

### Right to Shared Ownership policy

#### 1. Introduction

- 1.1. The Government introduced the Right to Shared Ownership as a part of the Homes England Affordable Homes Programme 2021-26.
- 1.2. The Right to Shared Ownership allows eligible tenants who occupy eligible properties to purchase their social or affordable rented home on shared ownership terms. Tenants will be able to buy between 10% and 75% of their home. The price of the home will be based on a percentage of the full market value as determined by a Royal Institution of Chartered Surveyors (RICS) qualified independent valuer. The scheme does not involve a discount for the tenant. The tenant will then be able to buy further shares (at a minimum of 1% on an annual basis) and staircase to full ownership, in line with the new shared ownership model.
- 1.3. Right to Shared Ownership requirements are a condition of grant funding in the Affordable Homes Programme 2021-26.

#### 2. Policy Statement

##### 2.1. The Group will:

- Publicise the details of the scheme to ensure that all tenants in eligible properties are aware of their Right to Shared Ownership and provide easily accessible information on how to apply;
- Respond to any queries from tenants about whether the Right to Shared Ownership applies on their property;
- Conduct initial eligibility checks on applications from tenants, including an affordability assessment, encouraging purchasers to buy the maximum share that they can afford and sustain;
- Once eligibility checks are passed and it is confirmed that the property is also eligible for sale, obtain a valuation for the property using a Royal Institution of Chartered Surveyors (RICS) qualified independent valuer;
- Set the rent for the unsold share as per scheme guidelines and implement rent increases in line with annual limits;
- Encourage applicants to seek their own legal and financial advice;
- Maintain accurate records of all Right to Shared Ownership sales.

#### 3. Policy Scope

- 3.1 This policy applies to employees and tenants living in eligible homes.

## 4. Definitions

- 4.1 Shared Ownership – Shared Ownership allows buyers to purchase a share of a home – usually between 10% and 75%. Purchasers will pay a mortgage on the share that they own and a below-market-value rent on the remainder to WHG, along with any service charge and ground rent. As the purchaser only needs a mortgage for the share they own, the amount of money required for a deposit is often much lower compared to purchasing a property outright.

<b>The Wrekin</b> Housing Group	<b>Policy control sheet</b> <b>Right to Shared Ownership Policy</b> <b>Policy Reference Number 2021/014</b>
<b>Policy Author</b>	Simon Thompson Director of Development
<b>Direct Lead</b>	Jon Lamb Executive Director of Finance
<b>Version</b>	1. August 2021
<b>Consultation</b>	Housing Team Legal Team Finance Team Senior Managers
<b>Date of Equality Impact Assessment</b>	No individuals or groups of people are disadvantaged by the adoption of this policy
<b>Date of Data Privacy Impact Assessment</b>	A DPIA is not required
<b>Approving Body</b>	Executive Management Group
<b>Date of final approval</b>	2 <sup>nd</sup> September 2021
<b>Implementation date</b>	September 2021
<b>Monitoring arrangements</b>	Executive Management Group Finance and Investment Committee
<b>Reporting</b>	Executive Management Group Finance and Investment Committee
<b>Review date</b>	March 2024
<b>Expiry date</b>	September 2024
<b>Review cycle</b>	Three year review cycle
<b>Policy category</b>	Home Ownership and Leaseholder
<b>Associated policies and procedures</b>	Home Ownership Policy
<b>Policy location</b>	Intranet The Wrekin Housing Group website

### Summary of changes table

Revision history			
Author	Summary of changes	Version	Authorised by & date
Simon Thompson	New policy	1.0	EMG – 2 <sup>nd</sup> September 2021