

Riverside Home Ownership

# Shared Ownership Sales Policy

GENERAL - EXTERNAL

Policy Approval Date:		Date of next review:	
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## 1. Purpose

The purpose of this Policy is to provide guidance and clarity for colleagues, customers and other stakeholders about The Riverside Group's (TRG) approach to the marketing and sale of shared ownership homes.

## 2. Scope

This Policy applies to both the sale of new shared ownership homes as well as re-sale homes and is relevant to all homes regardless of delivery routes I.e. grant funding, Section 106 Agreements or stock acquisition.

Shared Ownership is an affordable home ownership product that allows home buyers to buy a 'share' of equity in a property and pay rent on the equity held by the provider, usually a Housing Association. The amount of equity purchased is based on the homebuyer's financial circumstances at the time of initial (first tranche) purchase and in most cases, the home buyer will be able to buy more equity (called staircasing) in the future if they can afford to.

## 3. Principles

We will:

- Provide a fair, transparent and performance focused shared ownership sales service with published policies about how we allocate homes, minimum deposit requirements, acceptable lenders and the circumstances in which reservations may be cancelled/reservation fee refunded
- Explore opportunities to include homes for disabled people when carrying out market appraisals of new developments, e.g., bungalows
- Apply a strict non-discriminatory approach to allocations, except for homes with clear and legitimate exceptions such as Older Person Shared Ownership housing
- Operate a service that meets grant funding, legislative, planning and regulatory requirements

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- Ensure that marketing material is accurate and transparent and, complies with Consumer Protection, Advertising Standards Regulations and any industry code that TRG may sign up to
- Provide an accessible service that meets the needs of people with disabilities, for example by offering information and marketing material in different formats, providing support to customers who need help to complete the application process, and making reasonable adjustments to enable access show homes and open events.
- Ensure that homes are sold at values based on a valid independent RICS valuation (three months unless stated otherwise), with pricing strategies that reflect the individual attributes of the property
- Use Homes England model leases as the basis for all new shared ownership leases, with variance to the standard lease if required and permitted, to take account specific property or development characteristics e.g., age or local connection eligibility criteria
- Ensure that ground rent provisions are acceptable to lenders and comply with requirements arising from Leasehold Reform legislation
- Only sell homes to customers who meet Homes England shared ownership eligibility criteria including scheme specific criteria where relevant e.g. Older Persons Shared Ownership
- Ensure that any eligible applicant who owns a property already (such as an older person needing a more suitable home or someone who has suffered a relationship breakdown) has a purchaser for their property and will have no future interest or mortgage obligations in respect of their former property before a reservation can be accepted
- For Section 106 homes, prioritise eligible applicants in date order on receipt of confirmation of eligibility
- For grant funded homes, prioritise applicants in accordance with the Capital funding Guide and then on a date order basis

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- Ensure that purchasers are qualified by a suitably qualified Financial Advisor ,u using Homes England/GLA guidance as the basis for assessing if an applicant can afford and sustain home ownership.
- Expect purchasers to provide supporting information as evidence of what is stated in their application and to support the eligibility and sustainability assessment
- Comply with money laundering checks as appropriate
- Where possible give customers choice of components such as kitchens and bathrooms including options such as eye level ovens and showers if more suitable for their needs (depending on build stage of homes)
- Provide applicants with clear timescales for application approval and sale progression
- Advise customers that reservations may be cancelled if they do not meet required timescales for providing documents or sale progression
- Help customers resolve defects in alignment with the contractual recourse TRG has with the builder and new home warranty.

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#### 4. Further Information & Support

- Home England Capital Funding Guide
- GLA Funding Guide
- Affordable Housing Programme 2016-21 and 2021-26 Funding Agreements
- Regulator of Social Housing's regulatory standards
- Tenanted Sales Policy
- Tenancy Policy
- Leasehold Management Policy
- Rent Setting Policy
- Repairs Policy

Information about shared ownership eligibility, affordability assessments and leases can be found in Home England's Capital Funding Guide and the GLA Funding Guide

There are several models of shared ownership with different key features; this is determined by the delivery route and further information is available in the relevant Section 106 (or planning agreement) or Homes England funding agreement.

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## 5. Roles and Responsibilities

### Executive Director of Customer Service

- Responsible for the overall policy implementation
- Ensure adequate resources are available to enable the objectives to be met

### Director of Riverside Home Ownership

- Responsible for the delivery of the key policy objectives as set out in the policy, including designing and implementing procedures.

### Head of Sales

- Responsible for the implementation and monitoring of the operational effectiveness of the policy.
- Ensure all appointed individuals within the Sales, Resales and Housing Management have the appropriate level of skills, knowledge and training.

## 6. Risk Thresholds

N/A

## 7. Appeal & Complaints

Any appeal or complaint about this policy or its application will be dealt with in accordance with the TRG published Complaints Policy.

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## 8. Equality, Diversity and Inclusion

Riverside is committed to Equality, Diversity & Inclusion. We strive to be fair in our dealings with all people, communities and organisations, taking into account the diverse nature of their culture and background and actively promoting inclusion. This policy aligns with Riverside's [Equality, Diversity and Inclusion Policy](#) and has been subject to an Equality Impact Assessment.

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