

# SHARED OWNERSHIP ALLOCATION POLICY

## 1. INTRODUCTION

This policy outlines ISHA's approach to the allocation of shared ownership homes.

The policy complies with Homes England/GLA regulatory requirements and Local Authority allocation priorities, while promoting an efficient, commercially-focussed approach in support of ongoing affordable housing development.

## 2. AIMS

To ensure that ISHA complies with the regulatory guidance defined in the Home England (HE) Capital Funding Guide and the London-specific elements of this as administered by the Greater London Authority (GLA).

To ensure ISHA complies with local authority allocation priorities, as defined on a scheme-by-scheme basis in the relevant S.106 planning consent.

To establish a sales process that, within the context of the above requirements, is as inclusive, flexible and demand-responsive as possible.

To establish a clear, efficient and effective approach to the acceptance and assessment of shared ownership applications.

To support ISHA's development programme through the optimisation of sales income streams.

### 3. ELIGIBILITY CRITERIA

ISHA eligibility criteria reflect the guidelines set by HE and the GLA.

Key eligibility requirements are as follows:

- Applicants must be at least 18 years old.
- Applications are accepted from single or joint applicants. The financial eligibility of joint applications will only include whoever is taking out the mortgage i.e. an application made in joint names where only one party will be taking out the mortgage, will be assessed on the basis of that person's financial profile only. The finances of the applicant not taking out the mortgage will be disregarded.
- The applicant(s) must have a gross household income of no more than £90,000 per annum.
- The applicant(s) must be British citizens or have indefinite leave to remain in the UK. Customers without indefinite leave to remain who are interested in buying a home must be able demonstrate that they are able to raise a mortgage with an acceptable lender and that they can afford to sustain home ownership in the longer term. This will normally require a detailed individual assessment.
- Applicants must be assessed by an ISHA-panel IFA as being unable to outright purchase a home of comparable size, location and value on the open market. This assessment is free of charge.
- Applicants must be clearly assessed as being able to meet the financial commitments associated with shared ownership on an ongoing basis.
- Applicants must be able to demonstrate they are not in mortgage or rent arrears and have a good credit history, with no outstanding defaults or County Court Judgements.
- The applicant(s)' mortgage lender should be authorised and regulated by the Financial Conduct Authority.
- The applicant(s) should maximise the share purchased by way of securing a sustainable mortgage. If an applicant is unable to obtain a mortgage because of age, disability or religious belief, this requirement can be waived subject to the written approval of the GLA. In this case, a financial assessment from an ISHA-panel IFA will still be required.
- The applicant(s) must be assessed as having adequate financial resources to afford the initial costs of purchase through savings or access to funds.
- Owner-occupiers and current shared owners can access shared ownership subject to the following conditions:
  - a) That they meet the general eligibility criteria for the scheme e.g. in terms of household income and being otherwise unable to afford to purchase a suitable home without assistance.
  - b) Each application will be assessed by ISHA on its individual merits.
  - c) They are required to have already sold their property or be selling their property at the same time as buying through Shared Ownership.

Further guidance on eligibility criteria can be found at: [Shared Ownership - Capital Funding Guide - Guidance - GOV.UK \(www.gov.uk\)](#) or [Shared Ownership Eligibility - Share to Buy](#).

## 4. ENQUIRY/ELIGIBILITY ASSESSMENT/RESERVATION PROCESS

- 1) Properties will be effectively marketed on the Share to Buy, Keaze, 'BuywithIsha' and, when appropriate, Rightmove platforms, to optimise market awareness and enquiry traffic. Shared ownership product guidance and a 'How it works' buying guide is provided on the 'BuywithIsha' website.
- 2) Interested parties will be guided to register their details via the 'BuywithISHA' website and carry out a headline affordability assessment with an ISHA-panel IFA.
- 3) Assuming the applicant meets headline eligibility and affordability criteria, they will then be invited to view the property (if it is build-complete) or (if not) to reserve the plot of their choice 'off-plan.'
- 4) If the applicant wants to proceed to reservation, they will then be re-referred to the ISHA-panel IFA to carry out an in-depth financial assessment specific to the value of the property they wish to reserve. This assessment is free of charge.
- 5) Should the applicant be assessed as being able to purchase a share of the plot of their choice according to Capital Funding Guide affordability parameters and Anti-Money Laundering regulations, ISHA will receive the appropriate 'sign-off' documentation to this effect from the IFA.
- 6) The applicant will then be invited to pay a £500 non-refundable reservation deposit. (£250 to go against the share price upon completion & £250 toward ISHA administration costs).
- 7) Upon receipt of the reservation deposit, the Sales & Marketing Manager (or the responsible organisational lead) will approve the allocation and issue of the Memorandum of Sale, subject to the eligibility and affordability evidence provided.

**Review 20 March 2024** – Issue of the Memorandum of Sale is now also subject to written confirmation from a senior member of the Finance team that the unit sales value detailed therein matches the currently valid RICS valuation of the unit.

## 5. PRIORITISATION

In the unusual event of a specific shared ownership property being subject to over-demand and assuming the criteria detailed above has been met, ISHA will consider, in priority order, the following factors in its allocation decision:

- Local authority allocation priorities, if specified in the scheme-specific Section 106 planning agreement and subject to any time-limited 'cascade' mechanism contained therein.
- MOD personnel prioritisation, as specified in HE/GLA guidance.
- Household make-up in relation to the number of bedrooms, with optimal occupancy gaining priority.
- Date of registration with ISHA

## 6. APPEALS

Appeals against allocation decisions will be considered via the ISHA complaints procedure.

## 7. ALLOCATION OF SHARED OWNERSHIP PROPERTIES/SCHEME TO STAFF, BOARD MEMBERS AND/OR THEIR RELATIVES

ISHA and NRA members' staff, non-resident Board Members and their close relatives will not be eligible for ISHA home ownership properties due to the potential for conflicts of interest.

The term *close relative* is defined as a member of the immediate family or household, i.e. partner, wife, husband, son, daughter, brother, sister, mother or father.

The term *staff* relates to employees of ISHA or those of NRA member organisations. The same applies in the interpretation of the term Board member.

## 8. EQUALITY AND DIVERSITY

This policy will be implemented in accordance with equality legislation and our Equality and Diversity Statement, ensuring that ISHA will not discriminate against any applicant on grounds of their protected characteristics. ISHA will address any special communication requirements in order to ensure all our customers have equal access to the information they need.

## 9. DATA PROTECTION

Shared ownership applications and allocations will be operated in accordance with the principles of the Data Protection Act 2018, General Data Protection Regulations UK and ISHA Data Protection Policy. Documents relating to applications and allocations will be retained and disposed of in line with our Data Retention Guidelines.

## 10. TRAINING

ISHA will ensure that the staff involved in the allocation of shared ownership homes will possess the relevant skills and knowledge in relation to this policy.

## 11. STATUTORY AND REGULATORY FRAMEWORK

This policy will be delivered in accordance with all relevant legislation and regulation, which include:

- a) The Capital Funding Guide
- b) S.106 Planning agreements, where applicable
- c) Money Laundering Regulations 2017
- d) Data Protection Act 2018 and [UK GDPR]
- e) Equality Act 2010

## 12. POLICY REVIEW

This policy will be reviewed at least every three years by the Sales & Marketing Manager (or responsible organisational Sales lead).

## 13. ORIGINAL POLICY REVIEW DATE

Board approval - 15 June 2022

## 14. REVIEW/UPDATE RECORD

### March 2024

Further to a 2023 audit finding, an additional safeguard regarding the integrity of sales values was added to the reservation process in section 4, part 7. This update was shared with all members of the Leadership Team on 20/03/24.

### May 2025

The policy was reviewed by the Principal Sales & Marketing Manager with no requirement for amendments to be made. A short paper to this effect was presented to PIC on 21/05/25 and, as there were no changes, there was no requirement for presentation to Board.

| Reference                          | Version | Created    | Author                                    | Review   | Leadership Team approved |
|------------------------------------|---------|------------|---|----------|--------------------------|
| Shared ownership allocation policy | 3       | March 2024 | John Purcell, Sales and Marketing Manager | May 2028 | March 2024               |