



VHA Policy Document

SHARED OWNERSHIP

SALES & ALLOCATIONS POLICY

Reviewed: June 2021

Next Review Due: June 2024

Shared Ownership - Sale and Allocations Policy

1. Introduction

This policy details the details of the way VHA will determine process and priority for properties being sold as Shared Ownership.

We will consider the provision of Shared Ownership properties in circumstances where:

1. There is a demand for, or legal requirement to provide, such tenure in a given location as part of a development scheme; and
2. The demand is met by sufficient eligible households able to meet the financial commitments necessary to acquire the shares and pay the subsidiary rent;
3. It meets a particular market targeted by the VHA's Business Strategy.
4. There is a need in any development scheme to provide shared ownership as a means of funding, at least in part, the Association's strategic objective of providing homes for rent.

2. Policy Objectives

The Key objectives of the policy are:

- To offer properties to those in the greatest need
- To ensure those buying properties can afford to do so
- To promote our commitment to sustainable communities
- To release of rent stock for re-let
- To ensure buyers are aware of their responsibilities under the terms of the lease
- To treat applicants in a fair and non-discriminatory way in accordance with our Equality, Diversity and Inclusion policy.

3. Application Routes

We will accept applications for shared ownership stock from the following:

3.1 Direct applicants

Applicants should complete a shared ownership application. If accepted, their details will be put onto the shared ownership register. Applicants will be sent details of properties they are eligible for as and when they become available and will be asked to view them.

3.2 Local Authority Nominations

The Association works closely with the Isle of Wight Council to assist them in meeting local need and to ensure that they can meet their statutory obligations. The responsibilities of each party are agreed as part of a nomination agreement.

3.3 Nominations from other agencies

Nomination agreements may be set up with other agencies such as employers of Key Workers or other agreements.

4. Eligibility Criteria and Assessment

4.1 Consideration for shared ownership or outright sale

In considering an applicant for shared ownership they must meet the following criteria. They must normally:

- Not be able to buy a suitable home on the open market.
- Be able to afford the associated costs of buying a home
- If required, be able to get a mortgage from a building society, bank or other reputable source of finance
- If an existing tenant of VHA, not be more than 4 weeks in arrears on application and the arrears must be cleared on purchase.
- Be prepared to give/provide evidence of circumstances as requested.

4.2 Assessment of application

Assessment of applications will be conducted jointly with HRD. This will comprise reviews of housing need and affordability.

4.3 Change of Circumstances

Applicant(s)' will have a responsibility to inform us of any changes to their circumstances, especially after an application has been assessed. Information in regard to such a change should be supplied in writing and will be attached to the original application.

4.5 Review

We will endeavour to carryout a review of the application held on the register every 12 months to ensure that information is current and not being held longer than necessary in accordance with Data Protection.

The review will be made by way of letter. Should the applicant fail to respond their application will be deleted from the register and the applicant informed accordingly.

4.6 Refusal of application

An application will be rejected for shared ownership at any stage where it is established that the applicant does not meet the eligibility criteria. The applicant will be advised of the reason for the decision in writing and will be given a right of appeal (see section 6)

4.7 Recording and monitoring

All applications we receive will be recorded and given a reference number.

5. ALLOCATIONS

5.1 Marketing

When existing shared ownership properties become available for re-sale we comply with the terms of the shared ownership lease. We will initially market the property to applicants on our register who are eligible to purchase and where such interest exists.

When existing outright sale dwellings become available for re-sale, where we continue to have an interest in them we will work with an appointed agent to market the property within the terms of any planning requirements.

5.2 Local Lettings Plan

Allocations for certain developments may be influenced by agreements with the Isle of Wight Council or Section 106 planning requirements. Such agreements are referred to in this policy as Local Lettings Plans but have a wider context to the interpretation used in the definition for use in General Needs rented accommodation. Whenever a property is available for purchase reference will be made to the Local Lettings Plan to ensure that the applicant selected fulfils our planning obligations.

5.3 Matching applicants to properties

Applicants will receive property details dependent upon type, location and affordability as determined by the application and assessment process.

5.4 Matching the property to household size

Shared Ownership properties will be allocated according to the size of the household. The following minimum household/property size matching will apply:

1 Bedroom (1 person)	- Single person
1 Bedroom (2 person)	- Single person
2 Bedroom (3 person)	- Single person / Couple / Family with 1 child / 2 single persons
2 Bedroom (4 person)	- Couple / Families with 1 or 2 children
3 Bedroom (5 person)	- Families with 1,2 or 3 children
4 Bedroom (6 person)	- Families with 2, 3 or more children

The following principles will apply when allocating accommodation:

- Properties will not be allocated in excess of the above standards unless there is either proven medical evidence or written confirmation that the applicant(s) have legal access to a child from a former relationship.
- No more than 2 children are to share a bedroom.
- A child of 8 yrs or more will not be expected to share a bedroom with a sibling of the opposite sex.

Exceptions: The occupation density requirement can be relaxed if there is no suitable applicant expressing interest in the property. This is particularly relevant in the case of re-sale where we have a responsibility to the outgoing resident to find a purchaser in a timely manner.

In the case of outright sale properties, we may allow greater flexibility in terms of bedroom requirement, dependent on the nature of the local market at the time of sale and any specific planning requirements.

5.5 Prioritisation of Applicants

Priority may be given to applicants who are first-time buyers or tenant(s) within the social sector whose property can be let to someone else who is in need.

We will also take the following factors into consideration:

- Nominations received from the Isle of Wight Council
- Applicants registered on the Island Housing Register
- Relocation to the Island for employment and unable to secure ownership on the open market
- Existing Shared Owners who need to move, for example due to overcrowding
- Applicants fleeing severe anti-social behaviour or domestic violence

6. Appeals

An applicant may request a review of a decision at any stage of the process. Should the applicant not be satisfied with a decision or action they may appeal against the decision by using the Appeals Procedure.

This is a separate process to the 'Complaints Procedure'. The Appeals Procedure should be followed if the applicant requests a review of a decision made in relation to their shared ownership application, NOT if they are dissatisfied with VHA in any other way.

Stage 1

An applicant wishing to appeal against a decision regarding their shared ownership application should:

- be made in writing
- be addressed to the Head of Neighbourhoods and Communities
- be made within 10 Working Days of the decision being made
- outline the reasons for the appeal

The applicant should expect a response from the Head of Neighbourhoods and Communities:

- within **5 working days** to acknowledge receipt of the appeal
- within **10 working days** (of acknowledgement) as a final response to their appeal (this response should include stage 2 appeal form)

After 1 month the appeal will be closed unless a stage 2 appeal form has been submitted.

Stage 2

Should the case be taken further, the applicant should:

- complete the appeal form
- address the form for the attention of the Chief Executive
- return it within 10 working days of receipt of the stage 1 response

The applicant should expect a response from the Chief Executive within 10 working days of receipt of the appeal form.

Stage 3

Should the applicant continue to be dissatisfied, as a third and final stage, they may request that the appeal be reviewed by the Board of Management.

To avoid lengthy delays and reduce financial losses it may be necessary to convene a special Board meeting to discuss the appeal or with the agreement of the Board, delegate the appeal to nominated Board Members.

Housing Ombudsman

Should the applicant complete all three stages and still be dissatisfied, they have the right to complain to the Housing Ombudsman.

The Ombudsman has the power to reject the appeal or order a solution. However, this process can take many months to resolve. In these circumstances, the Association will decide on the appropriate course of action on a case-by-case basis depending on the circumstances.

7 Data Protection and Confidentiality

The exchange and processing of personal information will be treated with appropriate levels of confidence and will be fair and lawful. We fully comply with our policies relating to GDPR and data protection.

By signing the application form applicant(s) are authorising VHA to process their personal information in accordance with the Data Protection Policy.