

LEICESTERSHIRE

— Choice based lettings —

AFFORDABILITY ASSESSMENT 2015/16

Homeseekers will be excluded from the Housing Register if they are assessed as able to meet their own housing needs in the market, i.e. if they have sufficient means to buy OR rent the size and type of property that their household requires.

The income and savings of the homeseeker and any joint homeseeker will be combined and the application will be excluded if the thresholds in the table below are exceeded.

The thresholds for 2015/16 are:

	AMOUNT (£)
Income limit *	
Salary required	£53,265.49
Equity limit **	
Equity required	£33,500.00
Savings limit #	
Savings required	£20,100.00

* Income limit The lowest income required to buy an averagely priced home in the district with a 10% deposit and borrowing no more than 3.5 times combined income.

** Equity limit This is based on the homeseeker(s) having equity equivalent to 25% or more of the average price within the lower quartile of house prices in the district (i.e. the cheapest 25%). It is assumed this could be used to put down a deposit on a new home or be released and used to rent privately.

Savings limit This is equivalent to 10% of the cost of an average priced home in the district, or approximately 15% of the average price of a lower quartile priced home. It is assumed that the homeseeker(s) could use this as a deposit to buy a home or else use it to rent privately.

The following limitations apply:

- If the household has specialist needs that cannot be met within the local housing market, then the criteria will not be applied, for example, if the need is for wheelchair standard housing or the homeseeker needs housing with support services which is not available in the market.
- If a household has support needs, the assessment will also take account of this in assessing the cost of meeting the household's needs in the local housing market, for example, if the homeseeker needs sheltered housing, which is available, but the level of the service charges is prohibitive.

For more information, contact

Housing Needs

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