



SHARED OWNERSHIP POLICY AND PROCEDURE

**"To be the Housing Provider of Choice
Delivering Excellence in All We Do"**

May 2005

1.0 Introduction and Aim

- 1.1 Acis Group aims to provide a range of good quality affordable housing for Shared Ownership to help people become or remain homeowners.
- 1.2 Acis Group Shared Ownership properties will be developed to meet demand in areas where prospective owner occupiers are being priced out of the market.
- 1.3 A Shared Ownership purchaser is able to buy a share of the property and pay rent on the remaining share. Further shares can be bought, referred to as "staircasing" until, in most cases, the property is owned outright. All shared owners will be a leaseholder of Acis Group, which will remain the freeholder of the property. The leaseholder will usually have a 99 year lease on the property.
- 1.4 Acis Group will usually allow the purchaser to buy an initial 25%, 50% or 75% share of the property, which is usually done by taking out a mortgage. After a certain time they can purchase a greater share of the property. On some developments a shared owner will be able to purchase the whole property, on others this may be restricted to 75% because they are in a designated rural area or intended specifically for the elderly.

2.0 Policy Objectives

- 2.1 To assist people who wish to own their home, who may have difficulty affording to buy outright on the open market.
- 2.2 To enable some people to live in a type or size of property that they would be ineligible for if it was in our rented stock. For example a single person wanting a two-bedroom house.
- 2.3 To give preference to local people or those needing to live in the area because of factors such as employment or to provide support to a relative.
- 2.4 To provide a simple method of applying for a property with concise and transparent guidelines on applicant selection.
- 2.5 To maintain a common Shared Ownership Register, which will be used to select applicants for Acis shared ownership properties or to nominate to other Registered Social Landlords.

3.0 Eligibility for Shared Ownership Schemes

- 3.1 Acis Group Shared Ownership properties will be available to first time buyers who meet the following income and savings guidelines, to be reviewed on a scheme by scheme.
 - Single applicants gross annual salary £15,000 to £30,000
 - Joint application gross annual salary £19,000 to £40,000
 - Applicant(s) have financial savings of at least £2,000
- 3.2 They will also be available to other people who can show that they can afford the combined cost of rent and mortgage payments or are able to reduce this by purchasing a part share outright.

- 3.3 Where demand exceeds supply applicants will be able to purchase a property, which has one bedroom more than the current housing need, see appendix A.
- 3.4 Some properties may be designated for a specific group of people such as a bungalow for people over 55 years old because of planning requirements.
- 3.5 Applications will be suspended or deferred where former tenancy debts are outstanding or in cases where legal action has been taken by current or former landlords for anti-social behaviour or other breaches of tenancy conditions.
- 3.6 Where the Shared Ownership applicant utilises a mortgage to fund their purchase, we would normally expect them to have placed 1% of their equity share as a deposit.

4.0 Administration and Assessment of shared ownership applications

- 4.1 Applications for shared ownership will be made on a specific Shared Ownership application form.
- 4.2 The Company will maintain a common Shared ownership Register
- 4.3 Applications will be verified to check eligibility and written confirmation sent to the applicant within ten working days.
- 4.4 All applications will be reviewed annually
- 4.5 Applicants will be removed from the Register if they:
 - 4.5.1 fail to return their review form
 - 4.5.2 deliberately provide misleading or inaccurate information on their application form
 - 4.5.3 ask for their name to be removed

5.0 Allocation of Properties

- 5.1 Three months prior to the completion of each phase of a Shared Ownership Scheme the company will consider all the relevant eligible applications.
- 5.2 A detailed assessment will be made of those applicants who may be offered a property to assess their current housing and financial circumstances. This will include an interview and a financial agency check.
- 5.3 Selection will initially be made using the criteria as shown in Appendix A.
- 5.4 Within each band applicants will be chosen according to their date of application and also if there is a significant housing need.
- 5.5 Applicants who will release Acis rented property will be given priority, subject to meeting the selection criteria.
- 5.6 Properties outside West Lindsey will initially be made available to the relevant local authority to nominate suitable applicants.

- 5.7 If no suitable nominations are made available within agreed timescales the Company will revert to its own Shared Ownership Register.
- 5.8 If after 3 months of marketing no suitable applicants are found that meet the allocation criteria, the properties will be advertised generally on the open market to achieve a speedy sale.

6.0 Marketing

- 6.1 Where we have no relevant eligible applications, Acis Group recognises the need for early marketing of some schemes, which will be done by a qualified local estate agent.
- 6.2 The agent will be asked to prepare the sales brochure and in some cases use artist impressions if a photograph is not appropriate. The instructions to the agent will be to "sell off plan" where appropriate.
- 6.3 One key will be given to the agent for each dwelling and all viewings must be accompanied.
- 6.4 All offers will be made in writing to Acis. Faxed offers from estate agents will be accepted provided that a hard copy will follow in the post.

7.0 Solicitors

- 7.1 Acis will select a solicitor from its approved list of consultants with detailed experience and knowledge of the shared ownership schemes. The solicitor will oversee the conveyance and ensure a speedy sale for all parties concerned
- 7.2 The solicitor will adopt the Acis standard shared ownership lease both for rural and non-rural schemes. It may be necessary to amend the lease to suit the individual schemes. If the lease is amended this will be carried out by a senior partner of the practice and reviewed by senior housing management staff at Acis.
- 7.3 The solicitor will endeavour to reach exchange and completion of the sale of each unit in a total of eight weeks following the first instruction.

8.0 Diversity and Equal Opportunities

- 8.1 Acis Group is committed to treating everyone equally and fairly. It believes that everyone is entitled to be treated with dignity, respect and fairness, regardless of their race, colour, ethnic or national origin, nationality, gender, sexual orientation, marital status, disability, age, religion or belief.
- 8.2 The Shared Ownership Register and all offers of properties will be regularly monitored to obtain information about applicants. This will assist the company in recognising whether minority groups including BME and people with a disability are sufficiently accessing the service.

9.0 Allocations to Board Members and Employees

- 9.1 The Company will comply with the provisions of Section 7 and Schedule 1, paragraph 2, of the Housing Act 1996 and any related Orders concerning allocations to Board Members, Relatives and Employees.
- 9.2 Any decision to grant a shared ownership lease under Schedule 1 will be delegated to the Board and for expediting this will be dealt with under Chairs Action and subsequently minuted and recorded separately in a central register for this purpose.

10.0 Review

- 10.1 The Shared Ownership Policy will be reviewed biennially and amended accordingly.

APPENDIX A

Eligibility for Shared Ownership properties:

Applicant(s) with no children	two- bedroom property
Applicant(s) with one child/dependant or pregnant	two or three bedroom property
Applicant(s) with two children/dependants	two or three bedroom property
Applicant(s) with three or more children/dependants	three or four bedroom property

Children will only be considered if they live permanently with the applicant(s).

Selection Criteria for Shared Ownership properties

Band A

Applicants who currently live in the parish or adjoining parish and have done so continuously for the last six months

Applicants who have close family that have lived in the parish or adjoining parishes for the last five years

Applicants that have permanent employment in the parish or adjoining parish

Band B

Applicants who currently live in the local authority area and have done so continuously for the last six months

Applicants who have close family that have lived in the local authority area for the last five years

Applicants that have permanent employment in local authority area

Band C

Other applicants outside Band A and Band B criteria