

1. Background and objectives

- 1.1. The aim of this policy is to outline how Alliance Homes Group ('Alliance') will sell shared ownership homes to qualifying applicants in a fair and transparent way. The policy aims to provide a framework for accommodating any requirements which may be placed on the allocation process by local authority partners, the regulator, and our funders.
- 1.2. This policy outlines Alliance's approach to the sale and allocation of shared ownership homes. Shared ownership provides a solution to the housing needs of those who would otherwise not be eligible for social rented housing nor be able to buy on the open market. Such households often work in sectors where income has not increased in line with inflation. This policy supports housing solutions' obligations relating to sales allocations in accordance with the capital funding guide published by Homes England.
- 1.3. The purpose of this policy is:
 - To ensure that Alliance develops the right homes for sale at the right price and in the right location to meet our customers' requirements.
 - To establish a sales process that is non-discriminatory and responsive to demand, while contributing to the need to be inclusive and ensure sustainable communities.
 - To establish an efficient, transparent, fair, and effectively controlled basis for acceptance and processing of applications for low-cost home ownership.
 - To provide a system for prioritising applicants on a first come first serve basis with the exception of priority groups identified by Homes England or local authorities, who meet affordability criteria.
 - To ensure that Alliance meets their social objectives whilst recognising the financial importance of selling properties promptly.
 - To ensure that Alliance complies with all financial and regulatory controls including those set out in the Homes England Capital Funding Guide ('CFG').
 - To comply with all their financial and regulatory controls that Alliance must satisfy.

2. Policy Detail

Risks

- 2.1 The failure to deliver the necessary homes to our customers.
- 2.2 The financial risk of incurring and funding costs on unsold properties.

- 2.3 The risk of vandalism, trespass and disrepair.
- 2.4 The risk to the Alliance's reputation by having properties standing void for long periods.
- 2.5 Alliance's development programme failing to generate the necessary capital receipts from low-cost home ownership.

Who this Policy Applies to

- 2.6 For the purpose of this policy, the term 'generic shared ownership' means all forms of shared ownership except for older person shared ownership homes.
- 2.7 Applicants wishing to purchase generic and older person shared ownership homes (including extra care) which have been constructed for sale by Alliance.
- 2.8 Applicants wishing to purchase any generic and older person shared ownership (including extra care) homes being offered for re-sale or assignment.

Compliance

- 2.9 This policy has regard to our status as a Community Benefit Society, registered and regulated by the Regulator of Social Housing (RSH). We consider the guidance on the housing need and affordability of customers for our homes as set out in the Homes England Capital Funding Guide.
- 2.10 Our regulatory obligations are to ensure that generic and older person shared ownership is allocated in line with capital funding guidance, overseen by Homes England. For further information click on below link:

<https://www.gov.uk/guidance/capital-funding-guide/1-help-to-buy-shared-ownership>

- 2.11 Alliance will also comply with any planning conditions imposed by the local authority.

Eligibility Criteria

- 2.12 For applicants to qualify for generic and older person shared ownership applicants must undertake affordability and eligibility checks in line with current regulation, planning restrictions and Homes England guidance.

Generic Shared Ownership

- 2.13 To qualify for shared ownership with Alliance applicants must:
 - Unless there are exceptional circumstances, have a gross household income of £80,000 or less a year. Examples of possible exceptional circumstances may include:

- where some of the applicants' household income is being used for non-household expenses such as on-going care costs.
- where there are payments for child maintenance as part of a legal divorce settlement.
- Be unable to afford the deposit and mortgage payment for a suitable property on the open market that meets the applicants' housing needs.
- Be over the age of 18 of age.
- Have enough savings, or access to sufficient funds, to put towards the deposit and other purchasing expenses.
- Be able to afford and sustain the ongoing costs of home ownership.
- Be able to demonstrate no mortgage or rent arrears.
- Meet the relevant local authority eligibility criteria (if applicable).
- Reside or be eligible / able to reside within the United Kingdom.
- Have a good credit source/no adverse credit (see Adverse Credit Section below).
- For certain homes / types of shared ownership, you may have to show that you have a local connection to the area where the property is situated.

Any 'capital' held, such as accessible savings, and income generated by it, may be considered generally in assessing eligibility for shared ownership.

One of the following must also be true. The applicant(s):

- Is / are a first-time buyer;
- Used to own a home but cannot afford to buy one on the open market now ;
- Is / are forming a new household, for example, after a relationship breakdown;
- Is / are an existing shared owner, and wants to move; or
- Owns a home and wants to move but cannot afford a new home on the open market that meets the applicant(s) needs.

If applicants own an existing property when applying for shared ownership, they must have:

- formally accepted an offer for the sale of the current home (called 'sold subject to contract' or 'STC').
- written confirmation of the sale agreed for the current home (called a 'memorandum of sale') including the price and the applicants' intention to sell.

Therefore, unless there are exceptional circumstances, applicants must have no other property within their ownership (including an existing shared ownership property) at the time of completing on their new shared ownership home.

Where Alliance considers a case is exceptional and feel that any of the usual eligibility criteria noted above (including to sell existing properties before completion) does not apply, they will prepare a robust business case setting out why the threshold should be waived and submit this to Homes England. Each case will be considered on the individual circumstances.

The applicants' eligibility criteria will continue to be monitored in the event of any delay between initial application and exchange of contracts.

Older Person Shared Ownership

2.14 In addition to the generic shared ownership criteria, the following applies to applicants for older person shared ownership:

- In determining eligibility, Alliance will consider the level of equity from a sale of an existing property as well as any additional savings. However, it is appreciated that applicants of this type of shared ownership lease may require a higher level of savings to cover ongoing living and care costs.
- Generally, applicants are expected to have no more than £200,000 in equity and savings, however consideration will be given to this on a case-by-case basis.
- Applicants should be aged 55 or over.

First Come, First Serve Priority Allocation Criteria

2.15 As demand for our Shared Ownership homes often outstrips supply, subject to limited exceptions (see below), Alliance offer our Shared Ownership homes on a first-come, first-served basis. To ensure that the first-come first-served policy is fair and transparent, applications and financial information will not be accepted until after the advert is made live.

Our first come first serve process is based upon:

- Whoever is first to register with our Mortgage Advisors, 'The Mortgage People' (TMP) and complete an initial, successful, affordable assessment following a development release (new build customers).

Anyone who registers with TMP after the first registration will be advised that they are on a waiting list. Should a person in front of them not proceed, they will be contacted if they are next on the list, subject to any priority applications.

Our plot to applicant ratio is: 1:1 (one prospective purchaser: each property). We will introduce the plot to prospective purchaser ratio at Stage 1 of the assessment.

Alliance will hold a property for a limited time if applicants require special consideration and cannot complete the affordability / eligibility assessment process in the necessary timeframe. Evidence of the reasons for the extra time must be provided as soon as possible.

Exceptions to the 'first-come first-served' rule are for serving military personnel and former members of the British Armed Forces discharged in the last two years and in certain rural locations and sites.

Ministry of Defence personnel will be prioritised for Shared Ownership schemes where:

- They have completed their basic (phase 1) training and fall within one of the following categories:
 - Regular service personnel (including Navy, Army and Air Force)
 - Clinical staff (except for doctors and dentists)
 - Ministry of Defence Police Officers
 - Uniformed staff in the Defence Fire Service
- They are ex-regular service personnel who have served in the Armed Forces for a minimum of six years, and can produce a Discharge Certificate (or similar documentation) as proof, where they apply within two years of the date of discharge from service; or
- They are the surviving partner of regular service personnel who have died in service, where they apply within two years of the date of being bereaved.

Where properties are situated in National Parks, Areas of Outstanding Natural Beauty and rural exception sites, we will need to allocate these homes in line with a set criterion. For some homes you may have to evidence that you live in, work in, or have a connection to the area where you want to buy the home.

Affordability

- 2.16 Shared ownership homes will be sold by Alliance across a range of equity shares. However, the level of shares to be bought will not be considered in dealing with allocation as this is based on a first-come, first-served basis (as noted above).
- 2.17 All applicants who wish to buy a home with someone else can only proceed on the condition that all joint applicants become joint owners.
- 2.18 We are unable to accept applications from applicants who would be named on an existing mortgage or in relation to existing property deeds elsewhere when the sale of the shared ownership property completes, this includes properties outside the UK.
- 2.19 As per the terms of the CFG, applicants can expect their financial assessment to be carried out free of charge by a suitably qualified and experienced financial / mortgage advisor. The financial assessment is completed by our advisors TMP, also known as 'The Mortgage People'. However, applicants are not obliged to then arrange a mortgage with the advisor who carried out the financial assessment.

The advisor will determine the suitable proportion or amount of the applicants' income that can be spent on housing costs. They will use an advisor sign-off sheet and budget planner to confirm affordability and evidence the outcome so that Alliance can ensure that the share level being purchased is suitable for the applicants' affordability and needs.

2.20 Affordability will also be measured on the following criteria:

- Suitable savings to afford homeownership and the cost of the purchase. It is expected that applicants will use savings, investments, and any other capital assets such as bonds, shares, land and any other assets or investments to assist with the purchase. However, it is also accepted that an applicant should be able to retain a level of savings;
- Applicants will need to have £15,000 or less of unsecured debt
- Secured debt of £15,000 or more will be assessed on a case-by-case basis; and

Adverse Credit

2.21 The below guidelines are in place to determine suitability of any potential buyer and confirm where we are unable to accept applications;

Missed mortgage/rent arrears	If this has happened in the last 12 months, it won't usually be accepted. That said, we may consider the situation through an Individual Assessment.
Unsecured arrears	We'll carry out an Individual Assessment.
County Court Judgments or registered defaults	<p>None in the last 36 months. Plus, they must be satisfied prior to the mortgage application.</p> <p>They may be acceptable in the following situations:</p> <ul style="list-style-type: none"> • All CCJs/defaults were registered more than three years ago and satisfied prior to mortgage application. • All CCJs/defaults were satisfied more than 12 months prior to application regardless of date of registration. • The CCJs/defaults in aggregate amount to less than £300, regardless of date of registration, and were satisfied prior to mortgage application.
Individual voluntary arrangement (IVA) and discharged bankrupts	IVA/bankrupts who have been discharged over three years ago and who have no residual debt may be accepted subject to Individual Assessment.
Repossessions	Not acceptable.

Where Alliance considers a case is beyond the applicant's control, and eligibility criteria noted above does not apply, they will prepare a robust business case setting out why the threshold should be waived. Each case will be considered on the individual circumstances.

Surplus Monthly Income Policy

- 2.22 Alliance's minimum surplus income policy is based on a minimum percentage of net income, taking into account commitments and housing costs.
- 2.23 The minimum surplus income required by Alliance is set at 10%. This means that 90% of the net income is allocated to cover mortgage payments, housing costs, financial commitments and other essential expenditures. These costs will be assessed using the budget planner conducted by the Independent Mortgage Advisor at TMP during Stage 2.
- 2.24 The CFG offers additional guidance on the calculation used to determine net income. Furthermore, Homes England states that the mortgage an applicant can secure should not exceed 30% of their net income, subject to recommendations from the Independent Mortgage Advisor at TMP.
- 2.25 The financial assessment will be conducted by an independent mortgage advisor at TMP in two stages.
- **Stage 1 – initial assessment:** This initial assessment stage will evidence the maximum affordable share for the applicants for the new shared ownership home (ensuring that the applicants are able to afford the minimum share available). The basic eligibility and affordability checks will be made at this stage. If applicants are rejected at this stage, the outcome will be communicated to them.
 - **Stage 2 – detailed assessment:** This is a more detailed assessment of the applicants' income and expenditure, their circumstances and preferences (including any known or likely future changes that will impact their income/expenditure). This stage is to ensure that the share purchase proposed is affordable and sustainable by the applicants. This more detailed assessment will include a budget planner and calculator; and will require the applicant(s) to submit several documents to the Independent Mortgage Advisor evidencing their affordability and eligibility for the shared ownership home, such as wage slips, bank statements, credit report, proof of address etc.

Mortgage / Cash Buyers

- 2.26 Applicants that require mortgages or are cash buyers (who can purchase their share without a mortgage), still need to meet eligibility criteria and undertake an affordability assessment with an Independent Mortgage Advisor at TMP.
- 2.27 All shared ownership homes are sold leasehold, and the sales prices are based on independent valuations of market value at the sale stage (see below section on offers & reservations). While properties remain on the market valuations are updated in line with Homes England requirement.

Re-sales

- 2.28 Your lease will say whether you must give us time to nominate a buyer if you choose to sell your home. The nomination period is stated in your lease.
- 2.29 If applicants have a shared ownership property to sell, Alliance work in partnership with SO Resi, a specialist Shared Ownership resale service who will manage the re-sale transaction. You can download a resale information guide by visiting [so-resi_booklet5_selling-your-home_ebrochure.pdf](#);
- 2.30 If we are successful in finding a buyer, we'll charge you a resale fee, as detailed in your lease, plus VAT of the full market value of your home. This is payable upon completion.
- 2.31 SO Resi is a shared ownership brand operating under Metropolitan Thames Valley Housing (MTVH), providing shared ownership opportunities for potential homeowners. SO Resi will market your home on their website as well as various selling platforms such as Rightmove.
- 2.32 Applicants purchasing shared ownership through resales are required to fit the Homes England financial eligibility / affordability criteria as mentioned above and should be able to sustain the share they are to purchase together with the ongoing home ownership costs.
- 2.33 In the event of multiple customers completing initial assessments at identical dates and times, SO Resi will apply their Shared Ownership Allocation Policy [MTVH-Shared-Ownership-Allocation-Policy.pdf](#).

Offers & Reservations

- 2.34 Alliance will invite the successful applicant who have passed the Stage 2 detailed assessment to attend viewings of the property they have applied for.
- 2.35 A non-refundable payment of £250 will be placed to secure reservation until the reservation expiry date (the reservation expiry date is 14 days after the memorandum of sale is issued). The buyer has this 14 day 'cooling off' period from date of reservation should they wish to no longer proceed with the purchase, and only during this 'cooling off' period will Alliance refund the full £250 reservation fee.
- 2.36 The value will be held for 3 months from the issue of the memorandum of sale. After that, a new valuation will be required.
- 2.37 Alliance will not sell, attempt to sell, or accept any other reservation of the property/plot before the reservation expiry date

Property Compliance

- 2.38 Alliance will ensure that property compliance documents are handed over to the customer upon completion of the sale.

- 2.39 Alliance will ensure that internal compliance checks are undertaken prior to sale completion.

Lease Terms

- 2.40 Key information documents that provide the buyer information about the main terms of their lease will be provided before the reservation

Sale Particulars

- 2.41 Alliance will confirm sales particulars are in line with current procedures and in accordance with advertisement, consumer, and marketing law.

Rent

- 2.42 The level of rent that a customer (shared owner) will pay will be defined within the lease and will comply with Homes England and/or the local planning authority requirements
- 2.43 All rent is initially set by reference to the capital value of the unsold equity.
- 2.44 Rents are reviewed annually generally in line with RPI +0.5% or CPI + 1% depending on when the shared ownership leases was entered into. The terms, and process of this calculation are defined within the lease.
- 2.45 For older people shared ownership, the maximum share will be capped at 75% and where the maximum 75% share has been purchased (at initial sale or upon staircasing), no rent will be payable on the unsold equity.
- 2.46 Further information on how applicant's information is used, how we maintain the security of information, and rights to access information we hold on, is included in the 'Alliance Homes Data Protection Policy'

3. Monitoring, Consultation, and Review

- 3.1 We monitor our performance in delivering the objectives of this policy by reporting to our leadership teams a range of measures including: the time the property has remained empty for; Sales and income forecasting.
- 3.2 The Manager is responsible for the implementation and review of this policy.
- 3.3 Customers, colleagues, and service users may be involved in giving feedback on this policy, leading to amendments where appropriate.
- 3.4 Data Protection Implications of the Policy have been considered. Including but not limited to

- IAR amendments/updates
- ROPA amendments/updates
- New or updated DPIA
- Privacy Notice amendments
- Retention periods for any new data and method of archiving or deletion

3.5 This policy will be reviewed within 2 years of its approval date.

3.6 This policy will be signed off by The Manager and will be approved by our Strategic Leadership Team.

3.7 This policy will be published externally on the Alliance Homes website.

4. Equality and Diversity

4.1 This policy is subject to a periodic Equality Impact Assessment (EIA).

4.2 The purpose of such an assessment is to consider the effect of the policy regarding the recognised protected characteristics of equality and ensure that it does not unfairly impact any individual or group. The protected characteristics are age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership, pregnancy and maternity or other grounds set out in our Equality and Diversity Strategy and Single Equality Scheme. Remedial action will be undertaken if a detrimental effect is identified.

4.3 The EIA also requires the policy author to consider whether the policy is likely to negatively impact on a person's Human Rights.

4.4 This policy and any other related Alliance Homes publications can be provided in other formats for those with visual, literacy or language difficulties.

5. Complaints

5.1 If you would like to raise a complaint in relation to this policy, you can do this by calling us on **03000 120 120** or emailing us at **act@alliancehomes.org.uk**.

5.2 All complaints will be handled in line with the latest Alliance Homes Complaint Handling Policy.

6. Associated Documents

- Counter Fraud, Corruption and Bribery Policy
- Data Protection Policy

- Reasonable Adjustments Policy
- Rent Setting Policy
- Service Charge Policy
- Leasehold Management Policy
- Staircasing Policy

7. Version Control and Approval Dates

Approval stage	Date completed
Equality Impact Assessment completed	07/08/2025
EIA reviewed by Equality & Diversity Manager	07/08/2025
SLT review / approval	28/08/2025
Committee review	N/A
Board approval	N/A
Next review date	28/08/2027

8. Appendices

8.1 Appendix 1 – Equality Impact Assessment

Appendix 1: Equality Impact Assessment

An Equalities Impact Assessment must be conducted alongside the review of an existing policy or the creation of a new one.

GUIDANCE ON COMPLETING AN EQUALITY IMPACT ASSESSMENT IS AVAILABLE [HERE](#)

1. Name the Strategy, Policy, Procedure or Function (SPPF) being assessed and name of author.

Shared Ownership Policy

2. Aims of the SPPF being addresses.

- *Whose need is it designed to meet?*
- *Are there any measurable elements such as time limits or age limits?*

For individuals who are unable to have their housing needs met on the open market.

3. Who has been consulted in developing the SPPF?

- *Make reference or links to consultation/evidence documents.*

Internal staff within Housing Management, sales, and development

4. Does the SPPF promote equality of opportunity?

The policy promotes equality of opportunity across the protected characteristics as below.

5. Identify potential impact on each of the diversity “groups” by considering the following questions:

(The list is not exhaustive but an indication of the sort of questions assessors should think about):

- *Might some groups find it harder to access the service?*
- *Do some groups have particular needs that are not well met by the current SPPF?*

- What evidence do you have for your judgement (e.g. monitoring data, information from consultation/research/feedback)?
- Have staff/residents raised concerns/complaints?
- Is there local or national research to suggest there could be a problem?

Protected Characteristic	No Impact	Negative Impact	Positive Impact	Information source/s*	Comments/Evidence
Race	x				Allocation procedures are non-discriminatory, fair, and equitable. Allocation is based on first come first serve basis, unless a priority group.
Disability			x		Some shared ownership properties have been designed for wheelchair access as part of the 106 requirements.
Gender	x				Allocation procedures are non-discriminatory, fair, and equitable. Allocation is based on first come first serve basis, unless a priority group.
Transgender	x				Allocation procedures are non-discriminatory, fair, and equitable. Allocation is based on first come first serve basis, unless a priority group.
Sexual Orientation	x				Allocation procedures are non-discriminatory, fair, and equitable.

Shared Ownership Sales Policy

Protected Characteristic	No Impact	Negative Impact	Positive Impact	Information source/s*	Comments/Evidence
					Allocation is based on first come first serve basis, unless a priority group.
Religion or Belief	x				Allocation procedures are non-discriminatory, fair, and equitable. Allocation is based on first come first serve basis, unless a priority group.
Age	x				Allocation procedures are non-discriminatory, fair, and equitable. Allocation is based on first come first serve basis, unless a priority group.
Marriage and Civil Partnership	x				Allocation procedures are non-discriminatory, fair, and equitable. Allocation is based on first come first serve basis, unless a priority group.
Pregnancy and Maternity	x				Allocation procedures are non-discriminatory, fair, and equitable. Allocation is based on first come first serve basis, unless a priority group.
Rural Issues	x				No Evidence.

Protected Characteristic	No Impact	Negative Impact	Positive Impact	Information source/s*	Comments/Evidence
Social Mobility			x		The policy aims to ensure affordability and sustainable tenancy for the long term.

**Possible information sources for assessing impact or understanding issues related to target group, such as:*

- *Demographic data, studies of deprivation, statistics on health etc*
- *Results of consultations, results of equality monitoring data, complaints, customer feedback*
- *Information collected from partner agencies and groups, support groups, professional expertise, 'peer review', project leads/teams, inspection reports etc.*

Was there a negative impact identified in question 5? If yes go to question 6. If not go to question 7.

6. If "negative impact" identified in table (4) above, is it?

Legal	YES	NO
What is the level of impact?	HIGH	LOW

If it is not legal and/or high impact (i.e. If you have highlighted NO to legal and HIGH to impact) **then the document should be referred to Head of HR)**

7. If positive impact has been identified in table (4) above, how can it be improved upon or maximised, either in this SPPF or others?

The key aim of the policy is to ensure that Home Ownership is achieved in a fair and consistent way.

8. Full EIA (or if you decide full EIA is not necessary but some changes should be considered)

- *Are there changes you could introduce which would make this SPPF work better for this groups of people?*

- *Is further research or consultation required?*

YES	NO
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9. Does this proposal have any human rights implications?

If yes, please describe (If necessary, please refer to the Alliance Homes Human Rights Policy)

There are no Human Rights Implications
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