
STATES OF JERSEY



UPDATED ASSISTED PURCHASE PATHWAY ELIGIBILITY CRITERIA

Presented to the States on 27th September 2024
by the Minister for Housing

STATES GREFFE

REPORT

The Minister for Housing has made changes to the Assisted Purchase Pathway (APP) eligibility criteria, which is administered on the Minister's behalf by Andium Homes. The eligibility criteria is reviewed annually to ensure that it continues to reflect the housing needs of Islanders who require some form of assistance to purchase a home.

The criteria introduces a new policy, which enables the Minister to exercise discretion where an applicant has a household income above the income threshold, but they are unable to access sufficient mortgage borrowing due to their age.

The revised criteria also clarifies the maximum size of property that applicants are eligible to purchase based on their household size. The criteria sets out that an applicant is able to purchase a property with 1 additional bedroom above their current household need, with the ability to exercise discretion in exceptional circumstances that warrant a larger property.

1. Introduction

- 1.1. The Government of Jersey supports home ownership and wants it to be within the reach of as many Islanders as possible.
- 1.2. Assisted home ownership schemes support households who cannot afford to purchase a home suitable for their needs in the open market, but who are able to do so with some form of assistance.
- 1.3. Assisted home ownership schemes are limited to first-time buyers. Guidance on who is a first-time buyer is available on [gov.je](https://www.gov.je).
- 1.4. Assisted home ownership schemes available in Jersey include:
 - [Andium Homebuy](#)
 - [First Step](#)
 - Re-zoned housing sites (Legacy Island Plans and 'Policy H5 Affordable housing' of the [Bringing Island Plan](#))¹
 - Other assistance towards the costs of purchasing a home, such as schemes delivered with the support of other developers (e.g., [Jersey Development Company](#)) and also homes that will be delivered specifically as part of Policy H6 '[Making homes more affordable](#)' of the Bridging Island Plan.

2. Policy scope

- 2.1. This policy sets out the eligibility criteria against which applications for assisted home ownership schemes are assessed.
- 2.2. The Minister for Housing sets the eligibility criteria, which is managed through the Assisted Purchase Pathway (**APP**) managed on the Minister's behalf by Andium Homes.
- 2.3. For the avoidance of doubt, this policy does not apply to social rental accommodation, which has separate eligibility criteria ([Eligibility Criteria for Renting Social Housing](#)).

3. Eligibility

- 3.1. A person is eligible to purchase a home through an assisted purchase home ownership scheme if they:

- (a) are over 18 years old.
- (b) are residentially qualified to live in Jersey (they must have '[Entitled](#)' residential status).

¹ Affordable housing that is provided on re-zoned housing sites will be subject to the specific criteria established on those sites through the conditions and planning obligation agreements of the respective planning decisions. When purchasing a home delivered as a result of re-zoning in an Island Plan, it is important that eligibility and other relevant sale restrictions attached to that development are checked and followed.

- (c) have been resident in Jersey for more than six months prior to the date of application.²₃
- (d) have not previously (or currently) owned another property in Jersey or elsewhere in the world (are a **first-time buyer**).
- (e) cannot afford to purchase a home suitable for their needs in the open market.
- (f) have household incomes consistent with this policy (see household income thresholds in table one).
- (g) can meet the long-term financial commitment of purchasing a home.
- (h) are going to live in the property as their principal place of residence.

3.2. When a person applies for an assisted home ownership scheme, their application will be considered against the following household income thresholds to determine whether they require assistance to purchase a home suitable for their needs.

<https://www.andiumhomes.je/findahome/andium-homebuy/>

Property size	Maximum household income
One-bedroom flat	£65,000
Two-bedroom flat	£85,000
Two-bedroom house	£105,000
Three-bedroom house	£125,000
Four-bedroom house	£135,000

Table one – maximum household income thresholds for access to assisted home ownership schemes

3.3. Where a person exceeds the maximum household income thresholds, the Minister may exercise discretion based on evidence submitted that without the assistance of an assisted home ownership scheme, they would not be able to purchase a home suitable for their needs. Examples of exceptional circumstances could include the age of the person(s), which reflects a lower accessible mortgage amount/term; and affordability of mortgage due to other outgoings (e.g. nursery fees).

3.4. The size of home that a person wishes to purchase should reasonably reflect the needs of the household at the time of application. This generally means that a person is able to purchase a property type that is +1 bedroom greater than their current household need. For example, a single person or a couple without dependants with a need for a one-bedroom home will be considered to purchase a one or two-bedroom property; and a single person or a couple with one child/dependent with a current need for a two-bedroom home will be considered to purchase a two- or three-bedroom property.

3.5. Should there be exceptional circumstances that warrant a larger property, this may be considered at the discretion of the Minister, or the operator of the assisted home ownership scheme, based on evidence of need and the demand for the particular home

² The six-months residency requirement does not apply to (a) applicants who have returned to Jersey after fleeing domestic abuse who provide supporting documents from a police authority or domestic support agency; and (b) applicants who can demonstrate that they are serving members or former members (Veterans) of the UK Armed Forces. A Veteran is defined as anyone who has served at least one day in Her Majesty's Armed Forces (Regular or Reserve) or Merchant Mariners who have seen legal duty on legally defined military operations.

being sold. Individual assisted home ownership schemes may also have their own criteria approved by the Minister, and these will be applied by the scheme operator.

4. Financial Assessment

- 4.1. The affordability of a home will always depend on the individual circumstances of the household such as age (which effects the amount someone can borrow for a mortgage), household composition, personal savings and the extent of other financial commitments.
- 4.2. The household income thresholds established by this policy reflect, in general, the level of income at which islanders become more able to purchase an equivalent-size property in the open market, inclusive of mortgage borrowing, without assistance from a scheme.
- 4.3. Even if a household falls within the maximum income thresholds, their application will be subject to additional means-testing⁴ to determine whether the household has a genuine need to access an assisted home ownership scheme and whether they have the means to service a mortgage. An application to purchase a home through a scheme may be refused if these conditions are not met.
- 4.4. The maximum household income includes the income of any member of the household involved in the purchase of a property. If, for example, a person is purchasing a home with a partner, the household income would include both their salaries and any other income they receive⁵.
- 4.5. On registering interest for a home and as part of any means-testing, a maximum attainable Mortgage Approval in Principle (**AIP**) will be required. The AIP must include any member of the household involved in the purchase of a home. The maximum AIP applies even if one of the parties is not registered as a joint owner of the property. For example, one of the parties might not be entitled to be on the deed but are contributing to the mortgage. Moreover, participating mortgage lenders may have slightly different lending criteria, and applicants may not be eligible for a mortgage with all participating mortgage lenders. It is the responsibility of the applicant to pursue an appropriate mortgage product that is compatible for an assisted home ownership scheme. They should make the mortgage lender aware that this is the type of home they will be looking to purchase at the time of applying for an AIP.
- 4.6. If an applicant has savings, they will be expected to use the savings as a deposit. If accessing an assisted home ownership scheme, the level of financial support received through the scheme may reduce based on the rules of the scheme. Savings form part of the means-testing (referenced in para 4.3) and, notwithstanding the income thresholds, where it is demonstrable a household does not require assistance, they will not be considered eligible for an assisted home ownership scheme.
- 4.7. An applicant must also be able to cover the costs of purchasing a home, including a bank survey, potential mortgage arrangement fees, legal fees, stamp duty, insurance fees etc.
- 4.8. If an applicant has disposed of capital in last five-years, which could have been used towards purchasing a home (for example, by gifting the capital to a relative), they may not be eligible for assistance through a scheme.

⁴ Which will consider a combination of income, assets and savings.

⁵ The maximum income threshold applies even if one of the parties is not registered as a joint owner of the property. For example, one of the parties might not be entitled to be on the deed but are contributing to the mortgage.

4.9. The key point is that to be eligible for assistance, an applicant must be able to fund the purchase price of a home through a combination of mortgage repayments, a deposit, and the support of an assisted purchase ownership scheme. This must be at an affordable level that will not cause financial hardship.

5. Exceptions

5.1. General: It is recognised that on occasion an applicant's circumstances may not strictly meet the eligibility criteria even though they may still demonstrate a need to purchase a home through an assisted home ownership scheme. If an officer assesses there are reasonable exceptional circumstances, other than those noted above, their application may continue outside of the eligibility criteria, subject to confirmation from the Minister or a senior officer holding delegated responsibility on behalf of the Minister. To ensure that all applications are treated fairly and consistently, such cases will be kept to a minimum.

5.2. Property size: The size of home that a person wishes to purchase should reasonably reflect the needs of the household at the time of application as set out in paragraph 3.4. However, if there are deemed to be exceptional circumstances⁶ that warrant a larger home, this may be considered by the Minister as an exception, or the operator of the assisted home ownership scheme, subject to demand for the particular property type being sold.

5.3. Mortgage length due to age: when a person applies for an assisted home ownership scheme, their application will be considered against the income thresholds set out in paragraph 3.2 to determine whether they require assistance to purchase a property suitable for their needs. However, it is recognised that a person may not be able to access sufficient mortgage borrowing on account of their age, and the shorter mortgage terms available and higher repayments that mortgage lenders may offer as a result. The Minister may, therefore, consider exercising discretion where a person's income exceeds the limits in these circumstances, but they can provide evidence of their need for assistance to purchase a home suitable for their needs.

6. Correct information

6.1. Applicants must keep their applications up-to-date and provide information on any material changes to their circumstances that may affect their ability to purchase a home.

7. Cancellation

7.1. A person's application may be cancelled for the following reasons:

- (a) If they ask for their application to be cancelled.
- (b) If they purchase a property in Jersey or elsewhere.
- (c) If they accept an offer to purchase a property through an assisted home ownership scheme and later refuse or fail to purchase the property that they are entitled to.

⁶ For example, expectant parents/guardians (including consideration given to applicants who have successfully completed Step 4 of the [adoption process](#) or Step 4 of the [foster carer assessment](#)). The recommendations of a professional would also be taken into consideration (e.g., if a person requires an additional bedroom for specialist medical equipment or to accommodate a dependent relative or carer).

- (d) If their circumstances change and they are no longer eligible to purchase a home through an assisted ownership scheme.
- (e) If they fail to respond to an application review within the specified time limit.
- (f) If they are found to have knowingly provided false, inaccurate or misleading information on their application.

7.2. Applicants will be notified in writing if their application has been removed from the waiting list and will be given valid reasons.

7.3. If a person's application is cancelled because they fail to respond to an application review, but they have a valid reason for not responding to a request for information (e.g., family bereavement), if they make contact within 28 days of the date on which their application was cancelled, then the person's application may be reinstated on the waiting list.

8. Allocation of assisted ownership products

8.1. In general, the homes and financial products made available through assisted purchase home ownership schemes will be prioritised for applicants who have been registered the longest on the waiting list from the date of their application. The following factors will also be taken into consideration when allocating assisted home ownership products:

- (a) The size of home that an applicant wishes to purchase. They will only be marketed and offered home that are the right size for their needs.
- (b) The type of home that an applicant wishes to purchase. If a property is designed for a specific type of household, e.g., it is adapted for a disabled or older person.
- (c) The applicant is in a financial position to purchase a home and has provided up-to-date information such as a mortgage AIP to confirm this.
- (d) Any specific eligibility criteria that might be included as part of an assisted home ownership scheme. These may include:
 - where a scheme is restricted to persons over the age of 55; or
 - where other specific criteria are included as part of the scheme; or
 - where a parish is developing a scheme and includes a condition that only persons with a link to that parish are eligible.

8.2. Any specific criteria that are linked to an assisted home ownership scheme will be publicised when the scheme is first made available.

9. Appeals

9.1. Applicants have the right to ask for a review of any decision made under this eligibility criteria with which they do not agree. Requests for a review must be made in writing to the Assisted Purchase Pathway administrator, in line with its Complaints and Appeals policy. Applications for review by the Minister will only be considered with evidence that the Assisted Purchase Pathway Complaints and Appeals process has been exhausted. More information can be found at: <https://www.andiumhomes.je/aboutus/our-policies/>

10. Review of criteria

10.1. The Minister reserves the right to expand, change or modify any element of this eligibility criteria, as and when required, to ensure that it continues to reflect the type of assisted purchase home ownership schemes that may be available from time-to-time, housing need, capacity and resources.

11. Further information

11.1. Enquiries about the Assisted Purchase Pathway can be made to:

Andium Homes Limited
33-35 Don Street
St. Helier
Jersey
JE2 4TQ

Telephone: (01534) 500700
<https://www.andiumhomes.je/contactus/>