C households is greater than the number of the relevant type of dwelling, but the number of Class E households is less than the number of such dwellings, the housing authority will (having catered for Class E households) give priority to other Class C households in the order in which they applied.

### **Regulation 6**

Regulation 6 sets out a similar system of prioritising for the allocation of financial assistance for the purchase of open market dwellings. While this is not being actioned, it is required to be included in a housing authority scheme of priorities.

**A DRAFT SCHEME OF PRIORITIES IS ATTACHED FOR CONSIDERATION.**