

“Offering our community more than a home”

Mortgage to Rent Policy

SMT Review date:	April 2026
Previous Approval:	April 2023
Management Committee submission:	April 2026
Next Review date:	March 2029 (or when new guidance received)

CHA Objectives:

- To provide quality, affordable housing that meets the changing needs of our customers and to ensure fair access to housing within our area.
- To manage the houses provided, in a professional and cost-effective manner, for the benefit of our local community and the environment.
- To provide a first-class maintenance service which offers value for money and ensures the comfort and safety of our residents while achieving high levels of satisfaction
- To ensure that our resources are adequate to deliver our objectives by investing in our people, demonstrating value for money and through robust procurement practices.
- To promote social inclusion by applying principles of equality and diversity to everything we do.

Regulatory Standards:

- The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.
- The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these objectives.
- The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.
- The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation’s purpose.
- The RSL conducts its affairs with honesty and integrity.

If you have difficulty with reading this policy, including any difficulties with sight or hearing, or if you require this document translated into another language, please contact us and we will be happy to provide this information in a format that suits your needs.

Clydebank Housing Association Limited

Mortgage to Rent Policy

POLICY AIMS AND OBJECTIVES

This policy has been developed to set out the guidelines of Clydebank Housing Association (CHA) in relation to the Mortgage to Rent Scheme. Acquiring additional homes to increase our housing stock, in line with budget, demonstrates value for money in terms of delivering homes at affordable rent levels, whilst ensuring the close monitoring of overall costs.

This Policy also aims to prevent homelessness through support for homeowners facing repossession and deliver flexible tenure options to meet the needs of our customers.

INTRODUCTION

The Association currently participates in the Mortgage to Rent Scheme, which forms part of the Scottish Government's Homeowners' Support Fund (HOSF). Landlord participation in the Scheme is entirely voluntary and participating social landlords are not obliged to take on any specific property. The Fund is run by the Scottish Government and is made up of two schemes:

- Mortgage to Shared Equity
- Mortgage to Rent

Participating in the Mortgage to Rent Scheme helps to prevent homelessness and assists the Government in achieving its commitment outlined in their Strategic Housing Investment Plans. The Scottish Government wants everyone to have a good quality home that they can afford and that meets their needs. All Councils across Scotland will have to provide settled accommodation to anyone who is unintentionally homeless.

MORTGAGE TO RENT SCHEME OVERVIEW

The aim of the Mortgage to Rent Scheme is to help owners who are in financial difficulty and are at risk of having their home repossessed as they are finding it difficult to pay their mortgage or other loans secured against their homes. The scheme helps by enabling these households to remain in their home by selling it to a social landlord (normally a housing association or local council authority) and becoming tenants of that social landlord. The scheme guidance and awareness activities encourage homeowners in difficulty to seek financial advice and explore alternative options.

The scheme is administered and funded by the Scottish Government and provides resources to social landlords so that they can buy properties and rent them back to former owners.

Homeowners may be eligible for the Mortgage to Rent scheme if all of these apply:

- your bank or mortgage lender won't agree to lower mortgage payments
- you've paid less than your agreed mortgage amount for at least 3 months
- you're behind by at least the same amount as one monthly payment of your mortgage
- you can't get help through UK Government support schemes, or you might still lose your home even if you do get support
- your home's value is equal to or less than [the property thresholds](#)

None of these apply if you have a trustee who forces the sale of your home.

To apply to the Scheme, homeowners should visit an approved money adviser such as a local [Citizens Advice Bureau](#) or a local authority debt advice service to confirm their eligibility and to complete the Home Owners' Support Fund application form with the money adviser.

Funding is made available to landlords to enable a social rent to be charged and to assist towards any necessary repairs to bring properties up to the Scottish Housing Quality Standards/Energy Efficiency Standards for Social Housing (ESSH and ESSH2) as detailed in the single survey., up to a maximum of £8,500 plus an administration allowance of £900.

The scheme also funds the owner's conveyancing costs and pays for a survey of the property.

The Scottish Government determines the applicant's eligibility for the scheme in the first instance and only when this has been ascertained and the homeowner has been referred by an independent, approved money advisor, will the Association be asked to consider the property for purchase and submit an expression of interest.

HOSF will then consider all expressions of interest received from landlords and make a decision on whom to offer the property to in the first instance. This will be the preferred social landlord. CHA can decline to purchase any property if, following appraisal, it is felt the risks outweigh the benefits.

CHA POLICY REQUIREMENTS

This Policy now outlines the requirements, which must be met, before a decision to proceed with a Mortgage to Rent application being made.

1. The Association will consider applications on a first come, first served basis
2. Only those applications within the Association's geographical area of operation will normally be considered.
3. Applications received which are outwith the Association's geographical area will be referred to another landlord but will be reconsidered should those landlords not participate in the scheme.

4. The Association will aim to carry out the necessary inspections and forward the results within ten working days of the property being referred. Where this is not possible, the Association will notify the HOSF of the delay.
5. For cash flow management, consideration will be given to each application and the decision will be based on business and financial plans, cash levels and if the purchase is financially viable for the Association.
6. The cost of repairs required to bring the property to our lettable standard/Scottish Housing Quality (SHQS)/ Energy Efficiency Standards for Social Housing (ESSH and ESSH2) should not exceed the maximum subsidy. The Association will consider applications where repair costs exceed the subsidy when the owner does not have sufficient equity to cover the cost and only when cash flows dictate that the total investment can be recouped within 20-years.
7. The capital cost (less subsidy) must be reasonable in that the estimated additional rental income resulting from the purchase must cover the capital outlay within a 20-year period as well as estimated future maintenance costs. Where the property is situated in an external factored development, these costs should also be considered.
8. Housing Management, Factoring and landlord responsibilities/implications must be considered in each and every case.
9. The applicant will be required to sign a standard Scottish Secure Tenancy Agreement prior to completion of the transaction.

Only when all these factors are considered and agreed upon, will a decision be taken as to whether to purchase or not. Final decisions to be made by the Management Committee. Any property purchase should not be confirmed until the Management Committee have considered budget considerations and the Association must demonstrate that it places importance on strong financial health and robust financial controls.

This is the normal policy of the Association; however, each application will be considered on its merits and it is not a guarantee that the Association will proceed with a purchase.

EQUALITY AND HUMAN RIGHTS

We will not discriminate on the grounds of Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex, and Sexual Orientation. An Equality Impact Assessment has been carried out and none of these protected groups will be unduly affected by this Policy. The Policy applies to all.

The Association will provide equality of opportunity and fair treatment for all, ensuring that no individual or group is treated less favourably than anyone else. We work closely with community stakeholders, to provide assurance that we are achieving these aims.

The Association will meet, and where appropriate exceed our obligations under the Equality Act 2010, including the general equality duty in the Act, to ensure we do not discriminate against, harass or victimise a person because they have one or more of the nine protected characteristics described in the Act.

An Equality Impact Assessment has been carried out as part of the review of this policy, in order to assess where the aims of this policy may have a positive, negative or neutral impact upon any of the nine Protected Characteristics set out in the Equality Act 2010.

POLICY REVIEW

This policy will be reviewed at least every three years. The review will take account of legislative changes, new policy guidance, and changes in economic and social climate, best practice advice, and the performance of the Association in delivering its objectives.

USEFUL LINKS

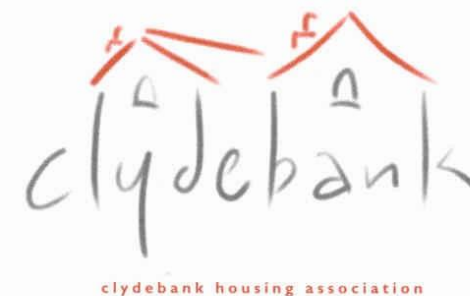
<u>Scottish Government</u>	Homeowners' Support Fund https://www.mygov.scot/home-owners-support-fund Phone: 0300 244 1093 (calls charged at a local rate) Email: HOSF@gov.scot
Citizens Advice Scotland	https://www.cas.org.uk/get-advice Please visit their "Get advice" page to find your local Citizens Advice Bureau.

For Office Use Only – Actions

Customer Consultation Required/Arranged	No
Intranet Update	Yes
F Drive Update	Yes
Website Update	Yes
Leaflet change required?	No
Newsletter Promotion?	Yes
Other information updated, e.g. posters, automatic email responses, post cards, answering machine messages, etc.	No
Equality Impact Assessment completed and attached	Yes

Clydebank Housing Association Equality Impact Assessment Tool

The Equality Impact Assessment process aims to prevent discrimination against people who are categorised as being disadvantaged or vulnerable within society (as listed in point 4).



Name of the policy / proposal to be assessed	Mortgage to Rent Policy	Is this a new policy / proposal or a revision?	Revision
Person(s) responsible for the assessment	Lynette Lees, Chief Executive Officer		
1. Briefly describe the aims, objectives and purpose of the policy / proposal	<p>This policy has been developed to set out the guidelines of Clydebank Housing Association (CHA) in relation to the Mortgage to Rent Scheme. Acquiring additional homes to increase our housing stock, in line with budget, demonstrates value for money in terms of delivering homes at affordable rent levels, whilst ensuring the close monitoring of overall costs.</p> <p>This Policy also aims to prevent homelessness through support for homeowners facing repossession and deliver flexible tenure options to meet the needs of our customers.</p>		
2. Who is intended to benefit from the policy / proposal? (e.g. applicants, tenants, staff, contractors)	CHA customers including factored owners and wider public within our housing stock area		
3. What outcomes are wanted from this policy / proposal ? (e.g. the benefits to customers)	<ul style="list-style-type: none"> • Participating in the scheme prevents homelessness and assists the Government in achieving its commitment outlined in their Strategic Housing Investment Plans • The Association has the possibility to purchase properties from owners who are in 		

	<p>danger of losing their homes, enabling them to remain in them as tenants</p> <ul style="list-style-type: none"> • Fulfilling the demand for larger family properties • Assisting with additional properties for the increased demand on our waiting list • The Policy is intended to complement our Open Market Purchases and Shared Ownership Buy Back Policies by replacing stock lost previously through the Right to Buy scheme
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<p>4. Which protected characteristics could be affected by the proposal? (<i>tick all that apply</i>)</p> <p> <input type="checkbox"/> Minority Ethnic <input type="checkbox"/> Gender <input type="checkbox"/> Disability <input type="checkbox"/> Sexual Orientation <input type="checkbox"/> Age <input type="checkbox"/> Religion <input type="checkbox"/> Transgender /Transsexual <input type="checkbox"/> Marriage /Civil Partnership <input type="checkbox"/> Pregnancy /Maternity </p>		
<p>5. If the policy / proposal is not relevant to any of the protected characteristics listed in part 4, state why and end the process here.</p> <p>Applicable to all – no particular group will be adversely affected by this Policy</p>		
<p>6. Describe the likely positive or negative impact(s) the policy / proposal could have on the groups identified in part 4</p>	<p>Positive impact(s)</p>	<p>Negative impact(s)</p>
	<p>Applicable to all – no particular group will be adversely affected by this Policy</p>	
<p>7. What actions are required to address the impacts arising from this assessment? (<i>This might include; collecting additional data, putting monitoring in place, specific actions to mitigate negative impacts</i>).</p>	<p>Staff awareness for signposting Publication of Scheme to customers through CHA publications and website update</p>	

Lynette Lees

Signed: _____ (Job title): Chief Executive Officer

Date the Equality Impact Assessment was completed: 15.04.2026

***Please save the completed document at the following location: -
F:Policies&Procedures/Equal Opportunities/Policies/Impact Assessments***