

gentoo



Shared Ownership

Issue control	
Policy:	Shared Ownership
Version number:	1.0
Date of approval:	26 October 2026
Policy Owner:	Director of Development and Regeneration
Policy Author:	Shared Ownership Sales and Marketing Manager
Approved by:	Executive Team
Next review date:	October 2029
Policy grade:	2 (Executive Team)
Equality Assessment completed:	Yes
Data Protection Impact Assessment required after completing the screening:	Yes
This document is uncontrolled when printed	

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For support and advice regarding the policy, please contact the Policy Owner. For queries on the policy register, please contact the Governance Team.

Contents

Policy Statement	5
Equity, Diversity, Inclusion and Belonging	5
Scope, Escalation and Monitoring	5
Scope	5
Escalation	6
Monitoring	6
Core Purpose, Vision and Themes	6
Regulation and Legislation	7
Roles and Responsibilities	7
Definitions	8
Associated Procedures and Processes	8
Policy Detail	9
General Applicant Eligibility	9
Joint and Sole Application Rules	9
Joint Applications	9
Sole Applications	10
Affordability Assessment	10
Ongoing Eligibility and Share Options	11
Rent and Service Charge Affordability	11
Decision Making and Transparency	11
Aftersales, including Staircasing and Nomination Period	12
Initial Repair Period	13
Sub-letting	13
General Sub-letting Guidance	13
Pet Ownership	13

Performance Monitoring, Reporting and Auditing	14
Internal Audit and Assurance	14
Records	14
Version Control	14

Policy Statement

- This document sets out Gentoo's approach to the sale, resale and ongoing management of Shared Ownership homes, including applicant eligibility, affordability, allocation and aftersales administration. This policy is informed by our organisational goals, legislation, regulation, and best practice.
- This chapter does not reflect all elements of general programme requirements and should be read in conjunction with the other chapters of the Homes England Capital Funding Guide (CFG) and any appropriate lease documents.

Equity, Diversity, Inclusion and Belonging

- We are committed to the principles of equity, diversity, inclusion and belonging throughout the organisation and aim to:
 - Treat everyone equally, fairly, and with respect.
 - Provide fair and equitable outcomes for colleagues and customers.
 - Welcome and value difference and not tolerate discrimination, harassment or victimisation of any individual or groups.
 - Challenge the behaviour of those who do not uphold our values and go against our principles.
 - Oppose and avoid all forms of unlawful discrimination. This includes pay and benefits, terms and conditions of employment, dealing with grievances and discipline, dismissal, redundancy, leave for parents, requests for flexible working, and selection for employment, promotion, training, or other developmental opportunities.
- We are committed to the principle of diversity and inclusion for all colleagues and customers, regardless of sex, race, religion or belief, age, marriage and civil partnership, pregnancy and maternity, sexual orientation, gender reassignment, or disability.
- This policy and the associated procedures (if applicable) will ensure that customers and colleagues are treated as individuals with fairness and respect. An Equality Assessment has been completed on this policy.

Scope, Escalation and Monitoring

Scope

- The scope of this policy covers Gentoo Group.
- This policy applies to:

- The sale, re-sale and aftersales management of Shared Ownership Homes delivered under Homes England programmes. Requirements differ by programme and lease model; Gentoo will apply the correct Homes England model lease and associated Key Information Documents for each home.

Escalation

- Where the Board or a Committee has concerns about significant issues in any area of this policy, they must escalate these concerns to the Executive Director of Property.
- Where a colleague has concerns about significant issues in any area of this policy, they must escalate these concerns through their line management structure, and ultimately to the Executive Team.
- Where a colleague continues to have concerns about significant issues in any area of this policy, they should refer to the whistleblowing section within the Group's Working Professionally Policy, which can be found on the Policy Hub on the Gentoo Intranet.

Monitoring

- This policy will be reviewed every three years, unless business needs or legislative changes dictate that we review it before this time.
- This policy may be subject to an audit in line with the internal audit plan.
- This policy is a grade 2 and changes will need the approval of the Executive Team.

Core Purpose, Vision and Themes

- Our core purpose is to provide warm, safe and decent home for our customers of today and tomorrow.
- Our vision is to become the best provider of social homes in the country.
- Our values are what we stand for and what we want to be known for. They are what makes us, us.
 - We care about people.
 - We take accountability.
 - We shape the future.
 - We bring leadership.
 - We deliver.

- We live our values in everything we do from the boardroom to the front room, to deliver our priorities for our customers.
- We have identified six themes which will guide the delivery of our services and support the Group's vision and ambitions for the next 10 years.
 - The best provider of social homes in the country.
 - A housing provider that listens and sorts things out.
 - Helping our communities to thrive.
 - Achieving growth through partnerships and innovation.
 - A professional, caring, great place to work.
 - Embracing modern technology and data.

Regulation and Legislation

- The Shared Ownership Sales and Marketing Manager and Leasehold Manager will ensure this policy has regard to all legislation, regulation and best practice, including the Homes England Capital Funding Guide.

Roles and Responsibilities

- The key roles and responsibilities in Gentoo for this policy are set out below. If applicable, additional responsibilities for this policy are detailed in the relevant supporting procedures.

Role	Key responsibilities
Executive Director of Property	Overall accountability for compliance, governance, and effectiveness of the policy.
Executive Team	Approval of the policy and oversight of material compliance or performance issues.
Director of Development and Regeneration	Accountable policy owner, responsible for implementation, resources, controls and escalation.
Shared Ownership Sales and Marketing Manager	Operational implementation, colleague training, customer information, decision oversight, and monitoring.
Shared Ownership Sales Team	Application administration, evidence checking, communication, and maintenance of the audit trail.

Role	Key responsibilities
Independent Financial Adviser (panel)	Independent eligibility and affordability assessment using the required documentation, without transferring the final allocation decision away from Gentoo.
Leasehold Management	After sales activity where applicable, including staircasing, subletting and resale administration in accordance with the lease and relevant programme requirements.

Definitions

- The following definitions are used throughout this policy:

Term	Definition
Domestic properties	Any Gentoo property that is occupied for residential purposes under a tenancy agreement and where Gentoo are responsible for maintaining the property.
Domestic leasehold properties	Any domestic property that is occupied by a third-party for residential purposes under the terms of a residential lease, but the Group retains ownership of the freehold.

Associated Procedures and Processes

- There are two policies (as below) that Homes England require all providers to publish for Shared Ownership homes either in receipt of grant funding and / or forming part of one of its Affordable Homes Programmes.
- A first come, first served policy for the prioritisation of eligible applicants (see section 6B.2 of the CFG for more detail) – updated every three years or reviewed and updated as necessary to reflect changes in regulatory or programme requirements.
- A monthly minimum surplus income policy for applicants. This relates to the minimum amount of surplus income – expressed in monetary and / or percentage terms - that an applicant should have available per month after accounting for all their housing costs, other commitments and expenditure as established by their

budget planner and stress tested – updated every three years or reviewed and updated as necessary to reflect changes in regulatory or programme requirements.

Policy Detail

General Applicant Eligibility

- Shared Ownership aims to help people aged 18 or over who are in housing need and unable to afford to purchase a suitable property for their needs on the open market. To be eligible, applicants must have a gross household income of less than £80,000 and meet all relevant eligibility and affordability requirements.
- Gentoo is responsible for assessing and confirming the eligibility of all applicants. A rigorous financial assessment must be completed to confirm that the purchase is affordable and sustainable. This assessment will consider the applicant's income, savings, access to capital or other assets, regular outgoings, financial commitments, and the full costs associated with purchasing and moving.
- Shared Ownership purchasers are expected to buy the maximum share they can reasonably afford at the point of initial purchase. However, individual circumstances must be taken into account, and there may be legitimate reasons why an applicant should retain a higher level of savings, for example, to meet future health and care costs or other financial commitments.
- For resale properties, purchasers are required to purchase the share being sold. However, they may be able to buy a larger share where this is affordable and approved.
- Existing homeowners may access Shared Ownership, provided they have already sold their property or are selling their property at the same time as buying through Shared Ownership.
- Before Gentoo can issue an offer to proceed to reservation, both Gentoo and the Financial Advisor must separately confirm that, in their professional judgement, the applicant meets the relevant eligibility and affordability requirements. Applications that do not meet these requirements will be declined, as the purchase would not be considered affordable or sustainable.

Joint and Sole Application Rules

Joint Applications

- Joint applications for a Shared Ownership home can only proceed where all applicants become joint legal owners of the property. For a joint application:
- All applicants must meet the Shared Ownership eligibility criteria.

- Affordability will be assessed using the combined financial circumstances of all applicants.
- All named applicants will be legally and financially responsible for the home.

Sole Applications

- It is acceptable for only one person within a household to apply as a sole applicant. In these cases:
- The sole applicant becomes the sole legal owner of the Shared Ownership home.
- Only the sole applicant's eligibility and affordability are assessed.
- Gross household income must still be considered to confirm that the total relevant household income does not exceed the £80,000 maximum threshold, in line with section 3.4 of the CFG.
- This ensures compliance with national Shared Ownership income limits while allowing flexibility in household composition.

Affordability Assessment

- Gentoo must assess individual applicants to ensure they meet all eligibility criteria, determine what share they can afford, and confirm that the purchase is affordable and sustainable.
- The assessment of what share an applicant can afford must be undertaken by a suitably qualified, experienced, and regulated mortgage adviser or financial adviser. All applicants will complete a full income and expenditure assessment through a budget planner facilitated by a suitably qualified, experienced, and regulated mortgage adviser or financial adviser. The purpose of this assessment is to determine the share of the property the applicant can afford to purchase.
- As part of the assessment, the suitably qualified, experienced, and regulated mortgage adviser or financial adviser will obtain an Agreement in Principle, which confirms the maximum mortgage amount a lender is prepared to offer. Where a mortgage is not required, the applicant must provide satisfactory proof of funds to demonstrate their ability to proceed.
- Gentoo may refer applicants to a panel of advisers experienced in Shared Ownership. Applicants are not required to use a panel adviser and may appoint their own suitably qualified and appropriately regulated adviser, provided that Gentoo receives all affordability evidence and sign-off documentation in the required format. This assessment is essential as it confirms whether the applicant can proceed with the scheme and is a Homes England requirement.

- Affordability will be evidenced using Homes England's adviser sign-off documentation. Decisions will be based on the adviser's documented affordability judgement and the applicant's individual circumstances, with any discretion recorded and retained for audit.

Ongoing Eligibility and Share Options

- Where there are long delays between initial application and exchange of contracts, Gentoo must ensure that applicants continue to meet the eligibility criteria, as their circumstances may have changed. For example, an applicant may have changed jobs or formed a new partnership.
- The share options available may vary between developments, reflecting the funding requirements for each scheme. This will be confirmed through the plot-specific Key Information Documents provided to customers before reservation.
- Gentoo is required to offer the full range of applicable share percentages as determined by the relevant Shared Ownership model. Gentoo must ensure that the share level being purchased is suitable for the applicant's affordability, needs, and circumstances, as presented by the adviser, and must be able to evidence this.
- Gentoo should follow the advice provided by the adviser in respect of all mortgage matters and must not undertake any activities for which it is not regulated, such as providing financial advice.

Rent and Service Charge Affordability

- All applications will be stress tested over a five-year period to ensure that buyers can afford the rent and all associated payments to Gentoo. This will include annual rent increases under the Shared Ownership lease, whether based on CPI or RPI.
- Annual rent reviews will be carried out in line with the terms of the lease and reviewed by the Rent and Service Charge Accountant. Service charges will also be reviewed annually.
- Customers can dispute their service charges by contacting Leasehold Management, who will provide an explanation. Customers may be able to challenge the reasonableness of service charges by applying to the First-tier Tribunal, which will determine whether the charges are reasonable.

Decision Making and Transparency

- Gentoo must ensure that all Shared Ownership applicants are considered in an impartial, equitable, and consistent manner in accordance with Homes England guidance. No applicant should be disadvantaged through Gentoo's interpretation or

application of the guidance. The ultimate responsibility for deciding whether to accept an application rests with Gentoo.

- Gentoo will maintain clear information and policies setting out how Shared Ownership applications are considered and the key factors used in decision-making. Once a decision has been made, Gentoo will be transparent and open in providing a suitably detailed and reasoned explanation to the applicant.
- Applicants for grant-funded Shared Ownership homes must be considered on a first come, first served basis, except where the Government has determined priority groups or locations. The process by which Gentoo meets this condition of funding is set out in the First Come, First Served Policy and is made available to applicants and other relevant parties.

Aftersales, including Staircasing and Nomination Period

- Gentoo does not currently provide a resale, nomination or direct marketing service for shared owners wishing to sell their home. Shared owners must notify Gentoo in writing of their intention to sell and appoint a suitable estate agent, in accordance with the relevant lease and Homes England funding programme requirements. Gentoo will confirm the required process, valuation requirements, purchaser eligibility requirements and documentation in writing. The property must be advertised as a shared ownership property. Where Gentoo is required to carry out a financial assessment, written confirmation that the prospective purchaser's offer has been accepted must be provided before the assessment can proceed.
- Customers can apply to staircase during their ownership – the minimum percentage available will be determined by the lease provisions and may vary from funding schemes. Where customers wish to staircase this request must be made in writing to Gentoo Leasehold Management. Gentoo will organise a RICS valuation which the customer will pay for, the valuation will be sent to Leasehold Management to use to calculate the % that customer wishes to purchase. Fees for this will be payable by the customer.
- Leasehold management will confirm in writing to customer the cost of the % they wish to purchase and details of Gentoo legal fees to be paid, valuation fee and administration fee. Acceptance is required from the customers that they wish to go ahead they must provide their solicitors details.
- Where permitted by the lease provisions, customers may be eligible to staircase by 1% each year. An annual statement will be issued confirming the current cost of purchasing an additional 1% share. The statement will be prepared by the Rent and Service Charge Accountant and sent to eligible customers each year with the annual rent increase letters.

Initial Repair Period

- Where the relevant funding programme and lease provide for an initial repair period / essential repairs allowance, Gentoo will administer these provisions in accordance with the applicable lease and Homes England requirements. Customers will be informed through their lease and plot-specific Key Information Documents whether these provisions apply to their home. On the anniversary of the lease, those customers who are eligible will receive a repairs statement which will show their applicable repair balance for essential repairs.
- Shared ownership rents, service charges will be monitored by Credit control and leasehold management, the arrears process will follow the arrears policy.

Sub-letting

- Shared Ownership leases normally prohibit sub-letting. This protects public funding and ensures homes are not purchased for commercial gain. Shared owners may request permission to sub-let only where there is a genuine need.
- Taking in a lodger or paying guest is permitted, but shared owners should inform the landlord before any arrangement begins and always in conjunction with the lease on the property.
- Shared Ownership homes must be used as the owner's home and must not be used for commercial purposes, including short-term lets or bed-and-breakfast accommodation.

General Sub-letting Guidance

- Shared owners do not have a right to sub-let. Requests may be approved where there is a genuine need and must be assessed on a case-by-case basis.
- Any approved subletting arrangement must comply with the applicable lease terms and all relevant legal and regulatory requirements in force at the time.

Pet Ownership

- You must not keep any animals which are in the opinion of Gentoo Group Limited not small domestic pets without the written permission of Gentoo Group Limited. Shared owners must comply with the pet-related provisions contained in their lease. Where the lease requires Gentoo's written consent, requests will be considered reasonably and consistently, taking account of the property type, relevant lease restrictions, animal welfare, nuisance, safety and any reasonable adjustments required by law.

- You must not allow your animals to cause a nuisance to your neighbours and the public at large or cause damage to the property. You must dispose of waste from your pets in an appropriate manner.

Performance Monitoring, Reporting and Auditing

Internal Audit and Assurance

- Shared Ownership Team are responsible for auditing every file to ensure we are adhering to Capital Funding Guide requirements. For example, showing Financial Advisor sign off and confirmation that the affordability assessment is evidenced, sign-off and reservation decision are retained on file.
- Although we are not currently a formal signatory to the Shared Ownership Code of Conduct, we will have regard to its principles and standards when delivering our shared ownership services. We will reflect the Code in our relevant policies, procedures and complaints handling wherever applicable.

Records

- Budget Planner
- Initial Affordability Check
- Mortgage Buyer / Cash Buyer sign off full
- Key Information About the Home, KID 1; Key Information About Shared Ownership, KID 2A; Summary of Costs, KID 2B.
- Shared Ownership Application form
- Reservation Form
- Memorandum of Sale
- Reservation Checklist

Version Control

Version history			
Version	Amendment details	Date	Revised by
0.1	Draft policy to bring in line with new CFG requirements	September	Tracy Clark-McCabe
1.0	Policy approved by Executive Team.	26 October 2026	Governance Team

