



**Shared Ownership
Allocation Policy & Procedures**

1. Allocation Policy & Procedure for Shared Ownership Properties

The supply of shared ownership properties developed by Stroud District Council in the Stroud district is limited. This policy and procedure therefore sets out how we will prioritise applications.

This document is to be read in conjunction with the scheme nomination agreement, S106 agreement and any local lettings policy, which will prevail over this procedure.

We aim to ensure that:

- interested parties are given an equal and fair opportunity to apply for properties offered for sale on a shared ownership basis.
- applications are assessed against set criteria presented in this procedure to ensure a fair and equal assessment
- decisions are made following assessment by at least two people to ensure non-bias and good judgement.

Our eligibility criteria seek to ensure that whilst properties are offered to people who are able to afford shared ownership, people considered most in need of this tenure are prioritised.

Properties will be sold outside of criteria set out in this document once priority applicants have been given the opportunity to express interest and apply.

This document does not cover resale of shared ownership properties and applies only to new build shared ownership properties offered for sale by Stroud District Council.

2. Ensuring equal and fair opportunity to apply

Once properties are available Stroud's agent, Ark Housing Consultancy will:

- market the properties on the Help to Buy South website.
- liaise with applicants who are registered with Help to Buy South and who have expressed an interest in purchasing a shared ownership property in the Stroud district.
- advise Stroud District Council to market the properties through their communication channels and work with them to target potential buyers from the housing waiting list.
- market the properties as appropriate e.g. via leaflet drops in the local area or in local papers.
- make application forms available to all who express an interest and are considered potentially suitable following initial telephone assessment with our agent (refer to form SO-L1 Initial Telephone Assessment).

3. Fair and Equal Assessment process

Stroud's agent will assess the merit of each application in terms of affordability and housing or tenure need.

3.1 Affordability

An affordability assessment will be carried out based on information provided in the application form. Clarification and further details will be sought at interview (refer to forms SO-L2 Applicant's Details and SO-L3 Budgeting Assessment).

The affordability assessment will:

- a) ensure the tenure is affordable to the applicant and is considered a sustainable option in the long term

and

- b) establish whether the applicant needs the tenure or whether they could afford to purchase suitable accommodation in the area without the assistance of the shared ownership tenure.

Applicant's will be asked to provide permission for our agent to carry out a credit check. Credit checks may be carried out as considered appropriate to establish whether there are any factors, which prevent the necessary funds being raised, and to check whether any other financial factors need to be taken into account in assessing the application (refer to form SO-L4 Credit Check).

Purchasers will need to be able to provide a deposit and it is considered a 10% minimum deposit is appropriate. This demonstrates the ability to manage a household budget and make regular savings. It also helps to ensure the tenure is sustainable, allowing a reasonable buffer and assisting re-mortgaging in times of decreasing property values.

Where it is considered applicants do not pass the affordability assessment Stroud Council's agent will contact the applicant to explain why.

3.2 Housing Need

Applications that pass our affordability assessment will be assessed for housing need to determine who has the most need for the property. The needs assessment will take into account such factors as: local connection, current housing arrangements, household composition, illness or disability or whether a household provides care to a visiting family member on a regular basis.

Priority will be given to:

- a) Households that are currently Housing Association or Local Authority tenants or Shared Ownership leaseholders. Also Military Personnel as defined by the Homes and Communities Agency.
- b) First time buyers who are registered on the Help to Buy website.

c) Priority will be given to those who are registered on Stroud District Council's waiting list or Stroud District Council's existing tenants.

d) Households with an existing local connection.

Families are deemed to have a local connection if they fulfil one of the following criteria. Priority is given in the following order:

- People who currently live in the Stroud area i.e. those who are normally resident in the Stroud Local Authority area and must be a resident for at least 5 years
- Have immediate relatives (parents, children siblings) living in the Stroud area
- Currently working permanently or have an offer of permanent employment in the Stroud area

e) Households that meet the occupancy criteria for the property.

We will aim to allocate to the appropriate size of household.

In order to allow for future family growth and to ensure a sustainable tenancy and environment across the development we will allocate families one bedroom more than is currently needed.

For example a two bed house could be offered to:

- a couple with no children
- a couple with one child
- a couple with two young children (under the age of 16 if same sex or under 10 if different sexes)
- a single person

A three bed house could be offered to:

- a couple with one or more children
- a single person with one or more children

In order to assist in the property remaining suitable for a 5 year period the Council will assume the following:

- different sex children over 10 to have their own bedroom
- same sex children over 16 to have their own bedroom

The Council reserves the right to allocate properties outside of these occupancy criteria where it is considered appropriate. e.g. where immediate family members in need of care visit on a regular basis.

f) Current home owners who are forced to sell their property due to illness or relationship breakdown (or other circumstances deemed appropriate by the council) and are considered as being in need of the tenure

g) Households with members suffering illness or disability.

Having assessed all applications Stroud's agent will either recommend or liaise with the Tenancy Operations Manager to decide which applicants to prioritise.

4. Viewings

Where applicants pass both the affordability assessment and the housing need assessment, depending on the volume of applications received, our agent will either;

- a) invite all applicants who pass the assessments to view the properties

or

- b) invite those with the top priority to view the properties.

When properties are being sold off plan and a site viewing is not possible, our agent will invite applicants to view plans in their office.

If properties are still available once the initial phase of marketing and application assessment is concluded, applications will continue to be received and properties may be offered to applicants outside the criteria in this policy and procedure.

5. Offer

Having made a decision on who will be offered the opportunity to purchase a shared ownership property our Agent will advise the appropriate percentage share for individual applicants and will offer on this basis.

A non-refundable reservation fee of £250.00 is taken to secure the plot and ensure the applicant is genuine in wishing to proceed. The deposit is sent to the applicant's Solicitor and is deducted from their costs if they complete (SO-L5-Reservation Receipt). The deposit is non-refundable if the applicant withdraws from the purchase.

6. Compliance and Review

It is the responsibility of Stroud District Council and its agent to ensure adherence to this procedure and to ensure that a fair and transparent housing needs assessment is carried out.

Once a reservation is received the agent detailing how the applicant meets the allocation criteria and why the allocation has been made completes a Property Allocation Decision Form. (SO-L6 Property Allocation Decision Form).

Stroud's Tenancy Operations Manager has overall responsibility for this procedure; ensuring that the process is reviewed regularly and meets the current requirements of Stroud District Council.

The Council reserve the right to allocate properties outside of the criteria as considered appropriate. If the priority group have been given opportunity to apply, following marketing, properties may be sold to other applicants who fall outside this policy and its criteria.

APPENDICES – FORMS

SO-L1	Initial Telephone Assessment
SO-L2	Applicant's Details
SO-L3	Budgeting Assessment
SO-L4	Credit Check
SO-L5	Reservation Receipt
SO-L6	Property Allocation Decision

Shared Ownership of new build property at Littlecombe, Dursley

Name Mr/Mrs/Miss/Other		Age / DOB	
Address			
Landline		Mobile	
Email			
Do you own a home? First time buyer?	Yes / No Yes / No	HA/Private Rented:	
Who will live in the house?		Ages: M / F	
Household Income:	£	Employment Terms: F/T, P/T, Perm, Contract, S/E	
Applicant			
Spouse			
Benefits	Housing Child Benefits Disability Other		
Household Debts:	Description	Monthly Payment	Level of Debt
Bad Credit:	CCJ Missed payments Other		
Savings:			
Connection to Area:	Work Relatives		
How did you hear of the scheme?			

Applicants Details

Interviewed by:					
Applicant(s):					
DoB:					
Property address:					
Full market price	£	Share	%	Value	£
Initial Application Information Submitted					
Date					
Address		Mobile		Landline	
		Email			
Is this property:	Owned <input type="checkbox"/>	Social Rented <input type="checkbox"/>	Private Rented <input type="checkbox"/>		
Who will be living in the property		Children/Ages			
Household Income		Employment	Applicant	Other	
Applicant		<i>Full Time</i>			
Spouse		<i>Part Time</i>			
Benefits		<i>Permanent</i>			
		<i>Contract</i>			
		<i>Self Employed</i>			
		<i>Not working</i>			
Household Debts	Description	Monthly Payment	Level of Debt		
Bad Credit	CCI	Missed Payments	Other		
Savings					
Do you have a connection to the area?	Family / Relatives				
	Work				
Are you a first time buyer?		How did you hear of us?			

Information / Documentation Required					
Document	✓	Details/comments	Document	✓	Details/comments
Last 3 months payslips			Passport/Driving Licence ID		
Guarantee of overtime/bonus (if applicable)			Mortgage in principle		
Last 3 months bank statements			Details of debts		
Savings			Benefit details (if applicable)		
Gifting letter (if applicable)			Utilities		
Current Accommodation information:					
In Social Housing? <input type="checkbox"/> Registered on Council waiting list <input type="checkbox"/> Registered with HelptoBuy South? <input type="checkbox"/>					
Is current housing suitable for needs? Yes/No (please delete)					
Please tick appropriate box(es) if No and provide further details for each item to show why the applicant(s) has a clear need to access affordable housing.					
State of disrepair <input type="checkbox"/> Medical reasons <input type="checkbox"/> Employment <input type="checkbox"/> Location <input type="checkbox"/>					
Size of property <input type="checkbox"/> Security of tenure <input type="checkbox"/> Other <input type="checkbox"/>					
Further details:					
Previous Address (if less than 3 years at current address):					
Mortgage & Financial Information					
Lender:			Deposit: £		
Other source of deposit/funds:					
Evidence supplied for other funding source (please detail):					
£250 reservation fee paid: Yes/No					
Any other details:					
<i>Please continue on separate sheet if necessary</i>					
Signed			Date		

Budgeting Assessment Income & Expenditure

Scheme:			
Date:		Applicant(s):	
Monthly Charges:	Rent	£	
	Service Charge	£	
	Purchasers Deposit	£	

	Present Finances Monthly £	Future Finances Monthly £
Income before deductions (applicant 1)		
Income before deductions (applicant 2)		
Net income after deductions (take home) (applicant 1)		
Net income after deductions (take home) (applicant 2)		
Other income, e.g. benefits, tax credits, pension, etc		
Total Net Income		

Housing Costs		
Rent		
Service charge		
Mortgage		
Gas		
Electricity		
Water		
Council tax		
Contents insurance		
Total Housing Costs		

	Present Finances Monthly £	Future Finances Monthly £
Other Essential Costs		
Child maintenance		
Existing loans		
Credit cards (minimum payment)		
Life insurance		
Telephone/mobile phone		
Housekeeping - food, toiletries, cleaning, etc		
Essential car costs - petrol, insurance, maintenance		
Essential travel costs		
Child care		
TV licence		
House maintenance e.g. annual boiler servicing		
Total other essential costs		

Non-Essential Costs		
Sky TV/internet costs		
Clothes		
Newspapers & magazines		
Cigarettes		
Alcohol		
Holidays		
Savings		
Other memberships/subscriptions		
Any other costs		
Total non-essential costs		

Office Use Only		
Net income		
Total housing & essential costs		
Total non-essential costs		
Remaining disposable income		

Credit Check

We hereby agree to a Credit check being undertaken by Ark Housing Consultancy in connection with our application to purchase a shared ownership property with Stroud District Council.

I understand that this will not be used for any other purpose and will remain confidential to Ark Housing Consultancy and Stroud District Council.

Signed	
Dated	

Plot No
Site Address

Deposit Received: £

Date:

Thank you for your deposit to reserve the above property.

This deposit will be held for a period of 7 days prior to being banked. This is to allow a 'cooling off' interval and will be returned to you if you withdraw at this time. After the 7 days, the deposit is not refundable.

The deposit is returnable if you complete on the purchase and will be forwarded to your solicitor ready for completion.

Signed by:

On behalf of Ark Housing Consultancy

Property Allocation Decision

Site

Purchaser Name (s)	
Family Make-Up	
Plot Number / House Type	

Affordability Interview Date	
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Reason to Proceed	Registered on H2B	
	Registered on SDC Housing Waiting List	
Affordability	Total Income	
	Savings	
Housing Need	HA/LA Existing Tenants	
	First time buyer	
	Illness / Disability	
	Relationship breakdown	
Local Connection	Living	
	Family / Relatives	
	Work	
Occupancy		

Lender		Mortgage offer received	
Interest Rate & Term		Amount of Loan	
Type		APR	
Share Value - %		Deposit %	
Comments			
Mortgage offer Accepted	<input type="checkbox"/>	Yes	<input type="checkbox"/> No



Signed on behalf of Ark Housing Consultancy	
Signed on behalf of Stroud District Council	